

# MAINE STATE LEGISLATURE

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Date 6/14/23

(Filing No S-332)

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STATE OF MAINE  
SENATE  
131ST LEGISLATURE  
FIRST SPECIAL SESSION

SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H P 164, L D 259, "An Act Making Unified Allocations from the Highway Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2023, June 30, 2024 and June 30, 2025 "

Amend the amendment by striking out all of Part I and inserting the following

PART I

Sec. I-1. 36 MRSA §1821 is enacted to read

§1821 Tax on sales by automobile dealers and sales and use taxes collected by Bureau of Motor Vehicles related to motor vehicles

Beginning July 1, 2023, and every July 1st thereafter, the assessor shall notify the State Controller of the amount of revenue attributable to the sales tax collected under this Part at the rate of 5.5% for the first 6 months of the prior fiscal year from automobile dealers licensed by the Bureau of Motor Vehicles pursuant to Title 29-A, chapter 9 and the amount of revenue attributable to the sales and use tax imposed at the rate of 5.5% and collected under this Part by the Bureau of Motor Vehicles for the first 6 months of the prior fiscal year.

Beginning October 1, 2023, and every October 1st thereafter, the assessor shall notify the State Controller of the amount of revenue attributable to the sales tax collected under this Part at the rate of 5.5% for the last 6 months of the prior fiscal year from automobile dealers licensed by the Bureau of Motor Vehicles pursuant to Title 29-A, chapter 9 and the amount of revenue attributable to the sales and use tax imposed at the rate of 5.5% and collected under this Part by the Bureau of Motor Vehicles for the last 6 months of the prior fiscal year.

When notified by the assessor, the State Controller shall transfer 40% of the amount in the notice, after the reduction for transfer to the Local Government Fund pursuant to Title 30-A, section 5681, subsection 5, from the General Fund to the Highway Fund.

Sec. I-2. Appropriations and allocations. The following appropriations and allocations are made

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

SENATE AMENDMENT



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SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H P 164, L D 259 (S-332)

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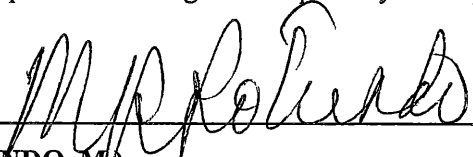
<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$101,861,600</b>	<b>\$104,107,200</b>
<b>SECTION TOTALS</b>	<b>2023-24</b>	<b>2024-25</b>
<b>GENERAL FUND</b>	<b>\$20,240</b>	<b>\$0</b>
<b>HIGHWAY FUND</b>	<b>\$101,861,600</b>	<b>\$104,107,200</b>
<b>SECTION TOTAL - ALL FUNDS</b>	<b>\$101,881,840</b>	<b>\$104,107,200</b>

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

**SUMMARY**

This amendment replaces Part I with a requirement that 40% of the revenue from the 5 5% sales tax collected on sales of automobiles by dealers licensed by the Department of the Secretary of State, Bureau of Motor Vehicles and 40% of the 5 5% sales and use tax collected by the Bureau of Motor Vehicles attributable to the sales and use tax collected by the Bureau of Motor Vehicles be transferred to the Highway Fund The transfer of sales tax revenue is done after the reduction for the transfer to the Local Government Fund so it does not affect the amount provided under so-called revenue sharing The amendment does not include revenue from the taxes imposed on short-term rentals of automobiles

The amendment adds Highway Fund allocations to the Department of Transportation for capital projects and also adds an appropriation to the Department of Administrative and Financial Services to provide funding for computer system upgrades for the sales and use tax diversion

SPONSORED BY:   
(Senator ROTUNDO, M)

COUNTY: Androscoggin

**FISCAL NOTE REQUIRED**  
(See attached)

**SENATE AMENDMENT**



# 131st MAINE LEGISLATURE

LD 259

LR 2413(06)

**An Act Making Unified Allocations from the Highway Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2023, June 30, 2024 and June 30, 2025**

**Fiscal Note for Senate Amendment "A" to Committee Amendment "A" (S-332)**

**Sponsor: Sen. Rotundo of Androscoggin**

**Fiscal Note Required: Yes**

## Fiscal Note

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
<b>Net Cost (Savings)</b>				
General Fund	\$18,670,364	\$13,168,278	\$2,364,582	\$2,374,963
Highway Fund	\$83,129,290	\$90,887,321	(\$2,364,582)	(\$2,374,963)
<b>Appropriations/Allocations</b>				
General Fund	(\$61,946)	(\$51,601)	\$0	
Highway Fund	\$101,861,600	\$104,107,200	\$0	
<b>Revenue</b>				
General Fund	(\$18,732,310)	(\$13,219,879)	(\$2,364,582)	(\$2,374,963)
Highway Fund	\$18,732,310	\$13,219,879	\$2,364,582	\$2,374,963
<b>Fund Detail by Section</b>				
<b>Appropriations/Allocations</b>				
<b>General Fund</b>				
PART I, Section 2	\$20,240	\$0	\$0	\$0
PART OFPR, Section 2	(\$82,186)	(\$51,601)	\$0	\$0
<b>Highway Fund</b>				
PART I, Section 2	\$101,861,600	\$104,107,200	\$0	\$0
<b>Revenue</b>				
<b>General Fund</b>				
PART I, Section 1	(\$101,861,600)	(\$104,107,200)	(\$104,374,400)	(\$104,808,000)
PART OFPR, Section 1	\$83,129,290	\$90,887,321	\$102,009,818	\$102,433,037
<b>Highway Fund</b>				
PART I, Section 1	\$101,861,600	\$104,107,200	\$104,374,400	\$104,808,000
PART OFPR, Section 1	(\$83,129,290)	(\$90,887,321)	(\$102,009,818)	(\$102,433,037)

SA (S 332)

**Fiscal Detail and Notes**

This amendment replaces Part I, removing the reference to sales tax on automobile parts, including sales and use tax collected by the Bureau of Motor Vehicles in the calculation of revenues transferred and reducing the transfer percentage from 50% to 40%. The incremental impact on General Fund revenue is a decrease (i.e. more GF revenue transferred) of \$18,732,310 in fiscal year 2023-24 and \$13,219,879 in fiscal year 2024-25 with a corresponding increase in Highway Fund revenue. The amendment also replaces the Part I, General Fund appropriation for the Bureau of Revenue Services in the Department of Administrative and Financial Services. It also adds Highway Fund allocations in each year of the biennium to the Department of Transportation for capital projects.

Please note the "PART OFPR" lines in this fiscal note are added to calculate the incremental impact of this floor amendment.