

# MAINE STATE LEGISLATURE

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# 114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

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Legislative Document

No. 565

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S.P. 235

In Senate, March 6, 1989

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN  
Secretary of the Senate

Presented by President PRAY of Penobscot.

Cosponsored by Senator WEBSTER of Franklin, Representative TARDY of Palmyra and Representative McGOWAN of Canaan.

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STATE OF MAINE

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IN THE YEAR OF OUR LORD  
NINETEEN HUNDRED AND EIGHTY-NINE

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An Act Concerning the Maine Railroad Excise Tax.

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1 **Be it enacted by the People of the State of Maine as follows:**

3 **36 MRSA §2624, 2nd ¶ is amended to read:**

5  
7 When a railroad lies partly within and partly without the  
9 State, or is operated as a part of a line or system extending  
11 beyond the State, the tax shall be equal to the same proportion  
13 of the gross transportation receipts in the State, and its amount  
15 shall be determined as follows: The gross transportation receipts  
17 of such the railroad, line or system, ~~as the case may be,~~ over  
19 its whole extent, ~~within and without the State~~ the United States,  
shall be divided by the total number of miles operated within the  
United States to obtain the average gross transportation receipts  
per mile, and the gross transportation receipts in the State  
shall be taken to be the average gross transportation receipts  
per mile multiplied by the number of miles operated within the  
State, and the net railway operating income and operating  
investment within the State shall be similarly determined.

21

23 **STATEMENT OF FACT**

25 This bill provides that the railroad excise tax will be  
27 based only upon gross transportation receipts which are earned  
29 within the United States and will not include foreign receipts.  
It addresses an inequity in the existing tax as it is applied to  
Canadian railroads.