

MAINE STATE LEGISLATURE

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L.D. 1571

(Filing No. H- 256)

STATE OF MAINE
HOUSE OF REPRESENTATIVES
11TH LEGISLATURE
FIRST REGULAR SESSION

HOUSE AMENDMENT "A" to H.P. 1177, L.D. 1571,
Bill, "AN ACT Adjusting the Rate of Refund of Motor
Fuel Tax to Users of Aircraft and to Make Technical
Adjustments to the Motor Fuel Tax Laws."

Amend the bill by striking out section 1 and
inserting in its place the following:

'Sec. 1. 36 MRSa §2903, as amended by PL 1983,
c. 94, Pt. C, §10 and cc. 95 and 96, is repealed and
the following enacted in its place:

§2903. Tax levied; rebates

An excise tax is levied and imposed at the rate
of 14¢ per gallon upon internal combustion engine
fuel sold or used within this State, including these
sales when made to the State or any political sub-
division thereof, for any purpose whatsoever, except
the internal combustion engine fuel sold or used in
such form and under such circumstances as shall pre-
clude the collection of this tax by reason of the
laws of the United States, or sold wholly for
exportation from the State, or brought into the State
in the ordinary standardized equipment fuel tank
attached to and forming a part of a motor vehicle and
used in the operation of that vehicle within the
State, except that no tax may be levied upon internal
combustion engine fuel as defined in section 2902
bought or used by any person, association of persons,
firm or corporation for the purpose of propelling jet
or turbojet engine aircraft, or sold wholly for
exportation from the State, or brought into the State
in the fuel tanks of an aircraft, or on or after July
1, 1983, sold in bulk to any political subdivision of
the State. On the same fuel only one tax shall be
paid to the State, for which tax the distributor

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1 first receiving the fuel in the State shall be prima-
2 rily liable to the State, except when that fuel has
3 been sold and delivered to a licensed exporter wholly
4 for exportation from the State, or to another dis-
5 tributor in the State, in which case the purchasing
6 distributor shall be primarily liable to the State
7 for the tax.

8 Internal combustion fuel, as defined in section
9 2902, which is held by retailers at the close of
10 March 31, 1983, shall be subject to the 14¢ per
11 gallon tax rate. Retailers, as defined in section
12 1752, subsection 10, shall be liable for the differ-
13 ence between the 14¢ per gallon tax rate and the 9¢
14 per gallon tax rate in effect prior to April 1, 1983.
15 Payment shall be made to the State Tax Assessor
16 before May 15, 1983, and it shall be accompanied by
17 the appropriate completed form described by the State
18 Tax Assessor.'

19 Further amend the bill in section 2 in that part
20 designated "§2910." by adding at the end a new para-
21 graph to read:

22 'All fuel qualifying for a refund under this
23 section is subject to use tax levy in accordance with
24 chapter 215.'

25 Further amend the bill by inserting after section
26 4 the following:

27 'Sec. 5. 36 MRSA §3035, as amended by PL 1981,
28 c. 698, §184, is further amended by adding at the end
29 a new paragraph to read:

30 Each dealer paying or becoming liable to pay the
31 tax imposed by this section who is not a licensed
32 supplier pursuant to section 3204 is liable for a 14¢
33 per gallon tax on the fuel as defined in section 3021
34 held for resale at the close of September 30, 1983.
35 Payment shall be made to the State Tax Assessor at
36 the same time the use fuel tax return for September

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1 1983 is due and it shall be accompanied by the appro-
2 priate completed form prescribed by the State Tax
3 Assessor.'

4 Further amend the bill in section 7, first line
5 (page 4, line 39 in L.D.) by striking out the word
6 and number "and 3" and inserting in their place the
7 punctuation, numbers and word ', 3 and 5'

8 Further amend the bill in section 7, in the 3rd
9 line (page 5, line 1 in L.D.) by striking out the
10 figures, punctuation and word "4, 5 and 6" and
11 inserting in their place the following: '4, 6 and 7'

12 Further amend the bill by renumbering the sec-
13 tions to read consecutively.

14 Further amend the bill by inserting before the
15 Statement of Fact the following:

16 'FISCAL NOTE

17 Section 2 of the bill will result in the follow-
18 ing losses:

19	<u>1983</u>	<u>1984</u>	<u>1985</u>
20	General Fund · (\$30,000)	(\$120,000)	(\$120,000)

21 Section 5 of the bill is estimated to increase
22 revenue as follows:

23	<u>1984</u>
24	Highway Fund \$50,000'

25 STATEMENT OF FACT

26 This amendment adds a transitional provision to
27 ensure that stockpiles of fuel held on September 30,
28 1983, that have not been subject to a tax, will not

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1 escape taxation because of the transition to a
2 supplier's tax. It also adds a fiscal note to iden-
3 tify the costs of the bill.

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3975051883

Filed by Rep. Higgins of Portland
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