



126th MAINE LEGISLATURE

FIRST REGULAR SESSION-2013

Legislative Document

No. 167

S.P. 56

In Senate, January 31, 2013

**An Act To Base the Motor Vehicle Excise Tax on the Purchase Price
of the Motor Vehicle**

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator PATRICK of Oxford.

Cosponsored by Senators: BOYLE of Cumberland, DUTREMBLE of York, Representatives:
BEAULIEU of Auburn, HARLOW of Portland.

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 2011, c. 646, §3, is
3 further amended to read:

4 C. For the privilege of operating a motor vehicle, including a commercial motor
5 vehicle as defined in Title 29-A, section 101, subsection 17, paragraphs A and B and
6 special mobile equipment as defined in Title 29-A, section 101, subsection 70, or
7 camper trailer on the public ways, each motor vehicle, other than a stock race car, or
8 each camper trailer to be so operated is subject to excise tax as follows, ~~except as~~
9 ~~specified in subparagraph (3) or (4):~~ a sum equal to 24 mills on each dollar of the
10 ~~maker's list purchase price for the first or current year of model,~~ 17 1/2 mills for the
11 2nd year, 13 1/2 mills for the 3rd year, 10 mills for the 4th year, 6 1/2 mills for the
12 5th year and 4 mills for the 6th and succeeding years. The minimum tax is \$5 for a
13 motor vehicle other than a bicycle with motor attached, \$2.50 for a bicycle with
14 motor attached, \$15 for a camper trailer other than a tent trailer and \$5 for a tent
15 trailer. The excise tax on a stock race car is \$5. For the purposes of this paragraph,
16 "purchase price" means the amount of money financed or paid by the consumer after
17 any rebates, discounts or offers or promises that the consumer receive back all or a
18 portion of the price paid.

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

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

25 ~~(3) For commercial vehicles manufactured in model year 1996 and after, the~~
26 ~~amount of excise tax due for trucks or truck tractors registered for more than~~
27 ~~26,000 pounds and for Class A special mobile equipment, as defined in Title~~
28 ~~29 A, section 101, subsection 70, is based on the purchase price in the original~~
29 ~~year of title rather than on the list price. Verification of purchase price for the~~
30 ~~application of excise tax is determined by the initial bill of sale or the state sales~~
31 ~~tax document provided at point of purchase. The initial bill of sale is that issued~~
32 ~~by the dealer to the initial purchaser of a new vehicle.~~

33 ~~(4) For buses manufactured in model year 2006 and after, the amount of excise~~
34 ~~tax due is based on the purchase price in the original year of title rather than on~~
35 ~~the list price. Verification of purchase price for the application of excise tax is~~
36 ~~determined by the initial bill of sale or the state sales tax document provided at~~
37 ~~point of purchase. The initial bill of sale is that issued by the dealer to the initial~~
38 ~~purchaser of a new vehicle.~~

39 For motor vehicles being registered pursuant to Title 29-A, section 405, subsection 1,
40 paragraph C, the excise tax must be prorated for the number of months in the
41 registration.

1 **SUMMARY**

2 This bill changes the method of computing the excise tax that is levied on motor
3 vehicles and camper trailers registered in the State.

4 With the exception of certain commercial motor vehicles and buses and special
5 mobile equipment, current law requires that the excise tax be based upon the maker's list
6 price for the motor vehicle; the excise tax on certain commercial motor vehicles and
7 buses and special mobile equipment is based on the purchase price.

8 This bill requires that the excise tax for all motor vehicles and camper trailers be
9 based upon the purchase price of the vehicle and defines "purchase price" as the actual
10 amount of money financed or paid by the consumer after any rebates or discounts. Either
11 the original bill of sale or the state sales tax document may be used to verify the purchase
12 price.