

# MAINE STATE LEGISLATURE

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# 126th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2013

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Legislative Document

No. 728

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S.P. 266

In Senate, February 28, 2013

**An Act To Amend the Laws Dealing with the Taxing of Extended  
Warranty Claims for Trucks**

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Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT  
Secretary of the Senate

Presented by Senator THOMAS of Somerset.  
Cosponsored by Representative DUNPHY of Embden and  
Senators: LANGLEY of Hancock, MAZUREK of Knox, SHERMAN of Aroostook,  
THIBODEAU of Waldo, WHITTEMORE of Somerset, Representative: AYOTTE of Caswell.

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

2 **Sec. 1. 36 MRSA §1752, sub-§11, ¶B,** as amended by PL 2011, c. 655, Pt. PP,  
3 §2 and affected by §4 and amended by c. 684, §1 and affected by §3, is repealed and the  
4 following enacted in its place:

5 B. "Retail sale" does not include:

6 (1) Any casual sale;

7 (2) Any sale by a personal representative in the settlement of an estate unless the  
8 sale is made through a retailer or the sale is made in the continuation or operation  
9 of a business;

10 (3) The sale, to a person engaged in the business of renting automobiles, of  
11 automobiles, integral parts of automobiles or accessories to automobiles, for  
12 rental or for use in an automobile rented for a period of less than one year. For  
13 the purposes of this subparagraph, "automobile" includes a pickup truck or van  
14 with a gross vehicle weight of less than 26,000 pounds;

15 (4) The sale, to a person engaged in the business of renting video media and  
16 video equipment, of video media or video equipment for rental;

17 (5) The sale, to a person engaged in the business of renting or leasing  
18 automobiles, of automobiles for rental or lease for one year or more;

19 (6) The sale, to a person engaged in the business of providing cable or satellite  
20 television services, of associated equipment for rental or lease to subscribers in  
21 conjunction with a sale of extended cable or extended satellite television services;

22 (7) The sale, to a person engaged in the business of renting furniture or audio  
23 media and audio equipment, of furniture, audio media or audio equipment for  
24 rental pursuant to a rental-purchase agreement as defined in Title 9-A, section  
25 11-105;

26 (8) The sale of loaner vehicles to a new vehicle dealer licensed as such pursuant  
27 to Title 29-A, section 953;

28 (9) The sale of automobile repair parts used in the performance of repair services  
29 on an automobile pursuant to an extended service contract sold on or after  
30 September 20, 2007 that entitles the purchaser to specific benefits in the service  
31 of the automobile for a specific duration;

32 (10) The sale, to a retailer that has been issued a resale certificate pursuant to  
33 section 1754-B, subsection 2-B or 2-C, of tangible personal property for resale in  
34 the form of tangible personal property, except resale as a casual sale;

35 (11) The sale, to a retailer that has been issued a resale certificate pursuant to  
36 section 1754-B, subsection 2-B or 2-C, of a taxable service for resale, except  
37 resale as a casual sale;

38 (12) The sale, to a retailer that is not required to register under section 1754-B,  
39 of tangible personal property for resale outside the State in the form of tangible  
40 personal property, except resale as a casual sale;

1 (13) The sale, to a retailer that is not required to register under section 1754-B,  
2 of a taxable service for resale outside the State, except resale as a casual sale;

3 (14) The sale of repair parts used in the performance of repair services on  
4 telecommunications equipment as defined in section 2551, subsection 19  
5 pursuant to an extended service contract that entitles the purchaser to specific  
6 benefits in the service of the telecommunications equipment for a specific  
7 duration;

8 (15) The sale of positive airway pressure equipment and supplies for rental for  
9 personal use to a person engaged in the business of renting positive airway  
10 pressure equipment;

11 (16) The sale, to a person engaged in the business of renting or leasing motor  
12 homes, as defined in Title 29-A, section 101, subsection 40, or camper trailers, of  
13 motor homes or camper trailers for rental; or

14 (17) The sale of truck repair parts used in the performance of repair services on a  
15 truck pursuant to an extended service contract that entitles the purchaser to  
16 specific benefits in the service of the truck for a specific duration.

17 **Sec. 2. 36 MRSA §1752, sub-§20-B** is enacted to read:

18 **20-B. Truck.** "Truck" means a self-propelled motor vehicle with at least 4 wheels  
19 designed and used primarily to carry property, not designed to run on tracks and having a  
20 gross vehicle weight rating greater than 10,000 pounds. A truck may be used to tow  
21 trailers or semitrailers.

22 **SUMMARY**

23 This bill exempts from sales tax parts used in the repair of a truck pursuant to an  
24 extended service contract. Current law provides this exemption for the parts used in the  
25 repair of an automobile pursuant to an extended service contract.