

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals
(may include minor formatting differences from printed original)



128th MAINE LEGISLATURE

FIRST REGULAR SESSION-2017

Legislative Document

No. 116

H.P. 84

House of Representatives, January 17, 2017

An Act To Increase Funding for Multimodal Transportation

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative GOLDEN of Lewiston.

Cosponsored by Representatives: GRANT of Gardiner, JORGENSEN of Portland, Senator:
MIRAMANT of Knox.

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

2 **Sec. 1. 36 MRSA §1811, first ¶**, as amended by PL 2015, c. 267, Pt. OOOO, §5
3 and affected by §7, is further amended to read:

4 A tax is imposed on the value of all tangible personal property, products transferred
5 electronically and taxable services sold at retail in this State. The rate of tax is 7% on the
6 value of liquor sold in licensed establishments as defined in Title 28-A, section 2,
7 subsection 15, in accordance with Title 28-A, chapter 43; 7% on the value of rental of
8 living quarters in any hotel, rooming house or tourist or trailer camp; 10% on the value of
9 rental for a period of less than one year of an automobile, of a pickup truck or van with a
10 gross vehicle weight of less than 26,000 pounds rented from a person primarily engaged
11 in the business of renting automobiles or of a loaner vehicle that is provided other than to
12 a motor vehicle dealer's service customers pursuant to a manufacturer's or dealer's
13 warranty; 7% on the value of prepared food; and 5% on the value of all other tangible
14 personal property and taxable services and products transferred electronically.
15 Notwithstanding the other provisions of this section, from October 1, 2013 to December
16 31, 2015, the rate of tax is 8% on the value of rental of living quarters in any hotel,
17 rooming house or tourist or trailer camp; 8% on the value of prepared food; 8% on the
18 value of liquor sold in licensed establishments as defined in Title 28-A, section 2,
19 subsection 15, in accordance with Title 28-A, chapter 43; and 5.5% on the value of all
20 other tangible personal property and taxable services and products transferred
21 electronically. Notwithstanding the other provisions of this section, beginning January 1,
22 2016, the rate of tax is 9% on the value of rental of living quarters in any hotel, rooming
23 house or tourist or trailer camp; 8% on the value of prepared food; 8% on the value of
24 liquor sold in licensed establishments as defined in Title 28-A, section 2, subsection 15,
25 in accordance with Title 28-A, chapter 43; and 5.5% on the value of all other tangible
26 personal property and taxable services and products transferred electronically and
27 beginning October 1, 2017, the rate of tax is 15% on the value of rental for a period of
28 less than one year of an automobile, of a pickup truck or van with a gross vehicle weight
29 of less than 26,000 pounds rented from a person primarily engaged in the business of
30 renting automobiles or of a loaner vehicle that is provided other than to a motor vehicle
31 dealer's service customers pursuant to a manufacturer's or dealer's warranty. Value is
32 measured by the sale price, except as otherwise provided. The value of rental for a period
33 of less than one year of an automobile or of a pickup truck or van with a gross vehicle
34 weight of less than 26,000 pounds rented from a person primarily engaged in the business
35 of renting automobiles is the total rental charged to the lessee and includes, but is not
36 limited to, maintenance and service contracts, drop-off or pick-up fees, airport
37 surcharges, mileage fees and any separately itemized charges on the rental agreement to
38 recover the owner's estimated costs of the charges imposed by government authority for
39 title fees, inspection fees, local excise tax and agent fees on all vehicles in its rental fleet
40 registered in the State. All fees must be disclosed when an estimated quote is provided to
41 the lessee.

1

SUMMARY

2

This bill increases the sales tax on short-term rentals of automobiles, small trucks and vans from 10% to 15% to provide funding for multimodal transportation. The increase

3

takes effect October 1, 2017.

4