



# 125th MAINE LEGISLATURE

LD 571

LR 1368(01)

**An Act To Amend the Laws Governing Sales Tax on Used Motor Vehicles**

**Preliminary Fiscal Impact Statement for Original Bill**

**Sponsor: Sen. Snowe-Mello of Androscoggin**

**Committee: Taxation**

**Fiscal Note Required: Yes**

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## **Preliminary Fiscal Impact Statement**

Current biennium cost increase - General Fund

Current biennium cost increase - Other Special Revenue Funds

### **Fiscal Detail and Notes**

This bill would limit the taxable sales price of a used motor vehicle to the price stated on the receipt or bill of sale in the absence of convincing evidence that other consideration was given which raises the taxable sales price. This will generally lower the sales tax collected and result in losses to the General Fund and reductions to revenue sharing. Maine Revenue Services states that ambiguities inherent in the term "convincing evidence" and other key terms of the bill make it impossible to determine the extent of the revenue impact without further clarification.