

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)

M
RdS

L.D. 2122

2
4
DATE: 3-25-02

(Filing No. H-1013)

6
8
TAXATION

10 Reproduced and distributed under the direction of the Clerk of
12 the House.

14
16
**STATE OF MAINE
HOUSE OF REPRESENTATIVES
120TH LEGISLATURE
SECOND REGULAR SESSION**

18
20 COMMITTEE AMENDMENT "A" to H.P. 1620, L.D. 2122, Bill, "An
Act to Fairly Assess Sales Tax on Vehicles"

22 Amend the bill by striking out all of section 1 and
24 inserting in its place the following:

'Sec. 1. 36 MRSA §1764, as amended by PL 1999, c. 518, §1, is
26 further amended to read:

28 **§1764. Tax against certain casual sales**

30 The tax imposed by chapters 211 to 225 must be levied upon
32 all casual sales involving the sale of camper trailers, truck
34 campers, motor vehicles, special mobile equipment except farm
tractors and lumber harvesting vehicles or loaders, livestock
36 trailers, watercraft or aircraft except those sold for resale at
retail sale or to a corporation, partnership, limited liability
38 company or limited liability partnership when the seller is the
owner of a majority of the common stock of the corporation or of
the ownership interests in the partnership, limited liability
40 company or limited liability partnership or the seller is the
spouse of such an owner.'

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

COMMITTEE AMENDMENT

2

FISCAL NOTE

4

2002-03

6

REVENUES

8

General Fund	(\$33,865)
Other Funds	(1,835)

10

The amendment limits the expansion of the exemption of the sale of certain tangible property. Enactment of this amended bill will decrease sales tax collections by \$35,700 in fiscal year 2002-03, \$15,435 in fiscal year 2003-04 and \$16,207 in fiscal year 2004-05. The reduction of these tax collections will decrease the amounts transferred to the Local Government Fund for state-municipal revenue sharing in those years by \$1,835, \$803 and \$843, respectively. The resulting net reductions of General Fund revenue are \$33,865, \$14,632 and \$15,364 in fiscal years 2002-03, 2003-04 and 2004-05, respectively.

22

The additional costs associated with administration of this sales tax exemption can be absorbed by the Department of Administrative and Financial Services utilizing existing budgeted resources.'

26

28

SUMMARY

30

This amendment restricts the application of the bill by extending the sales tax exemption for certain casual sales only to sales by the spouse of an owner of the majority interest in a corporation, limited liability company or limited liability partnership to the corporation, company or partnership. It also adds a fiscal note to the bill.

32

34