

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 991

S.P. 332

In Senate, February 25, 2003

An Act To Equalize Fuel Taxes on Vehicles Used for Personal Travel

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator ROTUNDO of Androscoggin.
Cosponsored by Representative WALCOTT of Lewiston and
Senators: DOUGLASS of Androscoggin, HATCH of Somerset, Representative: CRAVEN of
Lewiston.

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

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Sec. 1. 36 MRSA §3203, sub-§1, as amended by PL 2001, c. 688, §5, is further amended to read:

1. Generally. Except as provided in subsection 7 and section 3204-A, an excise tax is levied and imposed on all suppliers of distillates sold, on all retailers of low-energy fuel sold and on all users of special fuel used in this State for each gallon of distillate at the rate of 23¢ per gallon and for each gallon of low-energy fuel based on the British Thermal Unit, referred to in this subsection as "BTU," energy content for each fuel as compared to gasoline. In the case of distillates, the tax rate provided by this section is subject to annual inflation adjustment pursuant to section 3321. Applicable BTU values are as follows.

Fuel type	BTU content gallon	Formula (BUU value fuel/ BTU value gasoline) x tax rate gasoline	Tax rate
Gasoline	115,000	100% x 22¢	22¢ per gallon as authorized in section 2903
Methanol (M85)	65,530	57% x 22¢	12.5¢ per gallon
Ethanol (E85)	81,850	71% x 22¢	15.6¢ per gallon
Propane	84,500	73% x 22¢	16¢ per gallon
Compressed Natural Gas	100,000 (BTU per 100 standard cubic feet)	87% x 22¢	19.1¢ per 100 standard cubic feet

2 **Sec. 2. 36 MRSA §3203, sub-§7** is enacted to read:

4 **7. Lower tax levied on certain uses of diesel fuel.**
6 Beginning January 1, 2004, in place of the fuel tax established
8 under subsection 1, a person who operates a vehicle that uses
 diesel fuel shall pay the excise tax imposed under section 2903,
 subsection 1 if the following conditions are met:

10 A. The person is not a user as defined in section 3202,
 subsection 9; and

12 B. The fuel is used in a motor vehicle that is registered as
14 an automobile or pickup truck in compliance with Title 29-A,
 section 501, subsection 1.

16 **Sec. 3. Agencies to develop plan for implementation.** The
18 Commissioner of Transportation, in consultation with the
20 Department of the Secretary of State, Bureau of Motor Vehicles
 and the Department of Administrative and Financial Services,
22 Maine Revenue Services, shall develop a method to implement a
 change in the fuel tax imposed on automobiles and light pickup
 trucks that use diesel fuel.

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SUMMARY

28 This bill provides for diesel automobiles and pickup trucks
30 less than 6,000 pounds to pay the gas tax imposed on other
 automobiles rather than the special fuel tax paid by commercial
 vehicles.