



125th MAINE LEGISLATURE

LD 52

LR 85(01)

An Act To Dedicate a Percentage of the Sales and Use Tax on Motor Vehicles and Motor Vehicle Parts to the Highway Fund

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Rep. Cebra of Naples

Committee: Taxation

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
Net Cost (Savings)				
General Fund	\$20,000	\$31,747,100	\$34,998,000	\$36,928,400
Highway Fund	\$0	(\$31,747,100)	(\$34,998,000)	(\$36,928,400)
Appropriations/Allocations				
General Fund	\$20,000	\$0	\$0	\$0
Revenue				
General Fund	\$0	(\$31,747,100)	(\$34,998,000)	(\$36,928,400)
Highway Fund	\$0	\$31,747,100	\$34,998,000	\$36,928,400

Fiscal Detail and Notes

This legislation proposes to transfer 20% of the sales or use tax on motor vehicles and motor vehicle parts from the General Fund to the Highway Fund. This transfer would result in a reduction in General Fund revenue of \$31,747,100 in fiscal year 2012-13 and a corresponding increase in Highway Fund revenues. No Highway Fund allocations have been included as the legislation does not address how the funds should be spent.

The Bureau of Revenue Services within the Department of Administrative and Financial Services will require a one-time General Fund appropriation of \$20,000 to modify the sales tax return form and make related changes to software and imaging processes in fiscal year 2011-12.