

# MAINE STATE LEGISLATURE

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N I N E T Y - S E V E N T H L E G I S L A T U R E

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**Legislative Document**

**No. 1544**

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H. P. 1251

House of Representatives, May 11, 1955

Reported by a minority of the Committee on Highways and Taxation jointly.  
Printed under Joint Rules No. 10.

HARVEY R. PEASE, Clerk

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**STATE OF MAINE**

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IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
FIFTY-FIVE

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**AN ACT Increasing the Tax on Gasoline and Providing for Additional Construction and Reconstruction of State Aid Highways in Hardship Cases.**

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**Emergency preamble.** Whereas, the present highway program requires immediate funds in order to match federal funds for the construction of highways and to carry out necessary maintenance of highway ; and

Whereas, such construction and maintenance should be started immediately to preserve the roads and furnish transportation for necessities to the people; and

Whereas, in the judgment of the Legislature these facts create an emergency within the meaning of the Constitution of Maine, and require the following legislation as immediately necessary for the preservation of the public peace, health and safety ; now, therefore,

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

**Sec. 1. R. S., c. 16, § 160, amended.** Section 160 of chapter 16 of the revised statutes is hereby amended to read as follows :

**'Sec. 160. Tax levied; rebates.** An excise tax is levied and imposed at the rate of ~~6c~~ 7c per gallon upon internal combustion engine fuel sold or used within this State, including such sales when made to the State or any political subdivision thereof, for any purpose whatsoever, excepting, however, such internal combustion engine fuel sold or used in such form and under such circumstances as shall preclude the collection of this tax by reason of the provisions of the laws of the United States, or sold wholly for exportation from the State, or

brought into the State in the ordinary standardized equipment fuel tank attached to and forming a part of a motor vehicle and used in the operation of such vehicle within the State; provided, however, that on the same fuel only one tax shall be paid to the State, for which tax the distributor first receiving the fuel in the State shall be primarily liable to the State, except when such fuel has been sold and delivered to another distributor in the State, in which case the purchasing distributor shall be primarily liable to the State for the tax; and provided further, that ~~5c~~ **6c** of the tax so paid, and no more, upon such internal combustion fuel used in motor boats, in tractors used for agricultural purposes not operating on public ways, or in such vehicles as run only on rails or tracks, or in stationery engines or in the mechanical or industrial arts, shall be refunded as hereinafter provided; and provided further, that 8 mills of the tax so paid on fuel used in motor boats, which is not refunded under the provisions of section 166, shall be paid to the Treasurer of State, to be made available to the Commissioner of Sea and Shore Fisheries for the purpose of conducting research, development and propagation activities by the Department.

It is the responsibility of said Commissioner to select activities and projects that will be most beneficial to the commercial fisheries of the State.'

**Sec. 2. R. S., c. 16, § 162, amended.** Section 162 of chapter 16 of the revised statutes is hereby amended to read as follows:

'**Sec. 162. Distributor entitled to collect 7c additional.** Each distributor paying or becoming liable to pay the tax imposed by sections 158 to 168, inclusive, shall be entitled to charge and collect ~~6c~~ **7c** per gallon only as a part of the selling price of the internal combustion engine fuels subject to the tax.'

**Sec. 3. R. S., c. 16, § 163, amended.** The 3rd, 4th and 5th sentences of section 163 of chapter 16 of the revised statutes are hereby amended to read as follows:

'At the time of the filing of said report each distributor shall pay to the State Tax Assessor a tax of ~~6c~~ **7c** upon each gallon so reported as sold, distributed or used and the State Tax Assessor shall pay over all receipts from such tax to the Treasurer of State daily. If such report is not filed by the last day of the month such distributor shall be liable to a penalty of \$5 a day for each day in arrears, due on demand by the State Tax Assessor and recoverable in an action of debt. Each distributor shall, within 15 days after demand made on him by the State Tax Assessor, pay a tax of ~~6c~~ **7c** per gallon upon each gallon of such fuel upon which the tax has not been paid, which upon an audit the State Tax Assessor may find to have been received into the State during the preceding year by the distributor and not properly accounted for in a distributor's report or in accordance with law.'

**Sec. 4. R. S., c. 16, § 166, amended.** Section 166 of chapter 16 of the revised statutes is hereby amended to read as follows:

'**Sec. 166. Refund of 6/7 of tax collected in certain cases; time limit for applicaiton.** Any person, association of persons, firm or corporation who shall buy and use any internal combustion engine fuel as defined in sections 158 to 168, inclusive, for the purpose of operating or propelling motor boats, tractors

used for agricultural purposes not operating on public ways, or in such vehicles as run only on rails or tracks, or in stationary engines, or in the mechanical or industrial arts, or for any other commercial use except in motor vehicles operated or intended to be operated upon any of the public highways of this State, or turnpikes operated and maintained by the Maine Turnpike Authority, or except, as provided in section 167, for the use in the operation of aircraft, and who shall have paid any tax on internal combustion engine fuel levied or directed to be paid as provided by sections 158 to 168, inclusive, either directly by the collection of such tax by the vendor from such consumer, or indirectly by adding the amount of such tax to the price of such fuel and paid by such consumer, shall be reimbursed and repaid to the extent of ~~5/6~~ 6/7 of the amount of such tax paid by him upon presenting to the State Tax Assessor a sworn statement accompanied by the original invoices showing such purchases, which statement shall show the total amount of such fuel so purchased and used by such consumer other than in motor vehicles operated or intended to be operated upon any of the public highways of the State and in the operation of aircraft.

Provided that applications for refunds as provided herein must be filed with the State Tax Assessor within 9 months from the date of purchase.'

**Sec. 5. R. S., c. 16, § 172, amended.** Section 172 of chapter 16 of the revised statutes is hereby amended to read as follows :

'**Sec. 172. Levy of tax and exemptions.** An excise tax is imposed on all users of fuel upon the use of such fuel by any person within this State, only when such fuel is used in an internal combustion engine for the generation of power to propel motor vehicles of any kind or character on the public highways or turnpikes operated and maintained by the Maine Turnpike Authority, at the rate of ~~6e~~ 7c per gallon, to be computed in the manner set forth in sections 173 to 187, inclusive; provided, however, that no tax is imposed upon the use of any fuel if the Constitution of the United States or of this State precludes such tax.'

**Sec. 6. Collection of taxes.** No tax imposed by the provisions of this act shall be levied prior to June 1, 1955.

**Sec. 7. Appropriation for state aid construction and reconstruction in hardship cases.** Beginning with the fiscal year ending June 30, 1956, there is hereby appropriated annually from the General Highway Fund the sum of \$1,000,000 for construction and reconstruction of state-aid roads to be allocated to hardship cases by the State Highway Commission. Any unexpended balances shall not lapse but shall be carried forward to the next fiscal year to be expended for the same purposes.

**Emergency clause.** In view of the emergency cited in the preamble, this act shall take effect when approved.