

# MAINE STATE LEGISLATURE

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Date: 2/8/12

Majority

L.D. 52  
(Filing No. H-694)

TAXATION

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
125TH LEGISLATURE  
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" 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.

**COMMITTEE AMENDMENT**





# 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 "A"

Committee: Taxation

Fiscal Note Required: Yes

### Fiscal Note

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