



# 125th MAINE LEGISLATURE

LD 79

LR 477(02)

## An Act To Base the Excise Tax on Vehicles on a Percentage of the Manufacturer's Suggested Retail Price

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

### Fiscal Note

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
<b>Net Cost (Savings)</b>				
General Fund	\$11,893	\$15,857	\$15,857	\$15,857
Highway Fund	(\$47,402)	(\$63,203)	(\$63,203)	(\$63,203)
<b>Appropriations/Allocations</b>				
Other Special Revenue Funds	(\$47,402)	(\$63,203)	(\$63,203)	(\$63,203)
<b>Revenue</b>				
General Fund	(\$11,893)	(\$15,857)	(\$15,857)	(\$15,857)
Highway Fund	\$47,402	\$63,203	\$63,203	\$63,203
Other Special Revenue Funds	(\$59,922)	(\$61,719)	(\$63,570)	(\$65,477)

### Fiscal Detail and Notes

This bill proposes to reduce excise tax payments paid on motor vehicles to 95% of the manufacturer's suggested retail price. This will reduce motor vehicle excise tax revenues by 5% in the Unorganized Territory and decrease General Fund revenue from excise tax paid by out of state residents. It will also allow an Other Special Revenue Funds deallocation to the Secretary of State of \$47,402 in fiscal year 2011-12 and \$63,203 in fiscal year 2012-13 and beyond, since reimbursement to municipalities through the Municipal Excise Tax Reimbursement Fund will be decreased. Under current statute, the amount remaining in this Fund at the end of the year is transferred to the Highway Fund. Since payments deposited into the Municipal Excise Tax Reimbursement Fund through the International Registration Plan will not change under this legislation but the reimbursement to municipalities will decrease, the amount transferred to the Highway Fund will increase Highway Fund revenues by \$47,402 in fiscal year 2011-12 and \$63,203 in fiscal year 2012-13 and beyond.