



125th MAINE LEGISLATURE

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Legislative Document

No. 1202

H.P. 893

House of Representatives, March 21, 2011

**An Act To Equalize the Premiums Imposed on the Sale of Motor
Vehicle Oil**

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST
Clerk

Presented by Representative HARVELL of Farmington.

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

2 **Sec. 1. 10 MRSA §1020, sub-§1, ¶A-1**, as enacted by PL 2007, c. 618, §2, is
3 repealed.

4 **Sec. 2. 10 MRSA §1020, sub-§1, ¶A-2**, as enacted by PL 2007, c. 618, §3, is
5 amended to read:

6 A-2. "Diesel engine ~~bulk~~ motor vehicle oil" means diesel engine ~~bulk~~ motor vehicle
7 oil meeting the performance requirements of American Petroleum Institute CJ-4
8 standards and all preceding specifications under those standards, inclusive of all
9 viscosity grades.

10 **Sec. 3. 10 MRSA §1020, sub-§1, ¶C-1**, as enacted by PL 2007, c. 618, §5, is
11 amended to read:

12 C-1. "Gasoline engine ~~bulk~~ motor vehicle oil" means gasoline engine ~~bulk~~ motor
13 vehicle oil meeting the performance requirements of American Petroleum Institute
14 SM and International Lubricant Standardization and Approval Committee GF-4
15 standards and all preceding specifications under those standards, inclusive of all
16 viscosity grades.

17 **Sec. 4. 10 MRSA §1020, sub-§1, ¶H**, as enacted by PL 2007, c. 618, §9, is
18 repealed.

19 **Sec. 5. 10 MRSA §1020, sub-§6-A**, as amended by PL 2009, c. 213, Pt. KKK,
20 §2, is further amended to read:

21 **6-A. Premium.** In addition to any other tax or charge imposed under state or federal
22 law, a premium is imposed on ~~bulk~~ motor vehicle oil ~~and prepackaged motor vehicle oil~~
23 sold or distributed in the State as provided in this subsection. A motor vehicle oil dealer
24 that makes the first sale or distribution of ~~bulk~~ motor vehicle oil ~~or prepackaged motor~~
25 ~~vehicle oil~~ in the State shall pay the premium. Gasoline engine ~~bulk~~ motor vehicle oils
26 are subject to a premium of ~~\$1.10~~ 35¢ per gallon. Diesel engine ~~bulk~~ motor vehicle oils
27 are subject to a premium of 35¢ per gallon. ~~Prepackaged motor vehicle oils are subject to~~
28 ~~a premium of 35¢ per gallon.~~ All premiums must be paid to the State Tax Assessor and
29 are subject to the administrative provisions of Title 36, Parts 1 and 3, as though they were
30 a sales tax liability. By the 20th day of each month, the State Tax Assessor shall notify
31 the State Controller and the Treasurer of State of the amount of revenue attributable to the
32 premium collected under this subsection in the previous month. When notified by the
33 State Tax Assessor, the State Controller shall transfer that amount to the fund. ~~The~~
34 ~~premium imposed on prepackaged motor vehicle oil takes effect October 1, 2009.~~

35 **Sec. 6. 36 MRSA §112, sub-§8, ¶D**, as amended by PL 2009, c. 496, §2, is
36 further amended to read:

37 D. Administration of the premium imposed on ~~bulk~~ motor vehicle oil ~~and~~
38 ~~prepackaged motor vehicle oil~~ under Title 10, section 1020.

1 **Sec. 7. 36 MRSA §1752, sub-§14, ¶B**, as amended by PL 2009, c. 625, §4 and
2 affected by §§16 and 18 and c. 652, Pt. C, §8, is further amended to read:

3 B. "Sale price" does not include:

4 (1) Discounts allowed and taken on sales;

5 (2) Allowances in cash or by credit made upon the return of merchandise
6 pursuant to warranty;

7 (3) The price of property returned by customers, when the full price is refunded
8 either in cash or by credit;

9 (4) The price received for labor or services used in installing or applying or
10 repairing the property sold, if separately charged or stated;

11 (5) Any amount charged or collected, in lieu of a gratuity or tip, as a specifically
12 stated service charge, when that amount is to be disbursed by a hotel, restaurant
13 or other eating establishment to its employees as wages;

14 (6) The amount of any tax imposed by the United States on or with respect to
15 retail sales, whether imposed upon the retailer or the consumer, except any
16 manufacturers', importers', alcohol or tobacco excise tax;

17 (7) The cost of transportation from the retailer's place of business or other point
18 from which shipment is made directly to the purchaser, ~~provided that~~ if those
19 charges are separately stated and the transportation occurs by means of common
20 carrier, contract carrier or the United States mail;

21 (8) The fee imposed by Title 10, section 1169, subsection 11;

22 (9) The fee imposed by section 4832, subsection 1;

23 (10) The lead-acid battery deposit imposed by Title 38, section 1604, subsection
24 2-B;

25 (11) Any amount charged or collected by a person engaged in the rental of living
26 quarters as a forfeited room deposit or cancellation fee if the prospective
27 occupant of the living quarters cancels the reservation on or before the scheduled
28 date of arrival;

29 (12) The premium imposed on bulk gasoline engine and diesel engine motor
30 vehicle oil ~~and prepackaged motor vehicle oil~~ by Title 10, section 1020,
31 subsection 6-A; or

32 (13) Any amount charged for the disposal of used tires.

33 **Sec. 8. Effective date.** This Act takes effect October 1, 2011.

34 **SUMMARY**

35 Under current law, motor vehicle oil, when sold in containers of more than 5 gallons,
36 is subject to a premium of \$1.10 per gallon. Prepackaged motor oil and diesel engine
37 motor oil are subject to a premium of 35¢ per gallon.

1 This bill equalizes the premiums for all motor vehicle oils at 35¢ per gallon, effective
2 October 1, 2011.