



125th MAINE LEGISLATURE

SECOND REGULAR SESSION-2012

Legislative Document

No. 1809

H.P. 1333

House of Representatives, February 6, 2012

**An Act To Apply the Sales Tax on Camper Trailers and Motor
Homes Purchased for Rental in the Same Manner as on
Automobiles Purchased for Rental**

(AFTER DEADLINE)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Reference to the Committee on Taxation suggested and ordered printed.

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

HEATHER J.R. PRIEST
Clerk

Presented by Representative VOLK of Scarborough.

Cosponsored by Representatives: BENNETT of Kennebunk, HARMON of Palermo, KNIGHT of Livermore Falls, WATERHOUSE of Bridgton, Senators: COURTNEY of York, HASTINGS of Oxford, SHERMAN of Aroostook, WHITTEMORE of Somerset.

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

2 **Sec. 1. 36 MRSA §1752, sub-§11, ¶B,** as amended by PL 2011, c. 209, §1 and
3 affected by §5, is further amended to read:

4 B. "Retail sale" does not include:

5 (1) Any casual sale;

6 (2) Any sale by a personal representative in the settlement of an estate unless the
7 sale is made through a retailer or the sale is made in the continuation or operation
8 of a business;

9 (3) The sale, to a person engaged in the business of renting automobiles, of
10 automobiles, integral parts of automobiles or accessories to automobiles, for
11 rental or for use in an automobile rented for a period of less than one year. For
12 the purposes of this subparagraph, "automobile" includes a pickup truck or van
13 with a gross vehicle weight of less than 26,000 pounds;

14 (4) The sale, to a person engaged in the business of renting video media and
15 video equipment, of video media or video equipment for rental;

16 (5) The sale, to a person engaged in the business of renting or leasing
17 automobiles, of automobiles for rental or lease for one year or more;

18 (6) The sale, to a person engaged in the business of providing cable or satellite
19 television services, of associated equipment for rental or lease to subscribers in
20 conjunction with a sale of extended cable or extended satellite television services;

21 (7) The sale, to a person engaged in the business of renting furniture or audio
22 media and audio equipment, of furniture, audio media or audio equipment for
23 rental pursuant to a rental-purchase agreement as defined in Title 9-A, section
24 11-105;

25 (8) The sale of loaner vehicles to a new vehicle dealer licensed as such pursuant
26 to Title 29-A, section 953;

27 (9) The sale of automobile repair parts used in the performance of repair services
28 on an automobile pursuant to an extended service contract sold on or after
29 September 20, 2007 that entitles the purchaser to specific benefits in the service
30 of the automobile for a specific duration;

31 (10) The sale, to a retailer that has been issued a resale certificate pursuant to
32 section 1754-B, subsection 2-B or 2-C, of tangible personal property for resale in
33 the form of tangible personal property, except resale as a casual sale;

34 (11) The sale, to a retailer that has been issued a resale certificate pursuant to
35 section 1754-B, subsection 2-B or 2-C, of a taxable service for resale, except
36 resale as a casual sale;

37 (12) The sale, to a retailer that is not required to register under section 1754-B,
38 of tangible personal property for resale outside the State in the form of tangible
39 personal property, except resale as a casual sale;

1 (13) The sale, to a retailer that is not required to register under section 1754-B,
2 of a taxable service for resale outside the State, except resale as a casual sale; ~~or~~

3 (14) The sale of repair parts used in the performance of repair services on
4 telecommunications equipment as defined in section 2551, subsection 19
5 pursuant to an extended service contract that entitles the purchaser to specific
6 benefits in the service of the telecommunications equipment for a specific
7 duration; or

8 (15) The sale, to a person engaged in the business of renting or leasing camper
9 trailers, as defined in section 1481, subsection 1-A, or motor homes, as defined in
10 Title 29-A, section 101, subsection 40, of camper trailers or motor homes for
11 rental or lease.

12 **Sec. 2. 36 MRSA §1752, sub-§17-B**, as amended by PL 2011, c. 209, §2 and
13 affected by §5, is further amended to read:

14 **17-B. Taxable service.** "Taxable service" means the rental of living quarters in a
15 hotel, rooming house or tourist or trailer camp; the transmission and distribution of
16 electricity; the rental or lease of an automobile, a camper trailer, as defined in section
17 1481, subsection 1-A but without restriction on length, or a motor home, as defined in
18 Title 29-A, section 101, subsection 40; the rental or lease of a pickup truck or van with a
19 gross vehicle weight of less than 26,000 pounds from a person primarily engaged in the
20 business of renting automobiles; the sale of an extended service contract on an
21 automobile that entitles the purchaser to specific benefits in the service of the automobile
22 for a specific duration; and the sale of prepaid calling service.

23 **SUMMARY**

24 This bill provides that camper trailers and motor homes are not subject to sales tax
25 when purchased by a person engaged in the renting or leasing of those items and subjects
26 the rental of those items to sales tax at the rate of 5%.