

# MAINE STATE LEGISLATURE

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# 114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

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Legislative Document

No. 950

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H.P. 698

House of Representatives, March 28, 1989

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Ed Pert".

EDWIN H. PERT, Clerk

Presented by Representative LAWRENCE of Kittery.  
Cosponsored by Representative McPHERSON of Eliot.

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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 Tax Deductions on the Purchase of a Motor  
Vehicle.

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

3 36 MRSA §2015 is enacted to read:

5 §2015. Private sales of motor vehicles

7 A person who applies the proceeds of a casual sale of a  
9 motor vehicle toward the purchase of another motor vehicle within  
11 30 days of that sale shall receive, upon presentation of  
13 appropriate documentation to the State Tax Assessor, a refund of  
15 the portion of state sales tax or use tax paid on the purchase of  
17 the 2nd motor vehicle, which is equivalent to the product of the  
19 tax rate provided by section 1811 for sales of tangible personal  
21 property and the value of the consideration for which the first  
23 motor vehicle was sold. Appropriate documentation shall include,  
25 but not be limited to, bills of sale for both sales transactions.

27  
STATEMENT OF FACT

21 This bill provides for a partial refund of state sales and  
23 use tax paid by a person who has sold a motor vehicle and used  
25 the proceeds, within 30 days, to buy another motor vehicle. The  
27 result provides to the private seller a benefit equivalent to the  
credit presently provided by the Maine Revised Statutes, Title  
36, section 1765, against the selling price of a motor vehicle  
toward which another motor vehicle is traded.