

MAINE STATE LEGISLATURE

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Eds.

L.D. 653

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TAXATION

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
117TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 472, L.D. 653, Bill, "An Act to Amend the Excise Tax Charged on Commercial Vehicles"

Amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

Sec. 1. 29-A MRSA §531, sub-§6 is enacted to read:

6. Excise tax on commercial vehicles operated by nonresident owners. Nonresident owners of motor vehicles paying an apportioned registration fee to the State through the International Registration Plan shall pay to the Secretary of State an apportioned excise tax determined by multiplying the apportioned mileage percentage by the purchase price of the vehicle and by the appropriate mil rate for the model year as determined in Title 36, section 1482, subsection 1, paragraph C.

Sec. 2. 29-A MRSA §533 is enacted to read:

§533. Use of apportioned excise tax

1. Deposits. The revenue derived pursuant to Title 29-A, section 531, subsection 6 must be deposited into the Highway Fund by the Secretary of State. These funds may be used as follows.

A. Annually, between July 1st and September 30th, the Secretary of State shall disburse to each municipality a sum equal to the amount of excise revenue representing the difference between the excise tax that would have been collected using the manufacturer's list price and the excise

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2 tax actually collected on the purchase price of commercial
3 motor vehicles subject to Title 36, section 1482, subsection
4 1, paragraph C, subparagraph (3). The Secretary of State
5 shall provide supporting documentation to each municipality.

6 B. The Secretary of State shall request allocations in
7 fiscal year 1997-1998 and annually thereafter in order to
8 make the first disbursement by September 30, 1997.

10 C. Municipal participation in an excise reimbursement
11 program is optional. Any municipality wishing to
12 participate shall collect and provide to the Secretary of
13 State any information the Secretary of State requires to
14 calculate reimbursement.

16 **Sec. 3. 36 MRS §1481, sub-§7** is enacted to read:

18 7. Purchase price. "Purchase price" means the actual price
19 paid, including any trade-in value applied to the cost of
20 purchasing the vehicle.

22 **Sec. 4. 36 MRS §1482, sub-§1, ¶C**, as amended by PL 1993, c.
23 297, Pt. B, §6 and affected by §7, is further amended to read:

24 C. For the privilege of operating a motor vehicle or camper
25 trailer on the public ways, each motor vehicle, other than a
26 stock race car, or each camper trailer to be so operated is
27 subject to excise tax as follows, except as specified in
28 subparagraph (3): a sum equal to 24 mills on each dollar of
29 the maker's list price for the first or current year of
30 model, 17 1/2 mills for the 2nd year, 13 1/2 mills for the
31 3rd year, 10 mills for the 4th year, 6 1/2 mills for the 5th
32 year and 4 mills for the 6th and succeeding years. The
33 minimum tax is \$5 for a motor vehicle other than a bicycle
34 with motor attached, \$2.50 for a bicycle with motor
35 attached, \$15 for a camper trailer other than a tent trailer
36 and \$5 for a tent trailer. The excise tax on a stock race
37 car is \$5.

40 (1) On new registrations of automobiles, trucks and
41 truck tractors, the excise tax payment must be made
42 prior to registration and is for a one-year period from
43 the date of registration.

46 (2) Vehicles registered under the International
47 Registration Plan are subject to an excise tax
48 determined on a monthly proration basis if their
registration period is less than 12 months.

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2 2. The amendment authorizes the Secretary of State to
collect an apportioned excise tax from nonresident owners
4 registering vehicles in other states and paying an apportioned
registration fee through the International Registration Plan.

6 3. The amendment establishes an excise escrow account to
reimburse municipalities for the difference between excise tax
8 based on manufacturer's list price and purchase price for heavy
trucks. The Secretary of State shall calculate for each
10 municipality the revenue lost and shall reimburse each town
accordingly.

12 4. The amendment provides that any balance after
14 reimbursement to the towns would revert to the Highway Fund.

16 5. The amendment also adds a fiscal note to the bill.

18 The proration of excise tax on foreign trucks will generate
enough revenue to reimburse towns for lost excise tax and also
20 should generate a small surplus for the Highway Fund.