

MAINE STATE LEGISLATURE

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TAXATION

Report A

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
122ND LEGISLATURE
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to H.P. 727, L.D. 1074, Bill, "An Act To Stimulate Economic Development in Maine's Aviation Industry"

Amend the bill in section 2 by striking out all of subsection 88 (page 1, lines 8 to 11 in L.D.) and inserting in its place the following:

'88. Aircraft and parts. Sales or leases of aircraft that weigh over 6,000 pounds, that are propelled by one or more turbine engines or that are in use by a Federal Aviation Administration classified 135 operator and all aircraft parts, systems or components for use in any aircraft, or the repair and maintenance thereof.'

SUMMARY

This amendment, which is a minority report of the committee, limits the exemption for aircraft to those that weigh over 6,000 pounds, that are propelled by turbine engines or in use by a Federal Aviation Administration classified 135 operator and clarifies the aircraft parts eligible for the exemption.

FISCAL NOTE REQUIRED
(See attached)

COMMITTEE AMENDMENT



122nd MAINE LEGISLATURE

LD 1074

LR 1615(02)

An Act To Stimulate Economic Development in Maine's Aviation Industry

Fiscal Note for Bill as Amended by Committee Amendment "A"

Committee: Taxation

Fiscal Note Required: Yes

Majority Report

Fiscal Note

	2005-06	2006-07	Projections 2007-08	Projections 2008-09
Net Cost (Savings)				
General Fund	\$807,789	\$1,064,262	\$1,107,792	\$1,173,152
Revenue				
General Fund	(\$807,789)	(\$1,064,262)	(\$1,107,792)	(\$1,173,152)
Other Special Revenue Funds	(\$43,411)	(\$57,194)	(\$60,765)	(\$64,350)

Fiscal Detail and Notes

Providing a sales and use tax exemption for certain aircraft sales and leases and aircraft parts is expected to reduce General Fund revenue by \$807,789 in fiscal year 2005-06 and \$1,064,262 in fiscal year 2006-07 based on an October 1, 2005 effective date.