



125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 706

H.P. 537

House of Representatives, February 23, 2011

**An Act To Base the Motor Vehicle Excise Tax on Ninety Percent of
the Maker's List Price**

Received by the Clerk of the House on February 18, 2011. Referred to the Committee on
Taxation pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script, reading "Heather J.R. Priest".

HEATHER J.R. PRIEST
Clerk

Presented by Representative HARMON of Palermo.
Cosponsored by Representatives: BENNETT of Kennebunk, DUNPHY of Embden,
GILLWAY of Searsport, JOHNSON of Greenville, KESCHL of Belgrade, McCLELLAN of
Raymond, RICHARDSON of Carmel, RIOUX of Winterport.

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

2 **Sec. 1. 36 MRSA §1482, sub-§1, ¶C**, as amended by PL 2001, c. 671, §32, is
3 further amended to read:

4 C. For the privilege of operating a motor vehicle or camper trailer on the public
5 ways, each motor vehicle, other than a stock race car, or each camper trailer to be so
6 operated is subject to excise tax as follows, except as specified in subparagraph (3): a
7 sum equal to 24 mills on each dollar of the adjusted maker's list price for the first or
8 current year of model, ~~17-1/2~~ 20 mills for the 2nd year, ~~13-1/2~~ 15 mills for the 3rd
9 year, ~~10~~ 13 mills for the 4th year, ~~6-1/2~~ 10 mills for the 5th year ~~and 4~~ .6 mills for
10 the 6th year and 3.5 mills for the succeeding years. The minimum tax is \$5 for a
11 motor vehicle other than a bicycle with motor attached, \$2.50 for a bicycle with
12 motor attached, \$15 for a camper trailer other than a tent trailer and \$5 for a tent
13 trailer. The excise tax on a stock race car is \$5.

14 (1) On new registrations of automobiles, trucks and truck tractors, the excise tax
15 payment must be made prior to registration and is for a one-year period from the
16 date of registration.

17 (2) Vehicles registered under the International Registration Plan are subject to an
18 excise tax determined on a monthly proration basis if their registration period is
19 less than 12 months.

20 (3) For commercial vehicles manufactured in model year 1996 and after, the
21 amount of excise tax due for trucks or truck tractors registered for more than
22 26,000 pounds and for Class A special mobile equipment, as defined in Title
23 29-A, section 101, subsection 70, is based on the purchase price in the original
24 year of title rather than on the list price. Verification of purchase price for the
25 application of excise tax is determined by the initial bill of sale or the state sales
26 tax document provided at point of purchase. The initial bill of sale is that issued
27 by the dealer to the initial purchaser of a new vehicle.

28 For motor vehicles being registered pursuant to Title 29-A, section 405, subsection 1,
29 paragraph C, the excise tax must be prorated for the number of months in the
30 registration. For purposes of this paragraph, "adjusted maker's list price" means 90%
31 of the maker's list price, as described in subsection 4.

32 **Sec. 2. Application.** This Act applies to motor vehicles registered on or after
33 October 1, 2011.

34 **SUMMARY**

35 Current law requires the excise tax paid on motor vehicles to be based on the maker's
36 list price, regardless of the amount actually paid for the motor vehicle.

37 This bill instead requires the excise tax to be based on 90% of the maker's list price
38 for the motor vehicle, regardless of the amount actually paid for the motor vehicle, and it
39 changes the mill rate structure for the succeeding years.

