

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

## **An Act To Dedicate a Percentage of the Sales and Use Tax on Motor Vehicles and Motor Vehicle Parts to the Highway Fund**

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 36 MRS §1817** is enacted to read:

### **§ 1817. Transfer to Highway Fund**

Beginning on July 1, 2012, and every July 1st thereafter, the State Controller shall transfer to the Highway Fund an amount, as certified by the State Tax Assessor, that is equal to 20% of the revenue from the tax imposed on the sale or use of motor vehicles and motor vehicle parts pursuant to section 1811 or 1861 for the first 6 months of the prior fiscal year after the reduction for the transfer to the Local Government Fund under Title 30A, section 5681, subsection 5. Beginning on October 1, 2012, and every October 1st thereafter, the State Controller shall transfer to the Highway Fund an amount, as certified by the State Tax Assessor, that is equal to 20% of the revenue from the tax imposed on the sale or use of motor vehicles and motor vehicle parts pursuant to section 1811 or 1861 for the last 6 months of the prior fiscal year after the reduction for the transfer to the Local Government Fund. The tax amount must be based on actual sales for that fiscal year and may not consider any accruals that may be required by law. The amount transferred from General Fund sales and use tax revenues does not affect the calculation for the transfer to the Local Government Fund. For the purposes of this section, "motor vehicle" does not include an all-terrain vehicle or a snowmobile as defined in Title 12, section 13001.

### **SUMMARY**

This bill provides that 20% of the sales or use tax on motor vehicles and motor vehicle parts must be transferred to the Highway Fund beginning in 2012.