

MAINE STATE LEGISLATURE

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Date: 3/31/14

L.D. 1754

(Filing No. H-774)

majority

TAXATION

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
126TH LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 1259, L.D. 1754, Bill, "An Act To Amend the Laws Governing the Location of Motor Vehicle Excise Tax Collection for Motor Vehicles Owned by Public Utilities"

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

'Resolve, To Require a Study of the Payment of Motor Vehicle Excise Tax by Public Utilities'

Amend the bill by striking out everything after the title and before the summary and inserting the following:

'Sec. 1. Study group established. Resolved: That the Study Group to Evaluate the Payment of Motor Vehicle Excise Tax by Public Utilities, referred to in this resolve as "the study group," is established; and be it further

Sec. 2. Study group membership. Resolved: That the study group consists of 5 members appointed as follows:

1. Three members of the Senate appointed by the President of the Senate, including at least one member from each of the 2 parties holding the largest number of seats in the Legislature. Two of the appointees must be members of the Joint Standing Committee on Taxation, and one of the appointees must be a member of the Joint Standing Committee on Energy, Utilities and Technology; and

2. Two members of the House of Representatives appointed by the Speaker of the House, including one member from each of the 2 parties holding the largest number of seats in the Legislature. One appointee must be a member of the Joint Standing Committee on Taxation, and one appointee must be a member of the Joint Standing Committee on Energy, Utilities and Technology; and be it further

Sec. 3. Chair. Resolved: That the House member from the Joint Standing Committee on Taxation is the chair of the study group; and be it further

Sec. 4. Appointments; convening of study group. Resolved: That all appointments must be made no later than 30 days following the effective date of this

COMMITTEE AMENDMENT

R.O.F.S

1 resolve. The appointing authorities shall notify the Executive Director of the Legislative
2 Council once all appointments have been completed. After appointment of all members,
3 the chair shall call and convene the first meeting of the study group. If 30 days or more
4 after the effective date of this resolve a majority of but not all appointments have been
5 made, the chair may request authority and the Legislative Council may grant authority for
6 the study group to meet and conduct its business; and be it further

7 **Sec. 5. Duties. Resolved:** That the study group shall:

8 1. Compare the treatment with regard to taxation under the Maine Revised Statutes,
9 Title 36, section 1484, subsection 3, paragraph C of:

10 A. Corporations described in Title 35-A, sections 2101 to 2104 that, under Title 36,
11 section 1484, subsection 3, paragraph C, subparagraph (2), pay motor vehicle excise
12 tax to the place in which the registered or main office of the corporation is located;
13 and

14 B. Corporations that, under Title 36, section 1484, subsection 3, paragraph C,
15 subparagraph (1), pay motor vehicle excise tax to the location of the permanent place
16 of business where the vehicle is customarily kept;

17 2. Determine the fiscal impact on municipalities of requiring public utilities to pay
18 motor vehicle excise tax to the location of a permanent place of business where a vehicle
19 is customarily kept, including the administrative impact on municipalities where vehicles
20 are customarily kept if new collection obligations are imposed; and

21 3. Analyze the public policies surrounding the payment of motor vehicle excise tax
22 by corporations under Title 36, section 1484, subsection 3, paragraph C, including the
23 impact of payment location on utility ratepayers, property tax payers and municipal
24 budgets; and be it further

25 **Sec. 6. Staff assistance. Resolved:** That the Legislative Council shall provide
26 necessary staffing services to the study group. The Public Utilities Commission shall
27 provide assistance to the study group in obtaining information regarding the impact of
28 payment location on utility ratepayers. The Department of Administrative and Financial
29 Services, Maine Revenue Services shall provide assistance to the study group in
30 obtaining information from municipalities regarding fiscal and administrative impacts of
31 the collection of motor vehicle excise tax on vehicles owned by public utilities; and be it
32 further

33 **Sec. 7. Report. Resolved:** That, no later than November 5, 2014, the study
34 group shall submit to the Joint Standing Committee on Taxation a report that includes its
35 findings and recommendations, including suggested legislation, for presentation to the
36 joint standing committee of the Legislature having jurisdiction over taxation matters of
37 the First Regular Session of the 127th Legislature.'

38 **SUMMARY**

39 This resolve, which is the majority report of the committee, establishes the Study
40 Group to Evaluate the Payment of Motor Vehicle Excise Tax by Public Utilities to study
41 and analyze current law regarding the location of payment of motor vehicle excise tax by
42 public utilities as compared to other corporations. The study group is required to report

2.016

COMMITTEE AMENDMENT "A" to H.P. 1259, L.D. 1754

1 the results of its study and analysis to the Joint Standing Committee on Taxation for
2 presentation to the joint standing committee of the Legislature having jurisdiction over
3 taxation matters of the First Regular Session of the 127th Legislature. The committee is
4 authorized to submit legislation related to the report pursuant to the joint rules.

FISCAL NOTE REQUIRED
(See attached)

COMMITTEE AMENDMENT



126th MAINE LEGISLATURE

LD 1754

LR 2716(02)

An Act To Amend the Laws Governing the Location of Motor Vehicle Excise Tax Collection for Motor Vehicles Owned by Public Utilities

Fiscal Note for Bill as Amended by Committee Amendment

A(CH-774)

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

Legislative Cost/Study

Legislative Cost/Study

The general operating expenses of this study are projected to be \$3,000 in fiscal year 2014-15. The Legislature's proposed budget includes \$10,000 in fiscal year 2014-15 for legislative studies. Whether the amount is sufficient to fund all studies will depend on the number of studies authorized by the Legislative Council and the Legislature. The additional costs of providing staffing assistance to the study during the interim can be absorbed utilizing existing budgeted staff resources.

Fiscal Detail and Notes

Additional costs to the Public Utilities Commission and the Department of Administrative and Financial Services, Maine Revenue Services, associated with providing assistance to the study group can be absorbed within existing budgeted resources.