

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)



# 117th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1995

---

Legislative Document

No. 533

---

H.P. 398

House of Representatives, February 14, 1995

---

### An Act to Repeal Tax Exemptions for Railroads.

---

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in black ink that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative DORE of Auburn.

Cosponsored by Representatives: DEXTER of Kingfield, JACQUES of Waterville, Senator:  
CLEVELAND of Androscoggin.

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

2           **Sec. 1. 36 MRSA §561**, as amended by PL 1969, c. 5, is further  
4 amended to read:

6           **§561. Railroad buildings**

8           The buildings of every railroad corporation or association,  
10 whether within or without the located right-of-way, its lands and  
12 fixtures outside of its located right-of-way, and ~~so much of~~ its  
14 located right-of-way ~~over which all railroad service has been~~  
~~abandoned~~, are subject to taxation in the places in which the  
same are situated, as other property is taxed therein, and ~~shall~~  
must be regarded as nonresident land.

16           **Sec. 2. 36 MRSA §1760, sub-§41**, as amended by PL 1987, c. 497,  
18 §38, is further amended to read:

20           **41. Certain instrumentalities of interstate or foreign**  
22 **commerce.** The sale of a vehicle, ~~railroad-rolling-stock~~, aircraft  
24 or watercraft ~~which~~ that is placed in use by the purchaser as an  
26 instrumentality of interstate or foreign commerce within 30 days  
28 after that sale and ~~which~~ that is used by the purchaser not less  
30 than 80% of the time for the next 2 years as an instrumentality  
32 of interstate or foreign commerce. The State Tax Assessor may  
34 for good cause extend for not more than 60 days the time for  
36 placing the instrumentality in use in interstate or foreign  
38 commerce. For purposes of this subsection, property is "placed in  
40 use as an instrumentality of interstate or foreign commerce" by  
42 its carrying of, or providing the motive power for the carrying  
of, a bona fide payload in interstate or foreign commerce, or by  
being dispatched to a specific location at which it will be  
loaded upon arrival with, or will be used as motive power for the  
carrying of, a payload in interstate or foreign commerce. For  
purposes of this subsection, "bona fide payload" means a cargo of  
persons or property transported by a contract or common carrier  
for compensation ~~which~~ that exceeds the direct cost of carrying  
that cargo or pursuant to a legal obligation to provide service  
as a public utility or a cargo of property transported in the  
reasonable conduct of the purchaser's own nontransportation  
business in interstate commerce.

44           **Sec. 3. 36 MRSA §1760, sub-§52**, as enacted by PL 1985, c. 737,  
Pt. A, §96, is repealed.

46           **Sec. 4. 36 MRSA §2621-A**, as amended by PL 1991, c. 591, Pt.  
N, §3 and affected by §4, is repealed.

2           **Sec. 5. 36 MRSA §2624, last ¶**, as affected by PL 1989, c. 875,  
Pt. E, §59, is repealed.

4

6

#### STATEMENT OF FACT

8           This bill eliminates 2 sales tax exemptions for railroad  
companies, the property tax exemption for railroad rights-of-way  
10 and a railroad excise tax credit.