

	L.D. 653
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4	DATE: 6/19/95 (Filing No. H- 539)
6	TAXATION
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10	Reproduced and distributed under the direction of the Clerk of the House.
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14	STATE OF MAINE HOUSE OF REPRESENTATIVES 117TH LEGISLATURE
16	FIRST REGULAR SESSION
18	COMMITTEE AMENDMENT " \mathcal{A} " to H.P. 472, L.D. 653, Bill, "An
20	Act to Amend the Excise Tax Charged on Commercial Vehicles"
22	Amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its
24	place the following:
26	'Sec. 1. 29-A MRSA §531, sub-§6 is enacted to read:
28	6. Excise tax on commercial vehicles operated by
30	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
32	State an apportioned excise tax determined by multiplying the
34	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.
36	Sec. 2. 29-A MRSA §533 is enacted to read:
38	§533. Use of apportioned excise tax
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4.5	1. Deposits. The revenue derived pursuant to Title 29-A,
42	section 531, subsection 6 must be deposited into the Highway Fund
42	section 531, subsection 6 must be deposited into the Highway Fund by the Secretary of State. These funds may be used as follows.
44	by the Secretary of State. These funds may be used as follows. A. Annually, between July 1st and September 30th, the
	by the Secretary of State. These funds may be used as follows.

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- tax actually collected on the purchase price of commercial 2 motor vehicles subject to Title 36, section 1482, subsection 1, paragraph C, subparagraph (3). The Secretary of State 4 shall provide supporting documentation to each municipality. B. The Secretary of State shall request allocations in 6 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 program is optional. Any municipality wishing to 12 participate shall collect and provide to the Secretary of State any information the Secretary of State requires to calculate reimbursement. 14 16 Sec. 3. 36 MRSA §1481, sub-§7 is enacted to read: 7. Purchase price. "Purchase price" means the actual price 18 paid, including any trade-in value applied to the cost of 20 purchasing the vehicle. Sec. 4. 36 MRSA §1482, sub-§1, ¶C, as amended by PL 1993, c. 22 297, Pt. B, $\S6$ and affected by \$7, is further amended to read: 24 C. For the privilege of operating a motor vehicle or camper 26 trailer on the public ways, each motor vehicle, other than a stock race car, or each camper trailer to be so operated is subject to excise tax as follows, except as specified in 28 subparagraph (3): a sum equal to 24 mills on each dollar of 30 the maker's list price for the first or current year of model, 17 1/2 mills for the 2nd year, 13 1/2 mills for the 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. minimum tax is \$5 for a motor vehicle other than a bicycle 34 \$2.50 for a bicycle with motor with motor attached, 36 attached, \$15 for a camper trailer other than a tent trailer and \$5 for a tent trailer. The excise tax on a stock race car is \$5. 38 On new registrations of automobiles, trucks and 40 (1) truck tractors, the excise tax payment must be made 42 prior to registration and is for a one-year period from the date of registration.
- (2) Vehicles registered under the International
 Registration Plan are subject to an excise tax determined on a monthly proration basis if their
 registration period is less than 12 months.

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(3) For commercial vehicles manufactured in model year 2 1996 and after, the amount of excise tax due for commercial vehicles, as defined in Title 29-A, section 101, subsection 17, paragraph A and for special mobile 4 equipment, as defined in Title 29-A, section 101, subsection 70, is based on the purchase price in the 6 original year of title rather than on the list price. 8 Verification of purchase price for the application of excise tax is determined by the initial bill of sale or 10 the state sales tax document provided at point of purchase. The initial bill of sale is that issued by 12 the dealer to the initial purchaser of a new vehicle.

14For-motor-vehicles-being-registered-in-the-International
Registration-Plan,-the-excise-tax-must-be-prorated-for-the16number-of-months-in-the-registration,--If-the-registration
period-is-for-more-than-l2-months,-for-the-number-of-months18in-excess-of-l2-the-next-mill-rate-is-used,

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Sec. 5. Effective date. This Act takes effect July 1, 1996.

Further amend the bill by inserting at the end before the statement of fact the following:

'FISCAL NOTE

28 Beginning in fiscal year 1996-97, certain out-of-state truck owners will have to pay into the Highway Fund, through the 30 Secretary of State, an apportioned excise tax on 1996 and later model year vehicles. The amounts of additional Highway Fund 32 revenue can not be determined at this time.

34 This revenue is to be used by the Secretary of State to reimburse municipalities that choose to participate for any lost 36 revenue from the change in excise tax base from manufacturer's list price to actual purchase price on certain trucks. The 38 Secretary of State will request Highway Fund allocations beginning in fiscal year 1997-98 for this program. The amount of 40 future Highway Fund allocations required for these municipal reimbursements also can not be determined at this time.'

STATEMENT OF FACT

46 1. This amendment changes the method used to determine the excise tax due on certain newly purchased commercial vehicles from the manufacturer's list price to the actual purchase price.

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

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

4. The amendment provides that any balance after14 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.

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