

MAINE STATE LEGISLATURE

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APPROPRIATIONS AND FINANCIAL AFFAIRS

MAJORITY

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
120TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "B" to H.P. 916, L.D. 1230, Bill, "An Act to Continue the Sales Tax Exemption on Vehicles Sold and Leased and Removed from the State"

Amend the bill by striking out everything after the title and before the summary and inserting in its place the following:

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

Sec. 1. 36 MRSA §1760, sub-§23-C, as enacted by PL 1999, c. 759, §2 and affected by §5, is amended to read:

23-C. Certain vehicles purchased or leased by nonresidents. Sales or leases of the following vehicles purchased-by to a nonresident and if the vehicle is intended to be driven or transported outside the State immediately upon delivery by-the-seller:

- A. Motor vehicles, except all-terrain vehicles as defined in Title 12, section 7851 and snowmobiles as defined in Title 12, section 7821;
B. Semitrailers;
C. Aircraft;
D. Truck bodies and trailers manufactured in the State; and
E. Camper trailers, including truck campers.

If the vehicles are registered for use in the State within 12 months of the date of purchase, the person seeking registration is liable for use tax on the basis of the original purchase price.

COMMITTEE AMENDMENT

2 Notwithstanding section 1752-A, for purposes of this subsection,
4 the term "nonresident" may include an individual, an association,
6 a society, a club, a general partnership, a limited partnership,
8 a domestic or foreign limited liability company, a trust, an
estate, a domestic or foreign corporation and any other legal
entity.'

10 Further amend the bill by inserting at the end before the
summary the following:

12 **FISCAL NOTE**

14 **2002-03**

16 **REVENUES**

18	General Fund	(\$205,833)
20	Other Funds	(11,062)

22 The reinstatement of the sales tax exemption on leases of
24 certain motor vehicles to nonresidents will decrease sales and
26 use tax collections by \$216,895 in fiscal year 2002-03, \$238,471
in fiscal year 2003-04 and \$250,394 in fiscal year 2004-05. The
28 reduction of these tax collections will decrease the amounts
transferred to the Local Government Fund for state-municipal
30 revenue sharing by \$11,062 in fiscal year 2002-03, \$12,400 in
fiscal year 2003-04 and \$13,020 in fiscal year 2004-05. The
32 resulting net reductions of General Fund revenue will be \$205,833
in fiscal year 2002-03, \$226,071 in fiscal year 2003-04 and
\$237,374 in fiscal year 2004-05.

34 The Bureau of Revenue Services will incur some minor
36 additional costs to administer these provisions. These costs can
be absorbed within the bureau's existing budgeted resources.'

38 **SUMMARY**

40 This amendment, which is the majority report of the
42 committee, reinstates the sales tax exemption, which expired
44 June 30, 2001, for leases of certain vehicles to a nonresident if
the vehicle is intended to be removed from the State immediately
46 upon delivery.