



128th MAINE LEGISLATURE

LD 707

LR 1685(01)

An Act To Base the Motor Vehicle Excise Tax on the Purchase Price of the Motor Vehicle

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Rep. Ordway of Standish

Committee: Taxation

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

Current biennium revenue decrease - Municipalities

Minor revenue decrease - General Fund

Fiscal Detail and Notes

This bill proposes to change the method of calculating motor vehicle excise tax to base it on the purchase price rather than the maker's list price. The Maine Municipal Association has estimated that revenues collected by municipalities would be reduced by \$20 million annually.

General Fund revenue would be reduced by a minor amount for nonresidents who register their vehicles in Maine and pay excise tax to the state. No change to the budget is required.