



# 125th MAINE LEGISLATURE

LD 52

LR 85(02)

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

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

### Fiscal Note

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
<b>Net Cost (Savings)</b>				
General Fund	\$0	\$20,000	\$27,498,700	\$29,588,700
Highway Fund	\$0	\$0	(\$27,498,700)	(\$29,588,700)
<b>Appropriations/Allocations</b>				
General Fund	\$0	\$20,000	\$0	\$0
<b>Revenue</b>				
General Fund	\$0	\$0	(\$27,498,700)	(\$29,588,700)
Highway Fund	\$0	\$0	\$27,498,700	\$29,588,700

#### Fiscal Detail and Notes

This legislation proposes to transfer 20% of the sales or use tax on automobiles, motorcycles and the parts of such vehicles from the General Fund to the Highway Fund. The first required transfer would be made on July 1, 2013, thus having no effect on either General Fund or Highway Fund Revenues through fiscal year 2012-13. After the current biennium, this transfer would result in a reduction in General Fund revenue of \$27,498,700 in fiscal year 2013-14 and \$29,588,700 in fiscal year 2014-15, with corresponding increases in Highway Fund revenues. No Highway Fund allocations have been included as the legislation does not address how the funds should be spent.

The bill includes a one-time General Fund appropriation of \$20,000 to the Bureau of Revenue Services within the Department of Administrative and Financial Services to modify the sales tax return form and make related changes to software and imaging processes in fiscal year 2012-13.