

MAINE STATE LEGISLATURE

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123rd MAINE LEGISLATURE

FIRST REGULAR SESSION-2007

Legislative Document

No. 558

H.P. 436

House of Representatives, February 5, 2007

**An Act To Create Fairness in the Motor Vehicle Excise Tax by
Implementing the Recommendations of the Secretary of State's Task
Force on Registration Fees**

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative PENDLETON of Scarborough.

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

2 **CONCEPT DRAFT**
3 **SUMMARY**

4 This bill is a concept draft pursuant to Joint Rule 208.

5 This bill proposes to implement the recommendations of the Secretary of State's task
6 force to study the municipal excise tax and motor vehicle registration fees. The
7 recommendations include:

- 8 1. Flattening the current excise tax rate imposed on motor vehicles pursuant to the
9 Maine Revised Statutes, Title 36, section 1482 to provide for a lower initial rate from
10 the current 24 mills and a more gradual decrease in the rate;
- 11 2. Phasing in gradually a decrease in the top excise tax rate from 24 mills to 18 mills,
12 the national average;
- 13 3. Enhancing the vehicle registration form to make it clear that the motor vehicle
14 excise tax is municipal revenue to be used by the municipality at its discretion;
- 15 4. Requiring municipalities to include in their town reports an explanation of the
16 implementation and distribution of the motor vehicle excise tax; and
- 17 5. Developing an educational program, working in conjunction with the Maine
18 Municipal Association, to allow municipal agents who collect motor vehicle excise
19 taxes to provide consistent and correct information to citizens regarding the use of
20 motor vehicle excise tax revenue by the municipality.