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An Act To Create Fairness in the Motor Vehicle Excise Tax by Implementing the Recommendations of the Secretary of State's Task Force on Registration Fees

CONCEPT DRAFT SUMMARY

This bill is a concept draft pursuant to Joint Rule 208.

This bill proposes to implement the recommendations of the Secretary of State's task force to study the municipal excise tax and motor vehicle registration fees. The recommendations include:

1. Flattening the current excise tax rate imposed on motor vehicles pursuant to the Maine Revised Statutes, Title 36, section 1482 to provide for a lower initial rate from the current 24 mills and a more gradual decrease in the rate;
2. Phasing in gradually a decrease in the top excise tax rate from 24 mills to 18 mills, the national average;
3. Enhancing the vehicle registration form to make it clear that the motor vehicle excise tax is municipal revenue to be used by the municipality at its discretion;
4. Requiring municipalities to include in their town reports an explanation of the implementation and distribution of the motor vehicle excise tax; and
5. Developing an educational program, working in conjunction with the Maine Municipal Association, to allow municipal agents who collect motor vehicle excise taxes to provide consistent and correct information to citizens regarding the use of motor vehicle excise tax revenue by the municipality.