

MAINE STATE LEGISLATURE

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SAM
ROSI

L.D. 1890

Date: 3/25/22

(Filing No. H-841)

TAXATION

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
130TH LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 1400, L.D. 1890, "An Act To Create a Rental Fleet Registration Program and Equalize the Tax Rate Imposed on Rental Vehicles"

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

'An Act To Equalize Sales Tax Treatment of Certain Vehicles'

Amend the bill by striking out all of Part A.

Amend the bill in Part B by striking out all of section 1 and inserting the following:

'Sec. B-1. 36 MRSA §1752, sub-§11, ¶B, as amended by PL 2021, c. 181, Pt. B, §§2 and 3, is further amended by amending subparagraph (3-A) to read:

(3-A) The sale, to a person primarily engaged in the business of renting automobiles, of pickup trucks or vans with a gross vehicle weight of less than 26,000 pounds, integral parts of such vehicles or accessories for such vehicles, for rental or for use in such a vehicle rented for a period of less than one year;

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment removes from the bill provisions that established a registration program for rental fleet vehicles. The amendment also provides that the term "retail sale" for sales tax purposes excludes the purchase of all trucks and vans with a gross vehicle weight of less than 26,000 pounds, including integral parts and accessories for those vehicles, by a rental company, if those vehicles will be used for short-term rental.

FISCAL NOTE REQUIRED

(See attached)

COMMITTEE AMENDMENT



130th MAINE LEGISLATURE

LD 1890

LR 2393(02)

An Act To Create a Rental Fleet Registration Program and Equalize the Tax Rate Imposed on Rental Vehicles

Fiscal Note for Bill as Amended by Committee Amendment "A" (H-841)

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2021-22	FY 2022-23	Projections FY 2023-24	Projections FY 2024-25
Net Cost (Savings)				
General Fund	\$0	(\$138,937)	(\$42,750)	\$4,750
Revenue				
General Fund	\$0	\$138,937	\$42,750	(\$4,750)
Other Special Revenue Funds	\$0	\$7,313	\$152,250	\$199,750

Fiscal Detail and Notes

The bill would result in an increase in General Fund revenue of \$138,937 and an increase in Local Government Fund revenue of \$7,313 in fiscal year 2022-23. Additionally, in the next biennium the Multimodal Transportation Fund within the Department of Transportation will increase by \$142,500 in fiscal year 2023-24 and \$190,000 in fiscal year 2024-25 for increases in vehicle rental sales tax.