

MAINE STATE LEGISLATURE

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123rd MAINE LEGISLATURE

SECOND REGULAR SESSION-2008

Legislative Document

No. 1976

S.P. 770

December 18, 2007

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

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Received by the Secretary of the Senate on December 18, 2007. Referred to the Committee on Taxation pursuant to Joint Rule 308.2 and ordered printed.

A handwritten signature in cursive script, reading 'Joy J. O'Brien'.

JOY J. O'BRIEN
Secretary of the Senate

Presented by President EDMONDS of Cumberland.

Cosponsored by Representative PINGREE of North Haven and Senators: BENOIT of Sagadahoc, COURTNEY of York, Representatives: GERZOFKY of Brunswick, WATSON of Bath, WEBSTER of Freeport.

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

2 **Sec. 1. 36 MRSA §1760, sub-§23-C, ¶B,** as enacted by PL 1999, c. 759, §2 and
3 affected by §5, is amended to read:

4 B. Semitrailers; and

5 **Sec. 2. 36 MRSA §1760, sub-§23-C, ¶C,** as amended by PL 2005, c. 618, §2
6 and affected by §5, is repealed.

7 **Sec. 3. 36 MRSA §1760, sub-§45, ¶A-2,** as amended by PL 2007, c. 438, §45, is
8 further amended to read:

9 A-2. If the property is a snowmobile or all-terrain vehicle as defined in Title 12,
10 section 13001 and the purchaser is an individual who is not a resident of the State; or

11 **Sec. 4. 36 MRSA §1760, sub-§45, ¶A-3,** as enacted by PL 2005, c. 519, Pt. EE,
12 §1 and affected by §3, is repealed.

13 **Sec. 5. 36 MRSA §1760, sub-§76,** as amended by PL 2003, c. 588, §11, is
14 repealed.

15 **Sec. 6. 36 MRSA §1760, sub-§88,** as enacted by PL 2005, c. 519, Pt. EE, §2 and
16 affected by §3, is amended to read:

17 **88. Aircraft and parts.** Sales or leases of aircraft ~~that weigh over 6,000 pounds,~~
18 ~~that are propelled by one or more turbine engines or that are in use by a Federal Aviation~~
19 ~~Administration classified 135 operator~~ and sales of repair or replacement parts
20 exclusively for use in aircraft or in the significant overhauling or rebuilding of aircraft or
21 aircraft parts or components.

22 **SUMMARY**

23 Current law provides an exemption from sales tax for an aircraft that is purchased by
24 a nonresident, that is purchased and used outside of Maine, that weighs over 6,000
25 pounds, that is propelled by a turbine engine or that is used by a Federal Aviation
26 Administration classified 135 operator. Current law also provides a sales tax exemption
27 for the sale or use of replacement or repair parts of an aircraft used by a scheduled airline.

28 This bill extends the sales tax exemption to all aircraft, regardless of where used, and
29 also provides a sales tax exemption for parts that are used exclusively in the repair or
30 significant overhauling of an aircraft.