



125th MAINE LEGISLATURE

LD 611

LR 203(03)

An Act Relating to Sales Tax on Certain Rental Vehicles

**Fiscal Note for Bill as Engrossed with:
C "A" (S-126)
Committee: Taxation**

Fiscal Note

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
Net Cost (Savings)				
General Fund	(\$37,620)	(\$28,215)	(\$658)	(\$665)
Revenue				
General Fund	\$37,620	\$28,215	\$658	\$665
Other Special Revenue Funds	\$1,980	\$3,465	\$3,500	\$3,535
State Transit, Aviation and Rail Transportation Fund	\$0	\$37,620	\$65,835	\$66,493

Fiscal Detail and Notes

Expanding the scope of the 10% sales and use tax on the short-term rental of automobiles to include the short-term rental of pick-up trucks and vans will increase General Fund revenue and revenue sharing starting in fiscal year 2011-12 and will also increase revenue to the State Transit, Aviation and Rail Transportation (STAR) Fund starting in fiscal year 2012-13. There is no revenue loss associated with exempting the sale of pick-up trucks and vans purchased for short-term rental from the sales and use tax since no such purchases are currently occurring in Maine.

This estimate assumes the interaction effect of Public Law 2011, chapter 380 that increased the amount of revenue transferred to the STAR Fund from 50% to 100%.