

MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION
2

3 ONE HUNDRED AND ELEVENTH LEGISLATURE
4

5 Legislative Document

No. 230

7 H.P. 188

House of Representatives, January 19, 1983

8 Received by the Clerk of the House on January 19, 1983. Referred to the
9 Committee on Taxation, and ordered printed pursuant to Joint Rule 14.

10 EDWIN H. PERT, Clerk

11 Presented by Representative Connors of Franklin.

12 STATE OF MAINE
13

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-THREE
16

17 AN ACT to Permit the Interstate Commerce
18 Exemption on Sales Tax to Apply to Persons who
19 Lease Vehicles Which Are Placed in Interstate
20 Commerce.
21

22 Be it enacted by the People of the State of Maine as
23 follows:

24 36 MRSA §1760, sub-§41, as amended by PL 1981,
25 c. 705, Pt. K, is further amended to read:

26 41. Certain instrumentalities of interstate or
27 foreign commerce. The sale of a vehicle, railroad
28 rolling stock, aircraft or watercraft which is placed
29 in use by the purchaser as an instrumentality of
30 interstate or foreign commerce within 30 days after
31 that sale and which is used by the purchaser not less
32 than 80% of the time for the next 2 years as an
33 instrumentality of interstate or foreign commerce.
34 This exemption applies to vehicle lessors who lease

1 to an owner as defined in Title 29, section 1. The
2 State Tax Assessor may for good cause extend for not
3 more than 30 days the time for placing the instru-
4 mentality in use in interstate or foreign commerce.
5 For purposes of this subsection, property is "placed
6 in use as an instrumentality of interstate or foreign
7 commerce" by its carrying of, or providing the motive
8 power for the carrying of, a bona fide payload in
9 interstate or foreign commerce, or by being dis-
10 patched to a specific location at which it will be
11 loaded upon arrival with, or will be used as motive
12 power for the carrying of, a payload in interstate or
13 foreign commerce. For purposes of this subsection,
14 "bona fide payload" means a cargo of persons or prop-
15 erty transported by a contract or common carrier for
16 compensation which exceeds the direct cost of carry-
17 ing that cargo or pursuant to a legal obligation to
18 provide service as a public utility or a cargo of
19 property transported in the reasonable conduct of the
20 purchaser's own nontransportation business in inter-
21 state commerce.

22

STATEMENT OF FACT

23 This bill allows the interstate commerce exemp-
24 tion to sales tax to apply to persons who lease vehi-
25 cles which are entered into interstate commerce.

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