



130th MAINE LEGISLATURE

FIRST REGULAR SESSION-2021

Legislative Document

No. 970

H.P. 716

House of Representatives, March 9, 2021

An Act To Base the Motor Vehicle Excise Tax on Actual Sale Price

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative CONNOR of Lewiston.
Cosponsored by Representatives: COLLAMORE of Pittsfield, DUCHARME of Madison,
GRIFFIN of Levant, GRIGNON of Athens, KINNEY of Knox, LIBBY of Auburn, POIRIER
of Skowhegan, SKOLFIELD of Weld.

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 2013, c. 263, §1, is further
3 amended to read:

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

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

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

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

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

33 (5) For trucks or truck tractors registered for more than 26,000 pounds that have
34 been reconstructed using a prepackaged kit that may include a frame, front axle or
35 body but does not include a power train or engine and for which a new certificate
36 of title is required to be issued, the amount of excise tax due is based on the maker's
37 list price of the prepackaged kit.

38 (6) For motor vehicles purchased after December 31, 2022 from a new vehicle
39 dealer, as defined in Title 29-A, section 851, subsection 9, or a used car dealer, as
40 defined in Title 29-A, section 851, subsection 11, the amount of excise tax due is
41 based on the purchase price of the motor vehicle. Notwithstanding section 1481,
42 subsection 7, for the purposes of this subparagraph, "purchase price" means the
43 amount of money financed or paid by the consumer after application of any trade-
44 ins, rebates or discounts or offers or promises that the consumer receive back all

1 or a portion of the price paid. Verification of purchase price for the application of
2 excise tax is determined by the bill of sale or the state sales tax document provided
3 by the dealer at point of purchase.

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

7 **SUMMARY**

8 This bill provides that, for a motor vehicle purchased after December 31, 2022, the
9 motor vehicle excise tax must be based on the purchase price for the motor vehicle if
10 purchased from a new vehicle dealer or a used car dealer. For other motor vehicles, the
11 excise tax continues to be based on the maker's list price.