

MAINE STATE LEGISLATURE

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1 SECOND REGULAR SESSION
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE
4

5 Legislative Document

No. 1709

6
7 H.P. 1202

House of Representatives, December 23, 1985

8 Approved for introduction by a majority of the Legislative Council
pursuant to Joint Rule 26.

9 Received by the Clerk of the House on December 23, 1985. Referred to
10 the Committee on Taxation and 1,600 ordered printed pursuant to Joint Rule
14.

EDWIN H. PERT, Clerk

Presented by Representative Lacroix of Oakland.

11 Cosponsored by Representative Cashman of Old Town, Representative
Theriault of Fort Kent and Representative Jackson of Harrison.

12 STATE OF MAINE
13

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

17 AN ACT Relating to Place of Payment of Motor
18 Vehicle Excise Tax on Leased Vehicles
19

20 Be it enacted by the People of the State of Maine as
21 follows:

22 36 MRS A §1484, sub-§3-D is enacted to read:

23 D. Notwithstanding this subsection, if a motor
24 vehicle is leased, the excise tax shall be paid by
25 the owner of the vehicle in the place where it would
26 be paid if the lessee were the owner.

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STATEMENT OF FACT

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Leasing of vehicles as an alternative to ownership is becoming increasingly popular. Under current law, the motor vehicle excise tax is paid to the municipality where the owner-lessor is located. As a result, the municipality where the lessee of the vehicle resides loses the excise tax that it would be getting if the lessee chose to buy a motor vehicle rather than leasing. It is fairer for the excise tax to be paid to the municipality where the lessee of the vehicle resides because that is the place where the vehicle will primarily be used.

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