

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 1300

H.P. 923

House of Representatives, February 16, 1999

**An Act Exempting from the Sales Tax the Value of a Trade-in Vehicle
When the Trade-in Is Sold Privately.**

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative LOVETT of Scarborough.
Cosponsored by Senator MITCHELL of Penobscot and
Representatives: COWGER of Hallowell, HONEY of Boothbay, JODREY of Bethel,
MURPHY of Berwick, SNOWE-MELLO of Poland, TOBIN of Dexter, TRIPP of Topsham.

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

4 **Sec. 1. 36 MRSA §1766** is enacted to read:

6 **§1766. Purchase of a replacement motor vehicle**

8 In a casual sale, when a person sells a motor vehicle and
10 within 30 days purchases another motor vehicle as a replacement,
12 the tax imposed by this Part is levied only upon the difference
14 between the sale price of the replacement motor vehicle and the
16 sale price of the motor vehicle being replaced.

18 **SUMMARY**

20 Current law allows the subtraction of a trade-in credit from
22 the taxable amount of sales of certain tangible personal
property. This bill allows a private person to subtract the
value of the sale of a motor vehicle from the taxable amount of a
replacement for that motor vehicle if the person purchases the
replacement within 30 days of the sale of the original motor
vehicle.