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**TAXATION**

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**STATE OF MAINE  
SENATE  
126TH LEGISLATURE  
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 56, L.D. 167, Bill, “An Act To Base the Motor Vehicle Excise Tax on the Purchase Price of the Motor Vehicle”

Amend the bill by striking out all of section 1 and inserting the following:

**Sec. 1. 36 MRSA §1482, sub-§1, ¶C**, as amended by PL 2011, c. 646, §3, is further amended to read:

C. For the privilege of operating a motor vehicle or camper trailer on the public ways, each motor vehicle, other than a stock race car, or each camper trailer to be so operated is subject to excise tax as follows, except as specified in subparagraph (3) or (4): a sum equal to ~~24~~ 25 mills on each dollar of the ~~maker's list purchase price as documented on a bill of sale~~ for the first or current year of model ~~47 1/2~~ or in the event that the purchase price is not available, 90% of the maker's list price, 18 1/2 mills for the 2nd year, ~~13 1/2~~ 14 1/2 mills for the 3rd year, ~~10~~ 11 mills for the 4th year, ~~6 1/2~~ 7 mills for the 5th year and ~~4~~ 4.4 mills for the 6th and succeeding years. The minimum tax is \$5 for a motor vehicle other than a bicycle with motor attached, \$2.50 for a bicycle with motor attached, \$15 for a camper trailer other than a tent trailer and \$5 for a tent trailer. The excise tax on a stock race car is \$5.

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

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

(3) For commercial vehicles manufactured in model year 1996 and after, the amount of excise tax due for trucks or truck tractors registered for more than 26,000 pounds and for Class A special mobile equipment, as defined in Title 29-A, section 101, subsection 70, is based on the purchase price in the original year of title rather than on the list price. Verification of purchase price for the application of excise tax is determined by the initial bill of sale or the state sales

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1 tax document provided at point of purchase. The initial bill of sale is that issued  
2 by the dealer to the initial purchaser of a new vehicle.

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

9 For motor vehicles being registered pursuant to Title 29-A, section 405, subsection 1,  
10 paragraph C, the excise tax must be prorated for the number of months in the  
11 registration. Beginning in 2015 and each subsequent calendar year thereafter, on or  
12 about January 1st, the State Tax Assessor shall determine the mill rates for the excise  
13 tax so as to generate an amount of municipal revenue equal to the amount collected in  
14 2013 as adjusted for the cost of living using the Consumer Price Index. The State  
15 Tax Assessor, no later than January 15, 2015 and annually thereafter, shall submit a  
16 bill to the joint standing committee of the Legislature having jurisdiction over  
17 taxation matters implementing the mill rate adjustment.'

18 **SUMMARY**

19 This amendment, which is the minority report of the committee, provides that the  
20 excise tax on a motor vehicle or camper trailer be based on the purchase price or 90% of  
21 the maker's list price if the purchase price is not available. The amendment adjusts the  
22 mill rates to minimize the loss of revenue to municipalities. Beginning in 2015, it  
23 charges the State Tax Assessor with determining mill rates that will generate an amount  
24 of municipal revenue equal to the amount collected in 2013 as adjusted by the Consumer  
25 Price Index.