MAINE STATE LEGISLATURE

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116th MAINE LEGISLATURE

SECOND REGULAR SESSION-1994

Legislative Document

No. 1701

S.P. 603

In Senate, January 11, 1994

An Act to Assess Excise Tax on a Pro Rata Basis on Automobiles Utilized for Rental.

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 26. Reference to the Committee on Taxation suggested and ordered printed.

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator CAHILL of Sagadahoc. Cosponsored by Senator: BALDACCI of Penobscot, Representative: SIMONEAU of Thomaston.

Be it enacted by the People o	f the State of Maine as follows
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Sec. 1. 36 MRSA §1482, sub-§5-A is enacted to read:

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5-A. Credits for rental motor vehicles. A motor vehicle owner or rental company, engaged in the business of renting motor vehicles for a period of less than one year, that has paid the excise or property tax for a motor vehicle the ownership of which is transferred, or that is subsequently totally lost by fire, theft or accident or subsequently totally junked or abandoned, in the same calendar year or registration year, is entitled to a credit for the unused portion of the year to the maximum amount of the tax previously paid in that year or period for each vehicle transferred. The credit may be applied toward the tax for any number of vehicles, regardless of the number of transfers required, in the same or next calendar year or registration year. The credit must be a percentage of the excise tax paid determined by dividing 52 into the number of weeks the car is not owned in the 52-week period immediately following the motor vehicle's initial ownership by the owner or rental company. The credit must be allowed in any place in which the excise tax is payable.

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STATEMENT OF FACT

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This bill establishes an excise tax credit for owners of rental motor vehicles rented for less than one year for each vehicle owned less than one year. The credit may be applied against an excise tax payment made the same or following year for another rental motor vehicle. The credit is to be determined on a pro rata weekly basis.

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This document has not yet been reviewed to determine the need for cross-reference, stylistic and other technical amendments to conform existing law to current drafting standards.

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