

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 530

H.P. 415

House of Representatives, February 6, 2003

An Act To Bring Equity to the Vehicle Excise Tax

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative CRESSEY of Baldwin.
Cosponsored by Senator TURNER of Cumberland and
Representatives: ANDREWS of York, COLLINS of Wells, COURTNEY of Sanford, DAVIS
of Falmouth, McKENNEY of Cumberland, NUTTING of Oakland, TRAHAN of Waldoboro,
YOUNG of Limestone.

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

2
4 **Sec. 1. 36 MRSA §1482, sub-§1, ¶C**, as amended by PL 2001, c.
671, §32, is further amended to read:

6 C. For the privilege of operating a motor vehicle,
7 including commercial motor vehicles, as defined in Title
8 29-A, section 101, subsection 17, paragraph A, and special
9 mobile equipment, as defined in Title 29-A, section 101,
10 subsection 70, or camper trailer on the public ways, each
11 motor vehicle, other than a stock race car, or each camper
12 trailer to be so operated is subject to excise tax as
13 follows, ~~except as specified in subparagraph (3):~~ a sum
14 equal to 24 mills on each dollar of the ~~maker's~~ list
15 purchase price for the first or current year of model, 17
16 1/2 mills for the 2nd year, 13 1/2 mills for the 3rd year,
17 10 mills for the 4th year, 6 1/2 mills for the 5th year and
18 4 mills for the 6th and succeeding years. The minimum tax
19 is \$5 for a motor vehicle other than a bicycle with motor
20 attached, \$2.50 for a bicycle with motor attached, \$15 for a
21 camper trailer other than a tent trailer and \$5 for a tent
22 trailer. The excise tax on a stock race car is \$5.

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

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

32 ~~(3) For commercial vehicles manufactured in model year~~
33 ~~1996 and after, the amount of excise tax due for trucks~~
34 ~~or truck tractors registered for more than 26,000~~
35 ~~pounds and for Class A special mobile equipment, as~~
36 ~~defined in Title 29-A, section 101, subsection 70, is~~
37 ~~based on the purchase price in the original year of~~
38 ~~title rather than on the list price. Verification of~~
39 ~~purchase price for the application of excise tax is~~
40 ~~determined by the initial bill of sale or the state~~
41 ~~sales tax document provided at point of purchase. The~~
42 ~~initial bill of sale is that issued by the dealer to~~
43 ~~the initial purchaser of a new vehicle.~~

44
45 Verification of purchase price for the application of excise
46 tax is determined by the initial bill of sale or the state
47 sales tax document provided at point of purchase. The
48

2 initial bill of sale is that issued by the dealer to the
3 initial purchaser of a new vehicle.

4 For motor vehicles being registered pursuant to Title 29-A,
5 section 405, subsection 1, paragraph C, the excise tax must
6 be prorated for the number of months in the registration.

8

SUMMARY

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11 This bill changes the method of computing the excise tax
12 that is levied on motor vehicles and campers registered in the
13 State. Current law requires, with the exception of commercial
14 motor vehicles and special mobile equipment, that the excise tax
15 be based upon the maker's list price for the motor vehicle; the
16 excise tax on commercial motor vehicles and special mobile
17 equipment is based on the purchase price.

18

19 This bill requires that the excise tax for all motor
20 vehicles and campers be based upon the purchase price of the
21 vehicle. Either the original bill of sale or the state sales tax
22 document may be used to certify the purchase price. The bill
23 repeals the section of law dealing with the computation of excise
24 taxes on commercial motor vehicles since all motor vehicles would
 be taxed in the same manner under this bill.