

STATE OF MAINE

—
IN THE YEAR OF OUR LORD
TWO THOUSAND TWENTY-SIX

—
H.P. 205 - L.D. 305

**An Act Regarding the Motor Vehicle Excise Tax Exemption for Leased
Automobiles for Certain Veterans**

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, Public Law 2025, chapter 152 was enacted to prevent the misuse of the motor vehicle excise tax exemption for certain disabled veterans; and

Whereas, through the process of implementing Public Law 2025, chapter 152, it was uncovered that a significant group of disabled veterans lease, rather than own, their vehicles and was excluded from the excise tax exemption, creating an inequity that was not contemplated during legislative debate and runs counter to the spirit of the law; and

Whereas, leasing may be the most practical and affordable option for veterans living on fixed incomes or disability compensation; and

Whereas, this legislation must go into effect as soon as possible to address this matter; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. 36 MRSA §1483, sub-§12, as amended by PL 2025, c. 152, §2, is further amended to read:

12. Certain Automobiles owned by certain veterans. Automobiles owned by veterans who are granted free registration of those vehicles by the Secretary of State under Title 29-A, section 523, subsection 1 or 2 or who are disabled by injury or disease incurred or aggravated during active military service in the line of duty and are receiving any form of pension or compensation from the United States Government for total, service-connected disability. A maximum of 3 automobiles owned by a veteran are exempt from the excise tax. In order for an automobile to qualify for an exemption from the excise tax

under this subsection, the name of the qualifying veteran must appear on the automobile's certificate of title. If there are multiple owners of an automobile, at least one of the owners whose name appears on the certificate of title must meet the requirements of this subsection in order for the automobile to qualify for the exemption;

Sec. 2. 36 MRSA §1483, sub-§12-A is enacted to read:

12-A. Automobiles leased by certain veterans. Automobiles leased by veterans who are disabled by injury or disease incurred or aggravated during active military service in the line of duty and are receiving any form of pension or compensation from the United States Government for total, service-connected disability. A maximum of 3 automobiles leased by a veteran are exempt from the excise tax. In order for an automobile to qualify for an exemption from the excise tax under this subsection, the name of the qualifying veteran must appear on the automobile's lease agreement. If there are multiple lessees of an automobile, at least one of the lessees whose name appears on the automobile's lease agreement must meet the requirements of this subsection in order for the automobile to qualify for the exemption.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect July 1, 2026.