



129th MAINE LEGISLATURE

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Legislative Document

No. 1157

H.P. 846

House of Representatives, March 7, 2019

**An Act To Fix Maine's Roads and Bridges by Establishing a
Seasonal Gasoline Tax Adjustment**

Reference to the Committee on Transportation suggested and ordered printed.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative McLEAN of Gorham.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 36 MRSA §2903, sub-§1**, as amended by PL 2011, c. 240, §24, is further
3 amended to read:

4 **1. Excise tax imposed.** Beginning July 1, 2008 and ending June 30, 2009, an excise
5 tax is imposed on internal combustion engine fuel used or sold in this State, including
6 sales to the State or a political subdivision of the State, at the rate of 28.4¢ per gallon,
7 except that the rate is 3.4¢ per gallon on internal combustion engine fuel bought or used
8 for the purpose of propelling jet or turbojet engine aircraft. Beginning July 1, 2009 and
9 ending October 31, 2019, an excise tax is imposed on internal combustion engine fuel
10 used or sold in this State, including sales to the State or a political subdivision of the
11 State, at the rate of 29.5¢ per gallon, except that the rate is 3.4¢ per gallon on internal
12 combustion engine fuel bought or used for the purpose of propelling jet engine aircraft.
13 The tax rate provided by this subsection except the rate of tax imposed on fuel bought or
14 used for the purpose of propelling jet engine aircraft is subject to an annual inflation
15 adjustment pursuant to section 3321. Any fuel containing at least 10% internal
16 combustion engine fuel is subject to the tax imposed by this section.

17 **Sec. 2. 36 MRSA §2903, sub-§1-C**, as amended by PL 2009, c. 434, §38, is
18 repealed.

19 **Sec. 3. 36 MRSA §2903, sub-§1-D** is enacted to read:

20 **1-D. Seasonal excise tax imposed.** Beginning November 1, 2019, an excise tax is
21 imposed on internal combustion engine fuel used or sold in this State, including sales to
22 the State or a political subdivision of the State, at the rate of:

23 A. From November 1st to May 31st annually, 27¢ per gallon; and

24 B. From June 1st to October 31st annually, 37¢ per gallon.

25 Notwithstanding paragraphs A and B, for internal combustion engine fuel bought or used
26 for the purpose of propelling jet engine aircraft, the rate is 3.4¢ per gallon.

27 Any fuel containing at least 10% internal combustion engine fuel is subject to the tax
28 imposed by this section.

29 **Sec. 4. 36 MRSA §2903, sub-§6**, as reallocated by RR 2007, c. 2, §21, is
30 amended to read:

31 **6. Deposit to trust fund.** Beginning July 1, 2009 the Treasurer of State shall deposit
32 monthly into the TransCap Trust Fund established in Title 30-A, section 6006-G 7.5% of
33 the excise tax after the distribution of taxes pursuant to section 2903-D imposed under
34 ~~subsection~~ subsections 1 and 1-D.

35 **SUMMARY**

36 This bill adjusts the tax imposed on gasoline on a seasonal basis, so that the tax is 27¢
37 per gallon from November 1st to May 31st and 37¢ per gallon from June 1st to October

1 31st annually. The current tax rate on gasoline is 30¢ per gallon. This bill also repeals
2 the requirement that an inventory tax be paid on gasoline on hand whenever there is an
3 increase in the tax.