MAINE STATE LEGISLATURE

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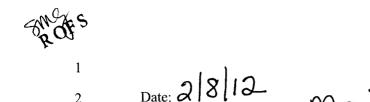
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L.D. 52

(Filing No. H-694)

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STATE OF MAINE

HOUSE OF REPRESENTATIVES

125TH LEGISLATURE

SECOND REGULAR SESSION

COMMITTEE AMENDMENT "H" to H.P. 45, L.D. 52, Bill, "An Act To Dedicate a Percentage of the Sales and Use Tax on Motor Vehicles and Motor Vehicle Parts to the Highway Fund"

Amend the bill by striking out the title and substituting the following:

'An Act To Dedicate a Percentage of the Sales and Use Tax on Automobiles and Motorcycles to the Highway Fund'

Amend the bill in section 1 in §1817 by striking out all of the indented paragraph (page 1, lines 4 to 19 in L.D.) and inserting the following:

Beginning on July 1, 2013, and every July 1st thereafter, the State Controller shall transfer to the Highway Fund an amount, as certified by the State Tax Assessor, that is equal to 20% of the revenue from the tax imposed on the sale or use of automobiles, as defined in section 1752, subsection 1-B, and motorcycles, as defined in Title 29-A, section 101, subsection 38, pursuant to section 1811 or 1861 for the first 6 months of the prior fiscal year after the reduction for the transfer to the Local Government Fund under Title 30-A, section 5681, subsection 5. Beginning on October 1, 2013, and every October 1st thereafter, the State Controller shall transfer to the Highway Fund an amount, as certified by the State Tax Assessor, that is equal to 20% of the revenue from the tax imposed on the sale or use of automobiles, as defined in section 1752, subsection 1-B, and motorcycles, as defined in Title 29-A, section 101, subsection 38, pursuant to section 1811 or 1861 for the last 6 months of the prior fiscal year after the reduction for the transfer to the Local Government Fund. The tax amount must be based on actual sales for that fiscal year and may not consider any accruals that may be required by law. The amount transferred from General Fund sales and use tax revenues does not affect the calculation for the transfer to the Local Government Fund. The transfer required by this section does not apply to taxes imposed on casual sales pursuant to section 1764.

Amend the bill by inserting after section 1 the following:

'Sec. 2. Appropriations and allocations. The following appropriations and allocations are made.

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ROFS	COMMITTEE AMENDMENT " \bigcap " to H.P. 45, L.D. 52			
1	ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF			
2	Revenue Services - Bureau of 0002			
3 4 5	Initiative: Provides an appropriation to modify sales tax return forms and for related processing, imaging and report-writing software to capture information needed to implement transfers to the Highway Fund.			
6	GENERAL FUND	2011-12 2012-13		
7 8	All Other	\$0 \$20,000		
9	GENERAL FUND TOTAL	\$0 \$20,000		
	1	,		
11	SUMMARY			
12	This amendment provides that 20% of the sales or use tax on automobiles and			
13	motorcycles, rather than on motor vehicles and motor vehicle parts as in the bill, must be			
14	transferred to the Highway Fund beginning in 2013, rather than in 2012 as in the bill.			
15	The amendment also adds an appropriations and allocations section.			
16	FISCAL NOTE REQUIRED			
17	(See att	ached)		



125th MAINE LEGISLATURE

LD 52

LR 85(02)

An Act To Dedicate a Percentage of the Sales and Use Tax on Motor Vehicles and Motor Vehicle Parts to the Highway Fund

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

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
Net Cost (Savings)				
General Fund	\$0	\$20,000	\$27,498,700	\$29,588,700
Highway Fund	\$0	\$0	(\$27,498,700)	(\$29,588,700)
Appropriations/Allocations				
General Fund	\$0	\$20,000	\$0	\$0
Revenue				
General Fund	\$0	\$0	(\$27,498,700)	(\$29,588,700)
Highway Fund	\$0	\$0	\$27,498,700	\$29,588,700

Fiscal Detail and Notes

This legislation proposes to transfer 20% of the sales or use tax on automobiles, motorcycles and the parts of such vehicles from the General Fund to the Highway Fund. The first required transfer would be made on July 1, 2013, thus having no effect on either General Fund or Highway Fund Revenues through fiscal year 2012-13. After the current biennium, this transfer would result in a reduction in General Fund revenue of \$27,498,700 in fiscal year 2013-14 and \$29,588,700 in fiscal year 2014-15, with corresponding increases in Highway Fund revenues. No Highway Fund allocations have been included as the legislation does not address how the funds should be spent.

The bill includes a one-time General Fund appropriation of \$20,000 to the Bureau of Revenue Services within the Department of Administrative and Financial Services to modify the sales tax return form and make related changes to software and imaging processes in fiscal year 2012-13.