



Maine Municipal Tax Collectors' & Treasurers' Association

Excise Tax Manual

2009

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Credits & Acknowledgement

This manual is produced by the 2005/06 Executive Board of the Maine Municipal Tax Collectors' & Treasurers' Association. We gratefully acknowledge the efforts of the past authors of the MMTCTA Excise Tax manual. That manual was transcribed into modern computer language with assistance from the Lamoine Town Office, and it was from that basis that this edition was developed.

Special thanks goes to Paul LaBrecque for his input, and to Gilberte Mayo for teaching the course on excise tax for many years and supplying a great deal of written information for this manual. Gilberte is to be thanked for providing annual updates to this manual. A final thanks to Joan Kiszely of Maine Municipal Association for all that she does to keep our board organized and focused.

It is the intent that this manual be consulted on the MMTCTA website (www.mmtcta.org), as it will be more cost effective to keep it up to date in that venue. Printed copies will be available through the Maine Municipal Association.

Stu Marckoon, principal editor
MMTCTA Excise Tax Manual

I. Introduction

For most Maine municipalities, the collection of automobile, watercraft, and aircraft excise tax represents a significant portion of the municipal revenue stream. The proper basis for value is crucial to collecting the proper amount of tax. The focus of this manual is to assist the municipal tax collector in setting the proper amount to collect, and to help explain to taxpayers the basis for the collection.

This manual is not intended to be an automobile registration manual. The Bureau of Motor Vehicles (BMV) is charged with the registration process and publishes a very comprehensive manual and conducts annual training for the registration process. Because payment of excise tax is required to register a motor vehicle in Maine, this manual is designed to help with the first step of the automobile registration process. That being said, there are many parts of the excise tax collection process and the registration process that overlap, and many of the forms used in the registration process play a key role in excise tax collection.

A. History of Excise Tax In Maine

The Maine Legislature first enacted excise tax laws in 1925. Prior to 1929, motor vehicles in Maine were taxed as personal property. It appears, however, that the amount of tax paid on a given vehicle varied from one community to another so the Legislature passed An Act To Provide Equitable and Uniform Taxation for Motor Vehicles (Chapter 305 of the Public Law of 1929), which established an annual excise tax for the privilege of operating a motor vehicle on the public ways. Whether or not it was successful in providing uniformity may be debatable but its basic concepts have remained virtually unchanged for fifty years.

The original statute provided that an excise tax would be levied annually on a calendar year basis. This remained in effect until the staggered system was implemented in 1975. It also based the tax upon the maker's list price and set a graduated mill rate of 23, 16 ½, 12 ½, 9, 5 ½, and 3 depending upon the model year of the vehicle. Add one mill to each of these rates and you have the current basis for computing the excise tax on automobiles.

While it prohibited returning any excise tax that had been paid, Chapter 305, made provisions for allowing credits for taxes paid in the same calendar year if a vehicle was transferred, or lost by fire, theft or accident. It provided that one third credit would be given from October 1 through December 31, whereas today one half credit is given to the last four months of the registration period. Proportionate payment of the tax has followed the same pattern as the credit, initially it was one-third from October 1 through December 31, now it is one-half for the last four months.

Several sections of the original law remain virtually unchanged. These include the provisions that (1) the excise tax must be paid before the vehicle can be registered (2) payment of the tax, exempts the vehicle from any other taxation for that year, and (3) the monies collected through the excise tax go to the municipality.

Although there have been many changes in the excise tax law during its history, most have dealt with clarifying the original legislation and keeping it up-to-date without changing modes of transportation and life styles. Most people will agree that the original goal of an equitable form of taxation has been achieved under our present excise tax system but very few people can be found who believe that uniformity exists in its application.

B. Uniform Basis for Excise Tax

Many municipalities do have relatively uniform methods for computing excise taxes on optional equipment. Many municipalities, large and small, frequently request assistance from the Bureau of Taxation when computing taxes on commercial vehicles and heavy equipment. The practices of many communities in computing excise taxes range from methods whereby most optional equipment is added to the list price to the extreme where no optional equipment is added at all. The problems resulting from this lack of UNIFORMITY are:

1. Citizen discontent when a taxpayer discovers that those in neighboring communities are paying less.
2. Loss of significant revenue by those communities not computing excise tax on optional equipment.

The revenue loss is difficult to determine, but conservative estimates can be made. Excise taxes on optional equipment are said to represent about 15% on vehicles low to moderately equipped to about 25% on heavily equipped new vehicles. Based on these percentages this amounted to more than \$13,000,000 in 1989. 1989 excise tax revenues statewide totaled slightly over \$90,000,000.

Excise tax is a significant revenue stream to Maine's municipalities. According to the Maine Municipal Association Fiscal Survey, the following amounts of excise tax were collected:

Year	Amount Collected
2003	\$179,141,701
2002	\$170,509,492
2001	\$167,352,771
2000	\$154,687,601
1999	\$140,271,056

1998	\$129,594,217
1997	\$122,484,216
1996	\$121,128,122
1995	\$106,781,903
1994	\$98,763,702
1993	\$90,134,686
1992	\$87,927,598
1991	\$91,014,743
1990	\$92,521,794
1989	\$90,370,548
1988	\$83,046,468
1987	\$77,736,093
1986	\$67,596,603
1985	\$58,779,655
1984	\$51,124,483
1983	\$43,565,908
1982	\$37,270,792
1981	\$33,685,393
1980	\$32,090,826

Excise tax collections will continue to increase as automobile prices continue to increase. As a result, excise tax can be considered “growth revenue” for all communities in this state. With that in mind, it is incumbent upon all tax collectors in this state to strive to maximize their excise tax collections in their respective communities.

There are several reasons why the collection of excise taxes may lack UNIFORMITY:

1. Tax collectors in some towns may not feel the additional revenues possible are worth the additional effort to collect them. Please bear in mind that the primary function of the tax collector is to “collect taxes” pursuant to State Statutes. It is not at the collector’s discretion to determine whether optional equipment will be charged or not. It is simply a part of the overall function of the position.
2. Part-time collectors and those municipal offices which have small staffs may have neither the time nor the experience to perform their functions well. This is particularly true where there is rapid turnover of personnel. In many instances, the turnover results from an elected tax collector’s position. It is very difficult to acquire the knowledge required of the position when the collector must run for re-election on an annual basis. This type of situation does not lend itself to a level of expertise that contributes to an overall statewide level of uniformity.
3. Tax Collectors may have some difficulty in acquiring adequate information from citizens or in using the rather complicated price source manuals. The calculation of the base of an automobile is not always a simple matter. Many

tax collectors over the years have elected to take “short-cuts” by utilizing alternative methods such as the purchase price, the percentage of the sales price, or even the “flat fee” method. All of these methods should **never** be utilized in calculating the base of an automobile. The implementation of the Monroney Label Law in 2001 has made great strides in assisting with uniformity of base pricing. For older vehicles, though, the use of acceptable price source manuals is the only prescribed method to be used by all tax collectors. In order to perform the excise tax collections function, it is imperative that all tax collectors subscribe to as many price publications as necessary. A complete listing of publications is discussed later in this manual.

4. Many collectors are directed by selectmen in their towns not to pursue the collection of excise tax on optional equipment. This situation seems to be more common in very small communities. Please remember that authorization to act as tax collector is granted by State Statutes under the direction of the State Tax Assessor. Collectors are appointed or elected by constituents in their respective communities to perform the tax collection function for that community.

One must remember that municipal budgets are funded by both tax and non-tax revenues. Therefore, each and every excise tax dollar that is collected represents one dollar that does not have to be raised through the municipal tax rate assessed on real estate and personal property.

Additionally, when considering whether the additional revenue gained by adding the optional equipment is worth the time and effort, please remember that excise tax is a fair tax when administered properly. It can be said that the philosophy behind the tax is that it is based on the person’s ability to pay the tax. In other words, the person purchasing a new automobile has the same choice of purchasing any automobile that he or she desires although in most cases that choice is usually based on financial ability. Most of the time, a person will purchase an automobile that he or she can afford to pay for. With that theory in mind, one would think that a person purchasing a new automobile loaded with every possible option could also afford to pay the excise tax on these options.

A. *Maine Statutes Relating to Excise Tax*

The laws that relate to excise tax collection in Maine are found in Title 36 of the Maine Revised Statutes Annotated (MRSA) as follow.

§1482. EXCISE TAX

1. Annual excise tax. An excise tax shall be levied annually with respect to each calendar year in the following cases:

A. For the privilege of operating an aircraft within the State, each heavier-than-air aircraft or lighter-than-air aircraft operated in this State that is owned or controlled by a resident of this State is subject to an excise tax computed as follows: 9 mills on each dollar of the maker's average equipped price for the first or current year of model; 7 mills for the 2nd year; 5 mills for the 3rd year; 4 mills for the 4th year; and 3 mills for the 5th and succeeding years. The minimum tax is \$10. Nonresidents of this State who operate aircraft within this State for compensation or hire and are required to register under Title 6 must pay 1/12 of the tax amount computed as required in this paragraph for each calendar month or fraction thereof that the aircraft remains in the State.

B. For the privilege of operating a mobile home upon the public ways, each mobile home to be so operated shall be subject to such excise tax as follows: A sum equal to 25 mills on each dollar of the maker's list price for the first or current year of model, 20 mills for the 2nd year, 16 mills for the 3rd year and 12 mills for the 4th year and succeeding years. The minimum tax shall be \$15.

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): a sum equal to 24 mills on each dollar of the maker's list price for the first or current year of model, 17 1/2 mills for the 2nd year, 13 1/2 mills for the 3rd year, 10 mills for the 4th year, 6 1/2 mills for the 5th year and 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 tax document provided at point of purchase. The initial bill of sale is that issued by the dealer to the initial purchaser of a new vehicle.

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

2. Tax 1/2 during certain periods. The excise tax levied in this section shall be 1/2 of the sum named in subsection 1 from November 1st to the last day of February, except for:

A. The excise tax levied in this section on a farm motor truck having 2 or 3 axles, when such trucks are used primarily for transportation of agricultural produce grown by the owner on his farm or farms,

shall be the 1/2 the annual amount during the last 6 months of the registration year; and

B. The excise tax levied in this section on automobiles, camper trailers, trucks and truck tractors is, during the last 4 months of a registration year, 1/2 the sum named in subsection 1, paragraph C.

3. Tax paid for previous calendar or registration year. Whenever an excise tax has been paid for the previous calendar year or registration year by the same person on the same vehicle, the excise tax for the new calendar year or registration year shall be assessed as if the vehicle was in its next year of model.

4. Maker's list price. The maker's list price of a vehicle to be used shall be obtained from sources approved by the State Tax Assessor. Where the maker's list price of a vehicle is not readily obtainable the State Tax Assessor shall prescribe the maker's list price to be used or the manner in which the maker's list price shall be determined.

A. At the time of payment of the excise tax prior to a new registration for a new passenger vehicle purchased from a motor vehicle dealer licensed in any state for the sale of new passenger vehicles, the owner shall submit the manufacturer's suggested retail price sticker, or a copy of the sticker, to the excise tax collector. In the case of rental and fleet vehicles, other documentation may be provided at the discretion of the municipal excise tax collector.

This paragraph applies only to those vehicles for which a manufacturer's suggested retail price sticker is required by the Federal Government.

5. Credits. Any owner or lessee who has paid the excise or property tax for a vehicle the ownership or registration of which is transferred, or that is subsequently totally lost by fire, theft or accident or that is subsequently totally junked or abandoned, in the same calendar year or registration year, is entitled to a credit to the maximum amount of the tax previously paid in that year or period for any one vehicle toward the tax for any number of vehicles, regardless of the number of transfers that may be required of the owner or lessee in the same calendar year or registration year.

A. The credit must be given in any place in which the excise tax is payable.

B. For each transfer made in the same calendar year or registration year, the owner shall pay \$3 to the place in which the excise tax is payable.

C. From November 1st to the last day of February the credit may not exceed 1/2 the amount of the maximum tax, except that for automobiles, trucks and truck tractors, during the last 4 months of the registration year, the credit may not exceed 1/2 the maximum tax.

D. If the credit available under this subsection exceeds the amount transferred to another vehicle, a municipality may choose, but is not required to refund the excess amount. If a municipality chooses to refund excess amounts it must do so in all instances where there is an excess amount.

E. For the purposes of this subsection, the term, "owner" includes the surviving spouse.

6. Payment of tax. Payment of excise tax before property taxes are committed.

A. Where the person seeking to pay the excise tax owned the vehicle other than an automobile truck or truck tractor on or before April 1st, the excise tax must be paid before property taxes for the year in question are committed to the collector, otherwise the owner is subject to a personal property tax.

B. Where the person seeking to pay the excise tax acquired the vehicle other than an automobile, truck or truck tractor after April 1st, or, being a nonresident, brought the vehicle other than an automobile, truck or truck tractor into this State after April 1st, the excise tax may be paid at any time.

C. Where a property tax is paid and later registration of the vehicle is desired, the property tax paid shall be allowed as a credit on the excise tax.

D. Where an excise tax is paid on a mobile home and said mobile home is later in the same year assessed as real estate, the excise tax paid shall be allowed as a credit on the real estate tax.

E. The Secretary of State may provide the registrant of an automobile, truck or truck tractor with a renewable form for processing by the excise tax collector in lieu of the excise tax collector providing

the forms.

7. Special mobile equipment; local option. A municipality may by ordinance refund a portion of the excise tax paid on leased special mobile equipment, as defined by Title 29-A, section 101, subsection 70, if the person who paid the excise tax provides evidence that the registration has been voluntarily surrendered and cancelled under Title 29-A, section 410. The amount of the refund must be the percentage of the excise tax paid that is equal to the percentage represented by the number of full months remaining in the year of the cancelled registration.

§1483. EXEMPTIONS

The following are exempt from the excise tax:

- 1. State vehicles.** Vehicles owned by this State and political subdivisions thereof;
- 2. Driver education.** Motor vehicles registered by municipalities for use in driver education in the secondary schools or motor vehicles registered by private secondary schools for use in driver education in such schools;
- 3. Volunteer fire departments.** Motor vehicles owned by volunteer fire departments;
- 4. Dealers or manufacturers.** Vehicles owned by bona fide dealers or manufacturers of the vehicles, which vehicles are held solely for demonstration and sale and constitute stock in trade, and aircraft registered in accordance with Title 6, section 53;
- 5. Transporter registration.** Vehicles to be lawfully operated on transporter registration certificates,
- 6. Railroads.** Vehicles owned by railroad companies subject to the excise tax imposed in chapter 361.
- 7. Benevolent and charitable institutions.** Vehicles owned and used solely for their own purposes by benevolent and charitable institutions incorporated by this State and entitled to property tax exemption in accordance with section 652, subsection 1;
- 8. Literary and scientific institutions.** Vehicles owned and used solely for their own purposes by literary and scientific institutions and entitled to property tax exemption in accordance with section 652, subsection 1;
- 9. Religious societies.** Vehicles owned and used solely for their own purposes by houses of religious worship or religious societies entitled to exemption under section 652, subsection 1, paragraph G;
- 10. Certain nonresidents.** Motor vehicles permitted to operate without Maine registration under Title 29-A, section 109;
- 11. Interstate commerce.** Vehicles traveling in the State only in interstate commerce, and owned in a state wherein an excise or property tax shall have been paid on the vehicle, and which grants to Maine owned vehicles the exemption contained in this subsection;
- 12. Certain veterans.** Automobiles owned by veterans who are granted free registration of such vehicles by the Secretary of State under Title 29-A, section 523, subsection 1;
- 13. Certain buses.** Buses used for the transportation of passengers for hire in interstate or intrastate commerce, or both, by carriers engaged in furnishing common carrier passenger service under an operating authority license issued pursuant to Title 29-A, section 552. At the option of the appropriate municipality, those buses may be subject to the excise tax provided in section 1482 ;

14. Antique and experimental aircraft. Antique and experimental aircraft as defined in Title 6, section 3, subsections 10-A and 18-E and registered according to the provisions of Title 6;

15. Adaptive equipment. Adaptive equipment installed on a motor vehicle owned by a disabled person or the family of a disabled person to make that vehicle operable or accessible by a disabled person; and

16. Active military stationed in Maine. Vehicles owned by a person on active duty serving in the Armed Forces of the United States who is permanently stationed at a military or naval post, station or base in the State. A member of the Armed Forces of the United States stationed in the State who desires to register that member's vehicle in this State shall present certification from the commander of the member's post, station or base, or from the commander's designated agent, that the member is permanently stationed at that post, station or base. For purposes of this subsection, "a person on active duty serving in the Armed Forces of the United States" does not include a member of the National Guard or the Reserves of the United States Armed Forces.

§1484. PLACE OF PAYMENT

The excise tax imposed by this chapter must be paid as provided in this section.

1. Aircraft. The excise tax on an aircraft must be paid to the Department of Transportation. The Department of Transportation shall distribute the receipts from each excise tax payment to the municipality where the aircraft is based except as follows.

A. If the aircraft is based at an airport owned by a county, the excise tax payments must be distributed to that county.

B. If the aircraft is based at the Augusta State Airport, the excise tax payments must be retained by the Department of Transportation.

For the purposes of this subsection, an aircraft is deemed to be based at the location in the State where it has been hangared, parked, tied down or moored the most nights during the 30-day period of active flying preceding payment of the excise tax. If the aircraft has not been hangared, parked, tied down or moored at a location in the State during the 30-day period of active flying preceding payment, then the aircraft is deemed to be based at the location in the State where it will be hangared, parked, tied down or moored the most nights during the 30-day period of active flying next following payment of the excise tax.

2. Mobile homes and camper trailers. Mobile homes and camper trailers are subject to excise tax as provided in this subsection.

A. If the excise tax on a mobile home or camper trailer is paid prior to April 1st, or if the mobile home or camper trailer is acquired or brought into this State after April 1st, the excise tax must be paid in the place where the mobile home or camper trailer is located.

B. If the excise tax on a mobile home or camper trailer is paid on or after April 1st, the excise tax must be paid in the place where the mobile home or camper trailer was located on April 1st.

3. Motor vehicles. Motor vehicles are subject to excise tax as provided in this subsection.

A. The excise tax on a motor vehicle owned by an individual resident of this State must be paid in the place where the owner resides.

B. The excise tax on a motor vehicle owned by a nonresident individual must be paid in the place where the owner is temporarily or occasionally residing. If there is no such residing place, the tax must be paid to the Secretary of State.

C. The excise tax on a motor vehicle owned by a corporation or a partnership must be paid in the following manner.

(1) If the owner is a corporation or partnership other than one described in subparagraph (2), the

excise tax must be paid to the place in which the owner's registered or main office is located, except that if the owner has an additional permanent place of business where motor vehicles are customarily kept, the tax on these vehicles must be paid to the place where that permanent place of business is located. The temporary location of an office and the stationing of vehicles in connection with a construction project of less than 24 months duration is not considered to constitute a permanent place of business. If the owner is a foreign corporation or partnership not maintaining a place of business within the State, the excise tax must be paid to the Secretary of State.

(2) If the owner is a corporation described in Title 35-A, sections 2101 to 2104, the excise tax must be paid to the place in which the registered or main office of that organization is located.

Within 3 years from the date of an excise tax levy under the authority of this paragraph, a municipality, county or motor vehicle owner that feels the excise tax has been improperly levied may request a determination of this question by the State Tax Assessor. The State Tax Assessor's determination is limited to the same 3-year period and is binding on all of the parties. Any of the parties may seek review of the determination in accordance with the Maine Rules of Civil Procedure, Rule 80-C. Within 30 days after receipt of notice of a determination made by the State Tax Assessor under this paragraph, a municipality or county that has incorrectly accepted excise tax money must pay the money, together with interest at the maximum rate established by the Treasurer of State pursuant to section 505, to the municipality or county identified in the determination as the proper place of payment.

D. Notwithstanding other provisions of this subsection, if a motor vehicle is leased for a period of one month or longer, the excise tax must be paid in the place where it would be paid if the lessee were the owner.

E. When an excise tax is paid to the Secretary of State under this subsection, it must be deposited in the General Fund.

4. When paid to State.

§1485. Exemption from personal property taxation

Any vehicle owner who has paid the excise tax on his vehicle in accordance with sections 1482 and 1484 shall be exempt from personal property taxation of such vehicle for that year.

§1486. TAX PAID BEFORE REGISTRATION

No vehicle may be registered under Title 29-A or Title 6 until the excise tax or personal property tax or real estate tax has been paid in accordance with sections 1482 and 1484.

1. Exempt status. Where a personal property or real estate tax is to be paid as a prerequisite to registration, the exempt status of the vehicle shall be determined by section 1483.

§1487. COLLECTION OF TAX

1. Municipal tax collector. In the case of municipalities, or a municipally owned airport or seaplane base the municipal tax collector or such other person as the municipality may designate shall collect such excise tax and shall deposit the money received with the municipal treasurer monthly.

A. Such collector shall report to the municipal officers at the end of the municipal year, showing the total amount of excise tax collected by him and the amounts applying to each year.

1-A. County treasurer. In the case of a county owned airport or seaplane base the county treasurer or such other person as the county commissioners may designate shall collect such excise tax and shall deposit the money received with the county treasurer monthly.

A. Such collector shall report to the county commissioners at the end of the county year, showing the total amount of excise tax collected by him and the amounts applying to each year.

2. (CONFLICT: Text as amended by PL 2007, c. 541, Pt. E, §1) State Tax Assessor. In the unorganized territory, the State Tax Assessor shall appoint agents to collect the excise tax. Agents, including municipalities designated as agents, are allowed a fee of \$6 for each tax receipt issued. Agents shall deposit the remainder on or before the 20th day of each month following receipt with the Treasurer of State. The Treasurer of State shall make quarterly payments to each county in an amount that is equal to the receipts for that period from each county. Those payments must be made at the same time as payments under section 1606. County receipts under this section must be deposited in the county's unorganized territory fund.

2. (CONFLICT: Text as amended by PL 2007, c. 693, §13) State Tax Assessor. The State Tax Assessor shall appoint agents to collect the excise tax in the unorganized territory. Agents, including municipalities designated as agents, are allowed a fee of \$4 for each tax receipt issued. The State Tax Assessor may authorize the offset of credit card fees incurred in the collection of the excise taxes against the receipts from those collections. Agents shall deposit the remainder on or before the 20th day of each month following receipt with the Treasurer of State. The Treasurer of State shall make quarterly payments to each county in an amount that is equal to the receipts for that period from each county. Those payments must be made at the same time as payments under section 1606. County receipts under this section must be deposited in the county's unorganized territory fund.

2-A. Agent for collecting excise tax. The State Tax Assessor may appoint the Secretary of State as an agent for the purpose of collecting excise tax for the unorganized territories.

3. Tribal clerk.

§1488. RECEIPTS ISSUED IN DUPLICATE

Receipts for payment of the excise tax shall be in the form prescribed by the Secretary of State. They shall be issued in duplicate, and one copy shall be filed with the application at the time application is made for registration of the vehicle.

§1489. CREDITING AND APPORTIONMENT OF TAX RECEIVED

1. Municipal excise tax account. In municipalities the treasurer shall credit money received from excise taxes to an excise tax account, from which it may be appropriated by the municipality for any purpose for which a municipality may appropriate money.

2. County treasurer.

§1490. FALSE STATEMENTS TO ANY PERSON RECEIVING TAX

Any person intentionally making any false statement to any person charged with the duty of receiving this tax and issuing the receipt therefor, when making statement for the purpose of the levy of the tax hereunder, commits a civil violation for which a forfeiture not to exceed \$25 may be adjudged.

§1491. FALSE ENTRY ON RENEWAL FORMS

Any person making a false entry on the renewal form provided by the Secretary of State in the collection of the excise tax, as authorized by section 1482, subsection 6, paragraph E, commits a civil violation for which a forfeiture of not less than \$100 nor more than \$500 shall be adjudged.

II. Identifying the Vehicle

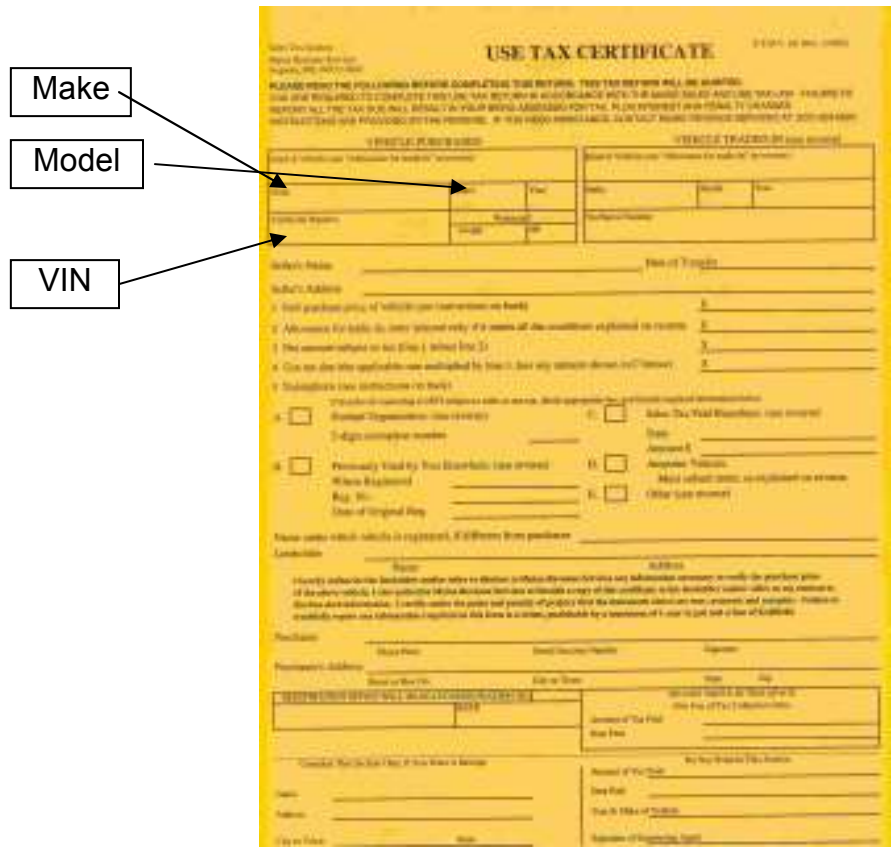
The excise tax transaction begins when the customer walks into the tax collectors office. At that point, even before the calculation can begin, the collector must first identify what type of vehicle the customer wishes to register. You must determine if the vehicle is an automobile, truck, motorcycle, recreation vehicles, etc.. If the vehicle was purchased from a private individual, the documentation that the person has in his or her possession is probably very limited. Often, the only paperwork they have is a quickly written bill of sale from the previous owner and the previous owner's title if the vehicle is less than 15-years old.

If the vehicle was purchased from a State of Maine dealer, there are a number of legally required documents that the dealer must process at the time of the sales transaction, including:

- Sales Tax Certificate (green)
- Title Application (Blue)
- Temporary Registration (14 days) (yellow)
- Monroney Label

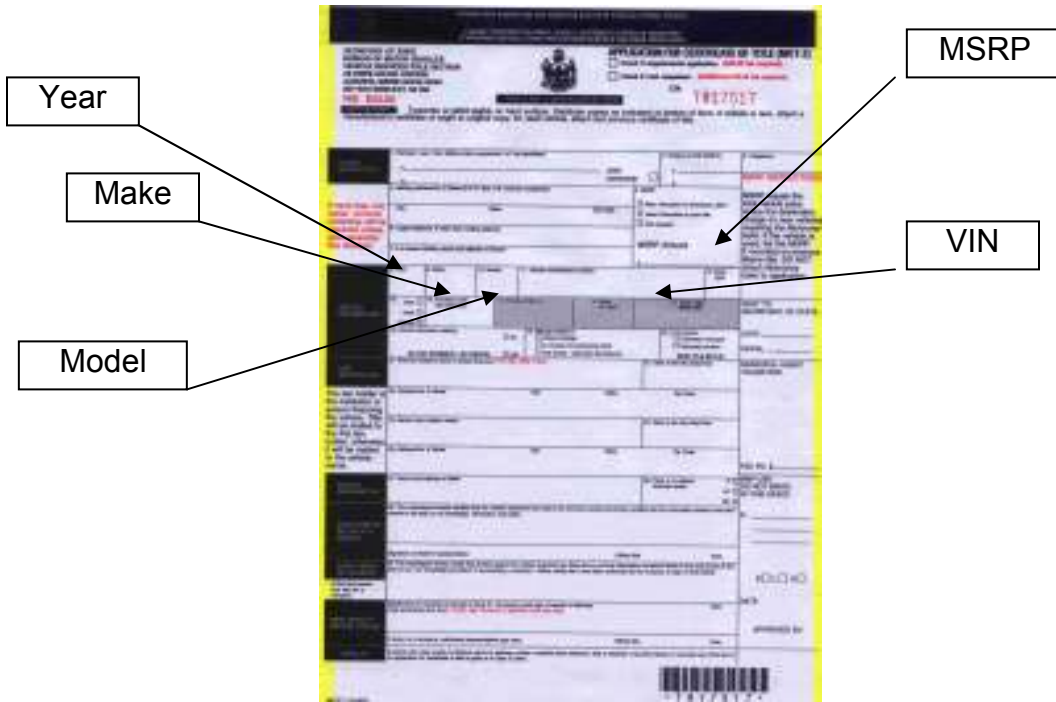
A. Sales Tax Certificate

All Maine dealers must provide their customers with a Dealers Certificate (Exhibit A) showing that the 5% Maine Sales Tax has been paid. If the customer does not have this Sales Tax form (green), please advise that the transaction cannot be completed beyond the excise tax stage. Communities that issue new license plates collect the sales tax and a (yellow) (Shown Below) sales/use tax form is filled out at the time of registration and the 5% sales tax is collected along with the excise tax and registration fees. The sales tax is submitted to the state as part of the motor vehicle registration report.



B. Title Application

To register a car that is less than 15-years old, a title application is required. Depending on the level of training certified by the BMV, tax collectors will look for key pieces of information in identifying the vehicle on the title application. Among these are the Year, Vehicle Identification Number (VIN), Make, Model, and Style. For new vehicles after 2001 sold for the first time in Maine, the MSRP will be recorded in Box 5. Beware! Maine Dealers are not always correct when entering the MSRP. This figure should represent the bottom line MSRP from the Monroney Label, minus the destination charge. It is important to check the Monroney Label to make sure this figure is accurate and that the customer is charged the fair amount of excise tax. Additionally, it's important to photocopy the title application and Monroney Label if there is a discrepancy and fax it to BMV so the title section can accurately record the MSRP on the title.



Tax collectors may opt to use the worksheet on the next page developed by MMTCTA to gather detailed information on the motor vehicle, especially if it's a used vehicle. Because a new vehicle sold by a Maine dealer will have the MSRP recorded on the title application, the worksheet is not necessary.

1. Worksheet for Base Price Determination

Manufacturers have changed how they market optional equipment. Optional equipment once was sold individually on more expensive vehicles.

The number of factory-installed options has increased consistently since the 1977 model year. The most popular items which appeared in more than 90% of all U.S. built automobiles and installed in the 1990 model year were automatic transmission, AM-FM stereo, and rear window defroster. Close behind in popularity were cruise control, air conditioning, intermittent windshield wipers, digital clocks, reclining seats and tilt steering wheel. Other options that continued to rise steadily in popularity during the 1990 model year were power seats and power windows.

By 2005 the manufacturing trend was to sell optional equipment in packages. This allows for the sale of less popular items to be sold with the popular optional items.

The addition of optional equipment to the list price of an automobile cannot be stressed enough. It can be argued that adding optional equipment to the list price of a car can increase any community's excise tax collections by 15% to 20% annually. This can be illustrated by the following example.

LIST PRICE	15,000	YEAR	1995	MAKE	FORD	MODEL	TAURUS
AIR CONDITIONING		650.00		POWER WINDOWS			
ALL WHEEL DRIVE				RADIO AM/FM CASS/CD			
ANTI LOCK BRAKES		450.00		REAR WINDOW DEFROST			
AUTOMATIC TRANS				REMOTE KEYLESS ENTRY			
CARGO LIGHTS				SEATS, BUCKET			
CONV SPARE TIRE				SLIDING SIDE DOOR			
CRUISE CONT/TILT STEERING				SLIDING REAR WINDOW			
DUAL FUEL TANKS				SNOW PLOW PKG			
EXTENDED CAB				STEERING WHEEL, LEATHER			
FOG LIGHTS				SUNROOF			
GARAGE DOOR OPENER				TRACTION CONTROL			
GLASS, TINTED/PRIVACY				4 WHEEL DRIVE			
LUGGAGE RACK							
POWER DECKLID RELEASE				PACKAGE			
POWER LOCKS				#26A (INCLUDES ALL ELSE)			1500.00
POWER MIRRORS							
POWER SEATS							

BASE: 17,600

AMOUNT OF TAX \$ 70.40
 CREDIT \$ _____
 SUBTOTAL \$ _____
 HALF RATE \$ _____
 TRANSFER CHRG \$ _____
 EXCISE TAX TOTAL \$ 70.40

IF FORMER OWNER IS _____ RESIDENT,
 THEIR NAME:

I CERTIFY THAT THE OPTIONS I HAVE
 LISTED AT THE TIME OF THIS TRANS-
 ACTION ARE TRUE TO THE BEST OF MY
 KNOWLEDGE.
 SIGNATURE _____

C. Monroney Label

As noted in 36 MRSA §1482 (4) the window sticker of new vehicles is now required when paying excise tax and starting the registration process. This sticker contains the Manufacturer's Suggested Retail Price (MSRP) and the dealer/destination charge. The excise base is the MSRP less the dealer/destination charge. The window sticker looks something like this:



Most, but not all vehicles are required to present the window sticker at the time of excise tax collection. Those that are exempt from the requirement include large trucks and vehicles purchased out of state. As noted in section B above, it is important to check the Monroney Label with the Title Application Box 5 to make sure they match. Often they don't, and that will cause errors in the excise base price for years to come. Once you've determined the correct MSRP, be sure to fax the Monroney Label and the Title Application copies to the Secretary of State's BMV Title Division in order to make sure the correct MSRP is recorded on the title.

MMTCTA fought for many years to require the window sticker law in the hope that in many years the vast majority of Maine vehicles will have the MSRP recorded on the title and transferred as vehicles are bought and sold, speeding the excise collection process and, more importantly, creating an accurate base price from which to start the excise tax collection process. In early 2006 some manufacturers have attempted to improve marketing by issuing an alternate window sticker with a lower MSRP. Maine law only requires the window sticker price be used for the excise tax basis, so it's believed this 2nd, lower MSRP would be a proper base price. Maine Revenue Services has advised that it is up to the discretion of the tax collector to determine the correct base price.

D. The Vehicle Identification Number (VIN)

Beginning with the 1981 model year, the National Highway Traffic Safety Administration, Department of Transportation, required manufacturers selling over-the-road vehicles in the United States to produce the vehicles with a 17-character vehicle Identification Number (VIN).

The first three characters of the VIN are designated the WMI (World Manufacturers Identification). The WMI uniquely identifies the Nation of Origin, Manufacturer, Make and Type of Vehicle.

The second section has five characters and has been designated the VDS (Vehicle Description Section). The VDS uniquely identifies the attributes of the vehicle such as Model, Body Style, Engine, etc.

The third section of the VIN is located after the check digit. It is eight characters in length and is called the VIS (Vehicle Identification Section), the first character represents the vehicle model year; the second character represents the plant of manufacture; and the last six characters represent the sequential production number.

SAMPLE VIN

1FA BP28A6 F F143890

Vehicle Identification Section (VIS)

Check Digit

Vehicle Description Section

World Manufacturer Identification (WMI)

1-Nation of Origin

F-Manufacturer

A-Make and Model

WORLD MANUFACTURER IDENTIFICATION CODES

WMI	MANUFACTURER	WMI	MANUFACTURER	WMI	MANUFACTURER
JH4	Acura	ZFA	Fiat	1G3	Oldsmobile
ZAR	Alpha Romeo	1FA	Ford	VF3	Peugeot
1AM	American Motors	KMH	Hyundai	ZFR	Pinnifarina
SCF	Aston Marton	JHM	Honda	1P3	Plymouth
WAU	Audi	JAB	Isuzu	1G2	Pontiac
12A	Avanti	SAJ	Jaguar	WPO	Porsche
ZBB	Bertone	1JC	Jeep	VF1	Renault
WBA	BMW	1LR	Lincoln	SCA	Rolls Royce
1C4	Buick	SCC	Lotus	YS3	Saab
1C6	Cadillac	ZAM	Maserati	SAX	Sterling
1C1	Chevrolet	JM1	Mazda	JF1	Subaru
1C3	Chrysler	WDB	Mercedes Benz	JS3	Suzuki
JN1	Nissan	1ME	Mercury	JT2	Toyota
SCE	Delorean	WF1	Merkur	WVV	Volkswagen
1B3	Dodge	JA3	Mitsubishi	YV1	Volvo
ZFF	Ferrari				

To determine the year of the manufacture from the 17 digit VIN (character #10 of the VIN) use the table listed below:

1980	A	1981	B	1982	C	1983	D	1984	E
1985	F	1986	G	1987	H	1988	J	1989	K
1990	L	1991	M	1992	N	1993	P	1994	R
1995	S	1996	T	1997	V	1998	W	1999	X
2000	Y	2001	1	2002	2	2003	3	2004	4
2005	5	2006	6	2007	7	2008	8	2009	9
2010	A	2011	B	2012	C	2013	D	2014	E

E. Resources for Price Determination

A number of companies publish price guides that will help determine the base price of vehicles. Most of them charge for the service, some with a yearly subscription. Among the resources are:

AUTOMOBILES, SMALL TRUCKS & VANS

1. Edmunds (<http://www.edmunds.com/>)
2. Red Book (<http://www.pricedigests.com/>)
3. N.A.D.A. (<http://www.nadaguides.com>)
4. Price, Books and Forms (<http://www.autopricebooks.com/>)
5. Branham Auto Reference Book (BARB, no website)
6. Kelley Blue Book (<http://www.kbb.com/>)

LARGE TRUCKS AND VANS

1. Blue Book (<http://www.pricedigests.com/>)
2. Price, Books and Forms (<http://www.autopricebooks.com/>)

RECREATIONAL VEHICLES

1. N.A.D.A. (<http://www.nadaguides.com>)
2. Blue Book (<http://www.pricedigests.com/>)

MOTORCYCLES

1. N.A.D.A. (<http://www.nadaguides.com>)
2. Red Book (<http://www.pricedigests.com/>)
3. Hap Jones (Blue Book) (<http://www.hapjones.com/>)

FARM TRACTORS

1. Green Guide (<http://www.agfacts.co.za/prod02tus.htm>)
2. or...http://www.equipmentwatch.com/Marketing/GG_overview.jsp)
3. Tractor Blue Book (<http://www.pricedigests.com/>)
4. Bureau of Taxation, Property Tax Division (287-2012)

HEAVY EQUIPMENT

1. Green Guide (<http://www.agfacts.co.za/prod03tsp.htm>)
2. or.. http://www.equipmentwatch.com/Marketing/GG_overview.jsp
3. Bureau of Taxation, Property Tax Division (287-2012)

F. Optional Equipment

Most vehicles come with options. This is equipment that adds value to the vehicle beyond the base MSRP. As mentioned previously, it's important to include the option in your MSRP calculation, as it will mean significant additional revenue to your town, and is the fair way to calculate the excise tax.

Let's return to our 1995 Ford Taurus example, the options added \$2,600 to the MSRP of the vehicle. Hypothetically, over a 10 year period, this will add \$237.90 in revenue to your town as follows:

Year	Added Excise Tax
1995	\$62.40
1996	\$45.50
1997	\$35.10
1998	\$26.00
1999	\$16.90
2000	\$10.40
2001	\$10.40
2002	\$10.40
2003	\$10.40
2004	\$10.40
Total	\$237.90

Multiply that added revenue by the number of cars registered, and one quickly realizes this is a significant revenue stream for the municipality.

The value of the options are generally listed by the pricing guide service you subscribe to. The Monroney Label lists each option as well, assuring the sticker price includes all the options. There are some conflicts in some pricing guides as to what options come standard with vehicles. Towns that subscribe to the Primedia Price Digests are advised to consult other sources to confirm what options truly come with the vehicle. One good source is available on-line for free – the Kelley Blue Book website (www.kbb.com). You can pick the year, make and model of the vehicle and quickly see what options were included as standard, and then ask your customer about those that were not. To be fair, if a standard option does not exist on the vehicle (such as air conditioning), that option price should be subtracted from the MSRP base.

III. Applying the Mil Rate

Excise Tax rates have remained the same since 1929. The statewide excise tax rates are listed below. It is important to remember that the Tax Collector must also take into account the actual date at which time the excise tax is paid. Each January 1st, the new model year begins with the first year mil rate.

YEAR	TAX RATE multiplied by the Manufacturer's Suggested Retail Price
1	.024
2	.0175
3	.0135
4	.01
5	.0065
6	.004

All classes of vehicles are subject to this statewide rate schedule although there are certain limited exceptions to these rates and they are as follows:

- ☞ When the new models are introduced (i.e. the 2006 model that is sold in 2005), both the current models and the newly introduced models are both excised at the same mil rate of .024 multiplied by the manufacturer's suggested list price of the vehicle.
- ☞ If a "holdover" (i.e. a 2005 model purchased after January 1, 2006) from a previous model year it would be multiplied by the second year mil rate of .0175 multiplied by the manufacturer's suggested list price of the vehicle.
- ☞ If a new vehicle is purchased in the current year and registered using the credit/transfer method by the same owner in that same calendar year, then that vehicle would be figured at the first year mil rate the first time excise was paid, and then the second time excise was paid would be figured at the second year mil rate. (Example, a person purchases a 2006 vehicle in January 2006 and transfers the registration that runs out in July, 2006. They would be charged at the .024 rate in January and the .0175 rate in July.)
- ☞ If one owner pays excise tax on a new model year vehicle he would pay excise based on the first year mil rate. If the vehicle is subsequently sold to another owner, the second owner paying excise in that same calendar year would also pay based on the first year mil rate.

A. Minimum Excise Tax Charge

State law provides that the minimum excise tax for an automobile is \$5.00. It's been a long time since an automobile was manufactured with an MSRP of \$1,250, so generally the minimum excise tax price would apply only to antique automobiles. The minimum excise tax on a bicycle with a motor attached is \$2.50 (MSRP = \$625). The minimum excise tax on a camper trailer (other than a tent trailer) is \$15.00 (MSRP = \$3,750). The minimum excise tax on a tent trailer is \$5.00 (MSRP \$1,250).

B. Half Rates

A vehicle (auto, camper trailer, truck, truck tractor) with a registration that has expired but is in the final four months of the re-registration window is eligible for a half-rate registration. (All other vehicles with a mandatory February expiration are ½ rate from November 1 to the last day in February. Farm Trucks are ½ rate for the last 6-months of the registration year). The effect on excise tax is also a half rate. This effect also applies to excise tax credit on a transfer.

Example:

John Doe has a vehicle with a registration that expired November 30, 2004. For some reason Mr. Doe doesn't attempt to re-register the vehicle until September 2005. The registration fee of \$25 (presuming he has a normal passenger plate) is cut in half to \$12.50. If the full excise were \$80.00, only \$40.00 in excise would be charged. Agent fees and special plate fees such as initial plates are charged at the full rate.

Let's say Mr. Doe had re-registered his vehicle with the \$80.00 excise tax on time, but decided to trade it in during September 2005 and use that excise credit toward his new vehicle. He would be able to use only \$40.00 in credit, but the excise amount on the new vehicle would also be half price. Presuming the new vehicle has a \$400.00 excise tax, the net excise tax due would be \$163.00

	Full	Half
New Vehicle Excise	\$400.00	\$200.00
Traded Vehicle Credit	\$80.00	\$40.00
Subtotal	\$320.00	\$160.00
Transfer Fee	\$3.00	\$3.00
Excise Balance Due	\$323.00	\$163.00

The transfer fee due would be \$8.00, and any special plate fees are not included on a transfer. The agent fee you charge is full price. A table showing when half rates are in effect is shown on page 26.

D. Transfers and Credits

Section B discussed half rates and touched on transfers and credits. A registration transfer is often the most complex of the motor vehicle/excise tax collection options the excise tax collector will come across. The concept is fairly simple, but there are some things to keep in mind. The first is that there must be a vehicle from which the registrant wishes to use excise tax credit. That means the registrant has to have disposed of that vehicle to another. You must see that this vehicle has been transferred, junked, destroyed – i.e. is no longer in their possession. This information is gleaned from the back of the yellow copy of the registration of the vehicle from which the registrant wishes to use for credit.

I hereby report that the ownership of this motor vehicle described in this certificate has been retained transferred lost by fire, theft or accident junked abandoned

Upon the transfer of ownership of the vehicle described herein, this registration expires and the person to whom this certificate was issued must remove the plates from the vehicle and fill in the blanks below and present to the registration office upon making transfer, or forward this certificate to the Secretary of State, 29 State House Station, Augusta, ME 04333-0029. This certificate must be presented to your municipal tax collector in order to obtain excise tax credit.

Transferred to: NAME _____ STREET ADDRESS _____
CITY _____ STATE _____ DATE TRANSFERRED _____

I, _____, state that the odometer mileage is _____ miles.
(Registrant)

I further state the the actual mileage differs from the odometer readings for reasons other than odometer calibration error and that the actual mileage is unknown.

I further state that the mileage indicated on the odometer is beyond the designed mechanical limits of the odometer and the total cumulative mileage is _____.

I further state that the odometer has been serviced, repaired, or replaced by myself or my agent.

Prior owner _____ Signature _____ Address _____

IF NAME OR ADDRESS CHANGES FROM THAT GIVEN ON THE REGISTRATION, YOU MUST NOTIFY THE SECRETARY OF STATE WITHIN 10 DAYS.

Often the registrant left the registration with the vehicle they'd disposed of, so you're going to have to make a duplicate if that is possible. Don't forget to charge the \$3.00 and make out the correct MVR duplicate application form!

Once you've determined that the registrant no longer has possession of this vehicle, you can then take the excise tax credit. The credit amount and the expiration date for the new vehicle are gleaned from the front of the registration.

2985261 7

State of Maine Vehicle Registration

INITIAL PLATE #15 00
REG FEE #25 00

Effective Date is Validation Date But Not Prior To: 05/1/03 Expires: 05/31/04

New Registration Re-Registration Excise Taxable Trailer Emissions Shown Evidence of Insurance Shown

VIN	YEAR	MAKE	MODEL	COLOR	STYLE	TIRES	AXLES	NET WEIGHT	REGISTERED WEIGHT	FUEL
1GCEK17Y0YE259591	00	CHEV	K1500	RD	PK		2			G

REGISTRANDS: MARCKOON, STUART E
MARCKOON, BONNIE A

LESSOR: _____ UNIT # _____ DOT # _____

MAILING ADDRESS: PO BOX 653 ELLSWORTH ME 04605

LEGAL RESIDENCE: LAMOINE ME 09180

REGISTRATION FEES:

Base	23776.00	
Mil. Rate	.01	Rate
Agent Fee	2.00	Credit
Local Exc. Tax	237.76	Fees
Credit		S.T.
Subtotal		Title
Trans. Chg.		CTAA
Balance	237.76	Use In
Credit No.		
Exc. Tax Date	5/30/03	

LAMOINE ME 09180
DATE 5/30/03

The motor vehicle excise tax is a local tax. Funds raised through the collection of the excise tax remain in your community.

MVR 1 Rev. 1/01

Control Number

Expiration Date

Credit Amount

Let's run through a quick transfer/credit scenario. The owner of the vehicle above re-registered his Chevy Pickup on May 30, 2003. His wife, being the generous soul that she is, said he could purchase a new truck in September 2003. He purchased a 2004 Chevy with an MSRP of \$28,450. He comes into the office with the filled out registration back showing that he traded the truck to the dealer for the new truck. The registrant wants to do a simple transfer, so the new vehicle will expire in May, 2004. The excise boxes will be filled in as follows:

Base	\$28,450
Mil Rate	.024
Agent Fee	\$4.00
Local Excise Tax	\$682.80
Credit	\$237.76
Subtotal	\$445.10
Transfer Charge	\$3.00
Balance	\$448.10
Credit No.	2985261 7
Excise Tax Date	9/15/03

The total excise tax collected from the customer is \$448.10. Adding the registration transfer (\$8.00) and the Agent fee (\$4.00), the total transaction is \$460.10.

Excise tax can be “refunded” through the credit process. As of 2007 municipalities may adopt a policy of offering cash refund for excise tax in excess on a transfer. This must be done by the municipality’s legislative body (Town Meeting, Town Council etc.) and if adopted done for all excess credit transactions – even those vehicles being transferred from another community. The discussion that follows assumes the municipality has not adopted the cash refund policy.

Sometimes the excise tax due on the new vehicle is less than the credit. In that case, the subtotal line would be \$0.00, and the \$3.00 transfer charge would be the only excise tax amount collected.

Multiple credits during the same registration year can prove to be confusing and troublesome. Using the same pickup truck that was re-registered in May, 2003 and the new truck purchased in September, 2003 let’s say the owner, being an insurance company nightmare, wrecks the new 2004 pickup in October. He decides to replace it with a 2001 Nissan with an MSRP of \$18,400. The excise calculation would be as follows:

Base	\$18,400
Mil Rate	.0135
Agent Fee	\$4.00
Local Excise Tax	\$248.40
Credit	\$682.80
Subtotal	\$0.00
Transfer Charge	\$3.00
Balance	\$3.00
Credit No.	1234567 8
Excise Tax Date	10/15/03

Note the excise credit is from the new 2004 pickup exceeded that due on the 2001 Nissan, thus the \$3.00 balance.

The registrant is very unhappy with his 2001 Nissan, and at Christmas convinces his wife that he’ll really drive safely again, so she relents and lets him trade the Nissan for a 2004 Ford (there’s no brand loyalty here!) with an MSRP of \$22,360. The excise calculation is as follows:

Base	\$22,360
Mil Rate	.024
Agent Fee	\$4.00
Local Excise Tax	\$536.64
Credit	\$682.80
Subtotal	\$0.00
Transfer Charge	\$3.00
Balance	\$3.00
Credit No.	1234567 8
Excise Tax Date	12/31/03

Note that the higher excise amount from the 2004 Chevy was used for the credit. The higher amount is used from any vehicle during that registration year.

Come re-registration time, the registrant is happy with his 2004 Ford and has driven safely so he re-registers. The excise calculation is as follows:

Base	\$22,360
Mil Rate	.0175
Agent Fee	\$2.00
Local Excise Tax	\$391.30
Credit	
Subtotal	
Transfer Charge	
Balance	\$391.30
Credit No.	
Excise Tax Date	5/30/04

Remember, in the last four months of the registration year (in this case anything after February 1, 2004), the excise charged is ½ rate and the excise credit is ½ rate. The following table gives the period when half rates are in effect.

Half Rate Table

Expiration Date Is	Half Rate Time Begins
January 30 th	October 1 st
February 28 th (or 29 th)	November 1 st
March 31 st	December 1 st
April 30 th	January 1 st
May 31 st	February 1 st
June 30 th	March 1 st
July 31 st	April 1 st
August 31 st	May 1 st
September 30 th	June 1 st
October 31 st	July 1 st
November 30 th	August 1 st
December 31 st	September 1 st

Allowed Transfers

Name Additions/Deletions

The same registrant on a vehicle being used as a credit in a transfer must appear on the new registration. Name additions and deletions are allowed at that registration time with the proper MVR forms. Consult your BMV manual for more information. Remember that at least one name on a vehicle title must appear on the registration. If a name is being deleted due to a divorce, a copy of the divorce decree should be seen prior to processing the registration.

Leased Vehicles

The Maine Legislature changed the law a few years ago, and the lessee of a vehicle is considered the owner for registration and excise tax purposes. If the lessee decides to trade in a leased vehicle, they are eligible for the excise tax credit on the traded vehicle.

Disallowed Transfers

Parents to Child

Often parents will register a vehicle that a daughter or son uses in the parents name for insurance purposes. When junior matures enough that it's time for him to get the car, the registration does not go into junior's name. This is treated as a new registration and a new set of plates is obtained, and the excise tax paid anew.

Individual to Business and Vice Versa

If an individual wishes to register a vehicle as a company car, this is considered a sale. Sales tax is due, and the vehicle registration process starts anew with new plates needed. Consult the BMV manual. If a single proprietor company decides to go out of business and the car goes to the owner's name, this too is generally considered a sale, and the registration process starts anew.

E. Re-Registrations

Re-registration or renewal is a very simple transaction, and provided the registrant has all the information required (proof of insurance, current mileage, proper payment) the process is done quickly. Let's say our truck owner in the previous section kept his Chevy Pickup another year, and comes in during May 2004 to re-register. The excise section is as follows:

Base	\$23,776
Mil Rate	.0065
Agent Fee	\$2.00
Local Excise Tax	\$154.54
Credit	
Subtotal	
Transfer Charge	
Balance	\$154.54
Credit No.	
Excise Tax Date	5/30/04

The excise history on this vehicle is as follows:

Year	Mil Rate	Excise Amt
2000	.024	\$570.62
2001	.0175	\$416.08
2002	.0135	\$320.98
2003	.01	\$237.76
2004	.0065	\$154.54
2005	.004	\$95.10

IV. Place of Payment

If a vehicle is owned by an individual resident of this State, the excise tax is paid where the owner resides. In the case of a non-resident (summer or winter) the excise tax is paid where the vehicle is temporarily or occasionally kept which is usually the winter or summer residence.

If the vehicle is owned by a resident of an Indian Reservation, the excise tax is paid to the Tribal Clerk of the appropriate reservation.

If the vehicle is owned by a corporation or partnership not maintaining a place of business in Maine, the excise tax is paid to the State.

If the vehicle is owned by a corporation or partnership with a main office in the State with additional offices, the excise tax is paid where the vehicles are customarily kept. Exceptions to this include public utility companies which pay the excise tax in the community where the utility is headquartered (36 MRSA §1484). Other corporations generally pay excise tax to the community where the vehicle is normally housed.

Foreign corporations or partnerships pay excise tax to the State.

V. Tax Exempt Vehicles

The following vehicles are exempt from excise tax:

- A. State Vehicles
- B. Driver education vehicles (only ones associated with a school)
- C. Volunteer fire departments
- D. Dealers of Manufacturers
- E. Transporter registrations
- F. Railroads
- G. Benevolent and charitable institutions
- H. Literary and scientific institutions
- I. Religious societies
- J. Certain non-residents (service connected)
- K. Interstate commerce
- L. Certain veterans
- M. Certain buses (associated with Municipality)
- N. Antique and Experimental Aircraft
- O. Adaptive Equipment installed on a motor vehicle owned by a disabled person or their family.
- P. Active military stationed in Maine.

VI. From Start to Finish

Now that all the individual components of the overall excise tax calculation have been discussed, let's look at an actual transaction from start to finish.

1. New Cars

Customer John Smith came into the office on April 2, 2003 to register his brand new 2003 Ford Expedition. He brought with him a title application, the sales tax form shown below and the window sticker (Monroney sticker) shown below. The excise tax will be relatively easy to calculate.

State of Idaho
Division of Taxation, Rules and Regulations
April 18, 2003 (2003)

STHV-9 (Rev. 1/2000)

DEALER'S CERTIFICATE

When buying an automobile for 12 or more months, use the correct title.

THE DEALER'S CERTIFICATE OR THE LIQUOR'S CERTIFICATE (ON REVERSE SIDE) MUST BE COMPLETED AND PRESENTED TO THE REGISTRATION AGENT PRIOR TO THE FIRST IN-STATE REGISTRATION.

VEHICLE PURCHASED			VEHICLE TYPE/CLASS		
KIND OF VEHICLE Motor Vehicle			KIND OF VEHICLE (See instructions for Line 2)		
MAKE Ford	MODEL Expedition	YEAR 2003	MAKE	MODEL	YEAR
VIN/VEHICLE NUMBER 3A2183ZC33006352			VIN/VEHICLE NUMBER		

DEALER'S NAME: Dealing's Auto DATE SOLD: 3/21/03

DEALER'S ADDRESS: Egan Blvd, Boise, ID 83401

1. The full purchase price	\$ 37,500.00
2. Less any allowance for a creditable trade-in (see instructions below)	\$
3. The net amount subject to tax	\$
4. Dealer must collect and report sales tax in the amount of	\$ 1,738.00

5. Exemptions - If the transaction is not subject to tax, check proper box and furnish information indicated:

A. <input type="checkbox"/> Exempt Organization (see instructions) 3-digit exemption number _____	E. <input type="checkbox"/> Instrumentality of this state or Foreign Government (see instructions)
B. <input type="checkbox"/> Antique Vehicle (Passenger Vehicle Only) V.I.C. No. (see instructions) _____	F. <input type="checkbox"/> Other: If the purchase is exempt for any other reason, please detail an explanation under "Other/Exemption".
C. <input type="checkbox"/> Automobile for rental or lease (see instructions) Sales tax will be reported on other tax if _____	

Purchase Price for owner: 37,500.00 Signature: [Signature]

Purchaser's address: Box 274, Lincoln, NE 68437

<p>To be completed by Registration Office</p> <p>Date: _____ Reg. No. _____</p>	<p>To be completed by Dealer</p> <p>Sales Tax for: <u>1,738.00</u></p> <p>Signature of Dealer or Authorized Personnel: _____</p>
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INSTRUCTIONS

Line 2 - AUTOMOBILE FOR RENTAL OR LEASE: A motorist who is a resident of Idaho may not buy when the vehicle purchased is one of the following: (1) motor vehicles (including all-terrain vehicles and snowmobiles, farm tractors, watercraft, aircraft, self-propelled rollers or loaders used in agriculture, road-building equipment, trenchers, tractors, or similar tractors) AND THE VEHICLE TRACKS AS IS OF THE SAME KIND. When the lease is in the name of the motorist, such as a company truck, used for a trade-in, the trade-in allowance is part of the purchase price and is subject to the sales tax.

A. EXEMPT ORGANIZATIONS - For sales to non-government organizations (e.g., hospitals, churches), the dealer must retain a copy of the "Exemption Certificate" issued by the Bureau of Taxation. For other sales to the federal government, the State of Idaho or any political subdivision of this State, or any agency of either the State or the federal government, no exemption certificate or number is required.

B. ANTIQUE VEHICLES - Antique or disabled vehicles who furnish a letter from the Indiana Administrative Planning that they are exempt from vehicle registration fees, may purchase an automobile exempt from tax. The dealer is required to keep a copy of the letter on file.

C. AUTOMOBILE FOR RENTAL OR LEASE - For sales of automobiles for short-term rental of 30 days or less for 12 or more months. Purchaser must issue the vehicle for at least 30 days. The dealer must obtain a "Certificate of Exemption" from the purchaser.

D. INSTRUMENTALITY OF STATE OR FOREIGN GOVERNMENT - For sales of vehicles (including trailers) which are used by the purchaser to transport or deliver commodities.

STATE OF MAINE
AUGUSTA, MAINE 04333

BUREAU OF TAXATION SALES TAX SECTION

DEALER'S CERTIFICATE

THIS CERTIFICATE MUST BE COMPLETED AND MUST ACCOMPANY APPLICATION FOR FIRST MAINE REGISTRATION OF VEHICLE WHEN PRESENTED OR SENT TO ANY REGISTRATION OFFICE.

VEHICLE PURCHASED			VEHICLE TRADED-IN		
TYPE (Automobile, truck, snowmobile, etc.)			TYPE (Automobile, truck, snowmobile, etc.)		
AUTOMOBILE			AUTOMOBILE		
MAKE	MODEL	YEAR	MAKE	MODEL	YEAR
BUICK	LESABRE	91	FORD	ESCORT	89
VEHICLE IDENTIFICATION NUMBER		FUEL	VEHICLE IDENTIFICATION NUMBER		
1G4HP69C9M534888		YES <input type="checkbox"/> NO <input type="checkbox"/>	1FABP98X1G1591137		

SELLER'S NAME SOUTHERN MAINE AUTO SALES INC. DATE BOUGHT 12/21/90
 SELLER'S ADDRESS 123 MAIN ST. VACATIONLAND, ME.

1. The full purchase price of the vehicle was (Do not include finance or insurance charges): \$ 21,350.00
 2. The amount for trade-in was (SEE REVERSE SIDE FOR ELIGIBLE ITEMS): \$ 5,500.00
 3. Net amount subject to tax: \$ 15,850.00
 4. Sales tax was paid in the amount of \$ 792.50
 5. Exemptions:

If transfer of ownership is NOT Subject to the Sales or Use Tax, check proper box and furnish information required below. (See reverse side for instructions)

A. Exempt Organization: Exemption Number _____
 B. Amputee Vehicle (Passenger Vehicle Only): V.A.C. No. _____
 C. Automobile for Short Term Rental: Sales Tax on Rentals to be Reported by Seller's Certificate No. _____
 D. Instrumentality of Interstate or Foreign Commerce: Affidavit of Exemption Will be Submitted by Dealer
 E. Other (Explain on Reverse Side)

Name under which vehicle is registered, if different than purchaser _____

PURCHASER JOHN Q. PUBLIC *John Q. Public*
Signature
 PURCHASER'S ADDRESS 717 STONYBROOK ROAD VACATIONLAND, ME.
Street or Box No. City or Town State

REGISTRATION OFFICE WILL INDICATE REGISTRATION NO.	To Be Completed by Dealer
DATE _____	SALES TAX NO. _____
	Signature of Dealer or Authorized Personnel _____

OFFICIAL USE FOR REGISTRATION OFFICE ONLY

REGISTRATION OFFICE: TITLE & ANTI-TRUST SECTION, STATEHOUSE STATION 28, AUGUSTA, MAINE 04333-0027

FORM 215-272 PAGE 1

VEHICLE REGISTRATION

1. MAKE AND MODEL YEAR AND BODY STYLE OF VEHICLE: BUICK LESABRE 91

2. TYPE OF VEHICLE: 4 DO NOT WRITE IN THIS SPACE

3. PURCHASER'S NAME: PUBLIC, JOHN Q. JOINT OWNERSHIP

4. REGISTRATION OFFICE: 717 STONYBROOK ROAD CITY/TOWN: VACATIONLAND, MAINE STATE: ME

5. VEHICLE IDENTIFICATION NUMBER: 1G4HP69C9M534888 YEAR: 91

6. REGISTRATION DATE: 12/21/90

7. REGISTRATION FEE: 40 REGISTRATION TAX: 792.50

8. REGISTRATION OFFICE: FIRST NATIONAL BANK OF MAINE CITY/TOWN: VACATIONLAND, MAINE STATE: ME

9. REGISTRATION OFFICE: 123 MAIN STREET, VACATIONLAND, MAINE CITY/TOWN: VACATIONLAND, MAINE STATE: ME

10. REGISTRATION OFFICE: SOUTHERN MAINE AUTO SALES INC. CITY/TOWN: VACATIONLAND, MAINE STATE: ME

11. REGISTRATION OFFICE: John Q. Public CITY/TOWN: VACATIONLAND, MAINE STATE: ME

12. REGISTRATION OFFICE: John Q. Public CITY/TOWN: VACATIONLAND, MAINE STATE: ME

DO NOT SIGN THIS FORM UNTIL IT IS COMPLETED

STATE OF MAINE
MOTOR VEHICLE DIVISION - NOTICE OF SALE

NEW USED
 TEMPORARY PLATE NO. 69773 EXPIRES 1/4/91
TEMPORARY REGISTRATION VALID ONLY WHEN TEMPORARY PLATE ISSUED

MAKE BUICK	YEAR & MODEL 1991 LESABRE	STYLE 4 DOOR	
VIN - SERIAL NO. 1G4HP69C9MH534888		COLOR BLACK	MILEAGE AT TIME OF SALE 37

Name of Purchaser: JOHN Q. PUBLIC Date: 12/21/90
 Address: 717 STONYBROOK ROAD,
VACATIONLAND, MAINE 04067 Mileage when purchased: 37
 Name of person or dealer from whom you obtained this vehicle: SOUTHERN MAINE AUTO SALES INC.
 Address: 123 MAIN STREET
I hereby certify that the above information is true and correct to the best of my knowledge.
 Reason why no mileage change: _____

By: Don "Big Deal" Jones (Trade Name of Dealer) Dealer Plate Number: Sobamgr
White Copy-Motor Vehicle Division on date of sale if temporary plate issued, otherwise, not later than 15th day of month following sale or exchange; Yellow Copy-Customer at time of sale; Pink Copy-Dealer.
 TYPE OR PRINT IN INK

All the information needed to begin the process is listed on the three forms presented. The information is extracted from these forms and entered onto a worksheet on the next page.

MAKE	Buick
MODEL	Lesabre
YEAR	1991
VIN	1G4HP69C9MH534888
COLOR	Black
STYLE	4D (sedan)
NAME(s)	John Q. Public
EXPIRATION DATE	1/31/2006

For the sake of simplification, we'll assume Mr. Public wishes to register his vehicle for a full year until January 31, 2006.

With the pertinent information transferred from the Sales Tax Form and Title Application onto the worksheet on the next page, the list price should be found in the appropriate price manual. For illustration purposes, an excerpt from the "New Car Cost Guide" published by the Automobile Invoice Service has been used.

Base Price Determination Worksheet

Sticker Price	\$17,080	Plate #	New Plates		
		Expiration Date	1/31/2006		
Full Name	John Q. Public				
Mailing Address	77 Stonybrook Road				
Legal Residence	Vacationland, ME 04067				
Serial Number	1G4HP69C9MH534888				
Color	Year	Make	Model	Style	H.P.
Black	1991	Buick	LeSabre	4D	6

Suggested List	\$17,080	
Air Conditioning	Standard	√
Rear Window Defroster	SB Package	√
Power Door Locks	SC Package	√
Power Windows	SD Package	√
Power Seats (6 way driver)	SD Package	√
Tinted Glass	Standard	√
Radio	Standard	√
w/Tape Cassette	SC Package	√
Auto Transmission/overdrive	Standard	√
Cruise Control	SB Package	√
Tilt Steering Wheel	Standard	√
Other Options		
Locking Wire Wheels	SC Package	√
3.8 liter EFI V-6	Standard	√

Base: \$19,109

Amount of Tax	\$ 76.44
Credit	\$
Sub Total	\$76.44
½ Rate	\$
Transfer Charge	\$
Excise Total	\$76.44

All items marked with √ are included in luxury package SD which adds \$2,029 to the MSRP of the vehicle

*Please Note: Luxury Package includes those options that are included in the Popular and Premium Packages.

1991 BUICK LE SABRE

EFFECTIVE 08-13-90

CODE	MODEL	DEALER INVOICE	SUGGESTED RETAIL
P37	Base Coupe 2-Door	14,826.34	17,180.00
R69	Custom Sedan 4-Door	14,740.04	17,080.00
R37	Limited Coupe 2-Door	15,818.79	18,330.00
R69	Limited Sedan 4-Door	15,905.09	18,430.00

STANDARD EQUIPMENT

BASE COUPE & CUSTOM SEDAN

Air conditioning	Moldings: bodyside; wheel opening
Armrest, front seat center	Radio, AM/FM ETR stereo w/seek-scan & dual standard front & extended-range rear speakers
Brakes, power front disc/rear drum	Seat, notchback bench
Bumper guards	Seatbelts, passive restraint
Bumper rub strips, f/r	Steering, power
Carpeting, 1/8" cut-pile	Steering column, tilt
Clock, digital	Tires: P205/75R14 SBR all-season blackwall; compact spare
Defoggers, front side window	Transmission, 4-speed automatic overdrive
Engine, 3.8-liter EFI V6	Trip odometer
Glass, tinted	Trunk trim, full
Headlights, halogen	Upholstery, cloth
Horns, dual	Warning tones: seatbelts; key-in-ignition; headlights-on
Lights: dome; instrument panel; courtesy; ashtray; glove box; trunk; underhood	Wheel covers, deluxe
Mirrors, dual color-keyed (left remote)	

LIMITED COUPE & SEDAN have in addition to or in place of LeSabre Base Coupe & Custom Sedan:

Armrest, front w/storage	Seats, 55/45 reclining notchback
Moldings, wide lower bodyside	

CODE	PACKAGES & GROUPS	MODEL AVAILABILITY	DEALER INVOICE	SUGGESTED RETAIL
Y56	Gran Touring Package	LeSabre w/o 15B, 5C, SD or SE	627.30	738.00
		LeSabre w/15B	562.70	662.00
		LeSabre w/5C, SD or SE	379.95	447.00
Includes: Gran Touring suspension w/automatic level control; 2.97 final drive axle ratio; aluminum wheels; P215/65R15 SBR Eagle GT+4 blackwall tires; heavy-duty cooling; leather-wrapped sport steering wheel.				
SB	Popular Package	LeSabre Base Coupe, LeSabre Custom Sedan	619.65	729.00
		LeSabre Limited Coupe, LeSabre Limited Sedan	1,199.35	1,411.00
Includes: CD4 intermittent wipers; K34 cruise control; C49 electric rear window defroster; QJR P205/75R14 SBR whitewall tires; AM6 55/45 cloth split front seat w/storage armrest; B34 front floor mats; B35 rear floor mats.				
SC	Premium Package	LeSabre Base Coupe	1,082.90	1,274.00
		LeSabre Custom Sedan	1,116.90	1,314.00
Includes: SB Popular Package; AU3 power door locks; UM6 AM/FM ETR stereo radio w/cassette; N91 locking wire wheel covers.				
SD	Luxury Package	LeSabre Base Coupe	1,826.90	1,914.00
		LeSabre Custom Sedan	1,724.85	2,029.00
Includes: SC Premium Package; A31 power windows; WG1 6-way power driver seat; B93 door edge guard moldings; A76 manual passenger seatback recliner; A79 manual driver seatback recliner.				
SE	Prestige Package	LeSabre Base Coupe	1,921.00	2,260.00
		LeSabre Custom Sedan	2,018.75	2,375.00
Includes: SD Luxury Package; D64 illuminated right visor vanity mirror; DG7 dual power mirrors; A51 power passenger seat recliner; B75 deluxe trunk trim.				
		LeSabre Limited Coupe	2,403.80	2,828.00
		LeSabre Limited Sedan	2,501.55	2,943.00
Includes: SD Luxury Package ex. UX1 AM/FM ETR stereo radio w/cassette, graphic equalizer & concert sound system replaces UM6 radio; AG2 6-way power passenger seat.				

You will note that the model # is part of the vehicle identification number (V.I.N.). In this case – P69 is the model number and can be found in the V.I.N. # as well as in the manual as shown on the previous page. As indicated, the suggested list price is \$17,080.

OPTIONAL EQUIPMENT

Air Conditioning – Manual Control	standard
Automatic with overdrive	standard
Power Seats	SD Package
Power Windows	SD Package
AM-FM Stereo/Cassette	SC Package
Power Door Locks	SC Package
Six (6) cylinder (3.8 liter)	standard
Rear Window Defroster	SB Package
Cruise Control	SB Package
Tilt-Steering Wheel	standard
Luxury Package	2,029.00
TOTAL LIST PRICE	\$19,109.00
Base price for excise tax is	\$19,100.00
Tax Mil Rate is \$4.00 per \$1,000	.004
EXCISE TAX	\$ 76.44

As you can see, the options are numerous and add a substantial amount to the overall excise tax. In this case, optional equipment represents 10% of the overall base price and generates an additional \$ 8.12 in excise tax revenue for the community. Just remember that the options can only be determined by asking the customer!

VII. Trucks(Light Duty)

Trucks literally come in all shapes and sizes. Pickup trucks (2 axles, 4 wheels and gross vehicle weight under 9,000 pounds) are treated exactly like passenger cars when it comes to excise tax collection.

Large trucks (over 26,000 # G.V.W.), though, have an important exemption under the excise tax laws. A new large truck will pay excise tax based on the full purchase price indicated on the Dealer’s Certificate. The Secretary of State’s office will reimburse your community for the excise difference between the MSRP and the full purchase price. You must submit a form to the Secretary of State each year to claim that reimbursement amount.

Types of Trucks



Pickup Truck (Passenger Plate Make Code “PK”, Commercial Plate Make Code “00”). Pickups must only have two axles and weigh less than 9,000 pounds G.V.W.



Utility Vehicle (Passenger Make Code “UT”). Also known as a Sport Utility Vehicle (SUV) these include a wide range of models such as the Ford Explorer, the Chevy Suburban, the Dodge Durango, Mitsubishi Montero, Toyota 4 Runner, Nissan Xterra and many others. Jeeps generally fall into the UT class as well.



Van – (Passenger Make Code “VN”) The type shown at the left is a typical work van. Passenger vans also include mini-vans such as the Ford Windstar, the Chevy Astro, the Dodge Caravan and the Plymouth Voyager.



Conversion Van – (Passenger Make Code VN for non-camper, VC for camper) The conversion van generally is a basic van that has had the interior converted to more of a living space than a passenger space. These conversions can add an lot of value to the vehicle – be sure to ask!



Step Van – (Passenger Make Code “VN”). The step van is not as popular as it used to be. These are mostly used by commercial delivery companies such as UPS. They generally carry commercial plates.



Chassis and Cab (Commercial Make Code is a 2 digit number, depending on the number of axles and wheels). The model at the left is designed to pull a large trailer. Other chassis configurations have beds or bodies built onto them. These generally carry large loads and require commercial plates.

What kind of truck do we have here?

Often the VIN will identify what kind of truck you have. The following information was accurate in the earlier version of the MMTCTA Excise Tax Manual, and might help with tracking down the proper section of your choice of pricing manual for an accurate MSRP.

I. PICKUPS, VANS

A. VEHICLE IDENTIFICATION NUMBERS

1. Ford
 - 5th digit is E - Van
 - 5th digit is F - Pick-up
 - 6th digit is 1 - ½ Ton
 - 2 - ¾ Ton
 - 3 - 1 Ton

2. Chevrolet
 - 5th digit is C - 2 Wheel drive
 - 5th digit is K - 4 Wheel drive
 - 5th digit is S - 2 Wheel drive (S-10)
 - T - 4 Wheel drive (S-10)
 - 6th digit is 1 - ½ Ton
 - 6th digit is 2 - ¾ Ton
 - 6th digit is 3 - 1 Ton

3. Dodge
 - 5th digit is D - 2 Wheel drive
 - 5th digit is W - 4 Wheel drive
 - 6th digit is 1 - ½ Ton
 - 2 - ¾ Ton
 - 3 - 1 Ton

4. GMC
 - 5th digit - G - Van
 - R - 2 Wheel drive
 - V - 4 Wheel drive
 - S - 2 Wheel drive on S-10 Blazers
 - S-10 Pickups
 - T - 4 Wheel drive on S-10 Pickups
 - Blazers

5. Chrysler
 - 5th digit - H - Plymouth Voyager

Consult MMA Excise Manual for pricing schedules for chassis additions.

- B. TRACTORS
 - 1. Sleeper, Nonsleeper (sizes)
 - 2. Gas or Diesel
 - 3. Axles behind the cab
 - a. single
 - b. tandem
 - 4. Model Number or Name

- C. CHASSIS CABS
 - 1. Gas or Diesel
 - 2. Axles
 - a. single 4x2 (42)
 - b. tandem 6x4 (64) (F)
 - 3. What is on the chassis? (Sec. A2)
 - 4. Model number or Name
 - 5. Split excise for different year cab & chassis

VIII. Trucks – Medium & Heavy Duty

As mentioned before, a new truck with a GVW in excess of 26,000 pounds is not subject to the MSRP requirement. However a used truck manufactured prior to 1996 or one without a copy of the original Use Tax Certificate must have its original MSRP determined.

The calculation of excise tax on medium and heavy duty trucks is an area that many collectors have problems with. There is a certain level of uncertainty relative to the knowledge that most tax collectors have acquired with reference to large trucks. There is no doubt that the terms utilized during the excise tax calculation process are much different than those used for automobiles. After acquiring a basic understanding of these terms, many collectors find that dealing with larger trucks can sometimes be much easier than calculating the excise tax on some automobiles.

Before the actual information gathering process can begin, the collector must identify what type of truck the registrant wants to register. Some of the more common truck and body combinations are:

- Flat Beds
- Stake Bodies
- Dump Trucks
- Oil Delivery
- Concrete Mixers

Bulk Feed Transport Tractor/Trailer Units

The calculation of excise tax on larger trucks usually involves the determination of the base price of two (2) individual components of the truck – the chassis and cab and the body.



Chassis & Cab – no body is yet attached to this truck.

Chassis & Cab with Dump Body – The dump body is attached to the chassis and its value must be calculated in addition to the value of the chassis and the cab.



It's recommended that if you choose to use a worksheet that a different one be used for the medium and large trucks than is used for passenger cars and light duty trucks. An example of a large truck worksheet will follow this section, but feel free to make your own.

Identifying the Chassis – The chassis of a large truck is identified by its make (Chevrolet, GMC, Peterbilt, Mack, etc.) and its model number. The chassis may come with a number of options, and your pricing guides will list what's included, and have a list of pricing for each option the chassis might have.

Identifying the Body – This is the tricky part, and we offer the following illustrations as body types:

Dump Body (see picture above)

Flat Bed





Stake Bed Body

Oil Delivery Body



Concrete Mixer Body

Bulk Feed Transport
Body



Tractor Trailer Unit

Medium & Heavy Duty Truck Worksheet

New		Used		Plate #		Expiration Date			
Make		Year		Model #		Color		Style	
VIN						GVW			
Name						# Tires		Fuel	
Address						Base Chassis/Cab			
						Base Price-Body			
						Total Base Price			
						Excise Rate			
						Total Excise Tax			

I certify that the above is correct to the best of my knowledge.

Owner or Agent

Clerk/Witness

Note: All calculations, optional equipment and details of this transaction will be listed on the opposite side of this form.

Excise Tax Collector

Pricing Source: Chassis/Cab:
 Body:

(See appendix 1 for excise tax reimbursement from the BMV on new heavy duty trucks)

IX. Heavy Equipment

As mentioned throughout this manual, properly identifying the vehicle is of the utmost importance regardless of the type of vehicle you are dealing with. It is especially important when determining the base price of heavy construction equipment in order to collect excise tax.

In many cases such equipment is subject to personal property tax, and your tax assessor will deal with the valuation issues. However, some contractors find it to their benefit to pay excise tax instead of personal property tax, therefore it's important to know what type of equipment you have for excise tax purposes.

Most tax collectors will need to consult with Maine Revenue Services Property Tax Division to determine the correct MSRP on heavy equipment. In order to make sure that both are talking about the same piece of machinery, we offer this section of pictures and descriptions. It might help to have the taxpayer identify exactly what it is they own by using the illustrations.



Crawler Tractor with Dozer Blade (model John Deere 450H)



Crawler Tractor with Backhoe (model Bobcat 328)



Crawler Loader with Multipurpose Bucket (model John Deere 655 C-T)

All three of the above units are basically the same but perform different functions. The **Crawler Tractor** has a scraper blade on the front for spreading dirt. The second unit has a **Backhoe**. It also has a scraper blade on the front, but the backhoe bucket is attached as

well. The third unit is the same as the previous two in that it is propelled by tracks, but is equipped with a loading bucket. This is used for loading dirt onto dump trucks.



Bulldozer – Though this bulldozer resembles the crawler tractor on the previous page it is much different in size and purpose. This type of unit is used in heavy duty construction projects as it is much more powerful than the smaller crawler tractors. This dozer is equipped with a straight scraper blade or it could have a loader bucket as pictured on the crawler tractor on the previous page.

Loader -- The unit to the left is called a loader or a front-end loader. It is also referred to as a “wheel loader” or a “rubber tired loader” because it operates on tires instead of a track.



Backhoe Loader – Some units are both loaders and backhoes, which can get quite confusing. The item pictured to the right is called that because it has a loader bucket in the front and a backhoe bucket in the rear. It is also a wheel tractor or a rubber tire tractor. It also has an enclosed cab which can be equipped with a radio and air conditioning.

Landscape Loader – This type of tractor has become quite popular with contractors because of its size and maneuverability. Also know by its brand name (Bobcat), the cab is not completely enclosed. Except for the cab and backhoe, both units are quite similar.





General Purpose Tractor – This type of unit is generally referred to as a Farm Tractor. It is quite versatile and is capable of adapting to various types of farm equipment such as combines, balers, harrows and mowers. On most farms a tractor is a must.

Excavator – These are the big tonka-toys! This excavator to the left is commonly referred to as a rubber tired hydraulic excavator or backhoe. Remember that most excavation equipment will either have a front loader bucket or a backhoe that digs from the rear. Consequently they are either loaders or backhoes.



Excavator – Tracked – This vehicle is basically the same as the one above, except that it is mounted on tracks instead of wheels. It's also a hydraulic controlled unit. The biggest difference between the two is that the wheeled one can be driven on the highway to a construction site, while the track unit must be hauled on a trailer.

Motor Grader – This large vehicle is common on large construction projects and in towns with dirt roads. It's used for scraping the surface of a road to a smooth grade to prepare for final paving. Many towns and cities utilize graders in the winter for snow removal.





Scraper – This is a fairly uncommon construction vehicle that is used on large highway projects. It scrapes earth from beneath and transports it without the use of a dump truck to another area of the construction project. The one pictured to the left can transport 11 cubic yards at a time.

Skidder – This unit is used almost exclusively in the woods in the forest products industry. It is designed to clear paths for logging roads (thus the scraper on the front) and to pull large logs along those roads to prepare for loading onto trucks.



Power Screen – Though rarely seen on the road and generally assessed through personal property tax, a power screen conceivably could pay excise tax. These units are used in gravel pits and screen different size gravel into usable piles.

Tub Grinder – These units are also generally found in gravel pits and assessed as personal property. They take stumps and other debris and grind them into mulch material. Such vehicles are extremely expensive and would garner a significant amount of excise tax.



Most Maine communities do not subscribe to manuals for heavy equipment as transactions for such equipment are rare. When you need a list price for this type of vehicle, Maine Revenue Services should be consulted (287-2012). Make sure you can properly identify the type of vehicle, the make and the model number prior to calling. The excise tax division can take a couple of days to determine the price, so prepare your contractors for a delay in excising heavy equipment.

X. Watercraft

Prior to 1983, all watercraft in the State of Maine were assessed as personal property based on a value assigned by the assessor in each community. There existed many problems with this method of taxation. It was found that many towns did not assess watercraft at all and those that did assess a tax would utilize an assessed value that was either high or low.

Consequently, the State Legislature changed this situation and established a new method of taxation whereby watercraft would be taxed based on length, size of motor and age. Thus, we have the present system of watercraft taxation in Maine. Many people question that the present system does not tax the more expensive watercraft adequately because values are not given consideration in the excise tax calculation process. Nevertheless, the present system is much more uniform in its philosophy and application.

Many communities that were originally assessing watercraft correctly have found that the excise tax revenues do not match the personal property revenue collected under the old system of taxation. Ironically, those towns that were not assessing watercraft at all discovered a new found source of revenue for their town.

Following are extracts from Title 36 SS 1501-1506 dealing with the watercraft excise tax law in Maine.

Chapter 112: WATERCRAFT EXCISE TAX

§1501. Purpose

The purpose of this chapter is to levy an excise tax upon the owner of any watercraft, not otherwise exempt, for the privilege of operating a watercraft upon the waters of this State.

§1502. Excise tax in lieu of property taxes

The excise tax imposed by this chapter is in lieu of all property taxes on watercraft.

§1503. Definitions

As used in this chapter, unless the context indicates otherwise, the following terms have the following meanings.

1. Commercial vessel. "Commercial vessel" means any type of watercraft used exclusively in a business or trade:

- A. Is required to be registered under Title 12, section 13056; or
- B. Is documented under the laws of the United States.

1-A. Canoe. "Canoe" has the same definition as that set out in Title 12, section 1872, subsection 2.

2. Commissioner. "Commissioner" means the Commissioner of Inland Fisheries and Wildlife.

3. Director. "Director" means the Director of the Division of Licensing and Registration, Department of Inland Fisheries and Wildlife.

3-A. Dory. "Dory" means an unpowered, double-ended boat used exclusively for the transport and storage of fishing gear.

4. Established base of operations. An "established base of operations" means the location where a commercial vessel has its primary relationship with a municipality. Among the factors identifying a primary relationship are the locations at which the vessel is primarily moored or docked, where it prepares for expeditions and hires a crew and to which it regularly returns for repairs, supplies and activities relating

to its business or trade. The fact that a commercial vessel carries on one or more of the activities, as mentioned in this subsection, at more than one location within this State or carries on one or more of the activities, enumerated in this subsection, at a location or locations outside this State shall not prevent it from being deemed to have an established base of operations within the State, if a substantial portion of these activities are carried on at a location or locations within this State.

4-A. Marina or boat yard. "Marina or boat yard" means any facility that leases storage, docking or mooring space to watercraft.

5. Overall length. "Overall length" means the horizontal distance stated in feet and defined as the straight line measurement over the deck, excluding sheer, from the foremost part of the watercraft to the aftermost part, measured parallel to the centerline, excluding outboard motors, brackets, bowsprits, rudders and similar attachments. For any watercraft documented under the laws of the United States, overall length means the registered length of the vessel as set forth in the document issued to its owner by the United States Coast Guard.

6. Owner. "Owner" means a person or persons claiming lawful possession of a watercraft by virtue of legal title, equitable interest or a leasehold interest in the watercraft.

7. Principally moored, docked or located. "Principally moored, docked or located" means the place where a watercraft, other than a commercial vessel, is usually moored, docked, anchored or located during the period from June 1st to August 31st.

8. Registration period.

8-A. Registration period.

8-B. Registration period. "Registration period" means from January 1st to December 31st of the year for which the certificate of number is issued pursuant to Title 12, section 13056.

9. Taxable year. "Taxable year" means from January 1st to December 31st.

10. Watercraft. "Watercraft" means any type of vessel, boat, canoe or craft capable of being used as a means of transportation on water, other than a seaplane, including motors, electronic and mechanical equipment and other machinery, whether permanently or temporarily attached, and which are customarily used in the operations of the watercraft. Watercraft does not include a vessel, boat, canoe or craft located and intended to be permanently docked in one location and not used as a means of transportation on water.

§1504. Excise tax

1. Payment schedule. An excise tax is payable annually by the owner of each watercraft located in this State, except those exempt under subsection 4, within 10 days of operation upon the waters of this State, or prior to obtaining a certificate of number pursuant to Title 12, section 13056, or prior to July 1st, whichever event first occurs, based on the following schedules. For 1984, watercraft subject to the watercraft excise tax that are not required to register under Title 12, former chapter 715, are not required to pay the excise tax until June 30, 1984.

A. The following tax is assessed based upon the overall length of the watercraft.

Watercraft Tax Tables (From State Statute)

Overall length of watercraft To nearest foot.....	Length Tax
Watercraft under 13 feet, all dories regardless of length and all canoes regardless of length.....	\$ 6

13 feet.....	7
14 feet.....	8
15 feet.....	9
16 feet.....	11
17 feet.....	13
18 feet.....	16
19 feet.....	19
20 feet.....	22
21 feet.....	26
22 feet.....	30
23 feet.....	51
24 feet.....	56
25 feet.....	61
26 feet.....	68
27 feet.....	75
28 feet.....	82
29 feet.....	89
30 feet.....	96
31 feet.....	103
32 feet.....	110
33 feet.....	117
34 feet.....	125
35 feet.....	133
36 feet.....	141
37 feet.....	149
38 feet.....	158
39 feet.....	167
40 feet.....	177
41 feet.....	187
42 feet.....	198
43 feet.....	210
44 feet.....	223
45 feet.....	237
46 feet.....	252
47 feet.....	268
48 feet.....	284
49 feet.....	301
50 feet.....	318
51 feet.....	335
52 feet.....	352
53 feet.....	370
54 feet.....	388
55 feet.....	406
56 feet.....	424
57 feet.....	442
58 feet.....	460

59 feet.....	478
60 feet.....	496
61 feet.....	514
62 feet.....	532
63 feet.....	550
64 feet.....	568
65 feet.....	586
and over.....	plus \$18
	for each foot
	over 65 feet

B. In addition to the length tax, the owner of any watercraft, other than a canoe, with an overall length greater than 13 feet and less than 23 feet shall pay a tax on the total motor horsepower as shown on the watercraft's registration in accordance with the following schedule:

- (1) Horsepower of 20 or less.....\$ 2
- (2) Horsepower over 20 but
Not over 70..... \$ 5
- (3) Horsepower over 70.....\$12

2. Reduction in tax. The amount of excise tax payable shall be reduced as follows. [1997, c. 668, §21 (amd).]

A. For any commercial vessel, the tax payable shall be 50% of the value due under subsection 1.
[1983, c. 92, Pt. B, §9 (new).]

B. For all other watercraft, the tax payable shall be reduced 20% when the watercraft is over 10 years of age and shall be reduced 40% when the watercraft is over 20 years of age.
[1983, c. 92, Pt. B, §9 (new).]

C. Any depreciation allowed under this subsection may not reduce the total tax below \$12.
[1983, c. 572, §§10, 12 (new).]

D. The tax payable for a watercraft registered to a new owner after September 1st of any year is 50% of the amount due under subsection 1.
[1997, c. 668, §21 (amd).]

3. Payment of tax. The excise tax shall be paid as follows. [1999, c. 304, §1 (amd).]

A. If the watercraft is owned by an individual resident of this State, the excise tax shall be paid to the municipality where the owner resides. The excise tax for watercraft owned by residents of Indian reservations shall be paid to the tribal clerks.
[1983, c. 92, Pt. B, §9 (new).]

B. If the watercraft is owned by an individual who is a nonresident of this State or by a partnership or corporation, domestic or foreign, the excise tax shall be paid to the municipality where the watercraft is principally moored, docked or located or has its established base of operations.
[1983, c. 92, Pt. B, §9 (new).]

C. The State Tax Assessor shall determine a vessel's established base of operation if 2 or more municipalities disagree over which taxing jurisdiction has the right to tax a particular vessel. The State Tax Assessor's decision shall be final.
[1985, c. 726, §4 (amd).]

D. Beginning April 1, 1984, upon payment of the excise tax, the municipality shall certify on forms provided by the Department of Inland Fisheries and Wildlife that the excise tax has been paid. The municipality may withhold certification that the excise tax has been paid until all outstanding taxes due under this chapter for the current year have been paid.

[1999, c. 304, §1 (amd).]

4. Exemptions. The following shall be exempt from the tax imposed by this section: [2003, c. 414, Pt. B, §57 (amd); c. 614, §9 (aff).]

A. Lifeboats or life rafts customarily carried or required to be carried by a watercraft for purposes of rescuing the occupants of the watercraft in case of danger;

[1983, c. 92, Pt. B, §9 (new).]

B. Watercraft held by registered retailers as demonstrators or stock-in-trade;

[1983, c. 862, §84 (amd).]

C. Watercraft which were exempt from taxation under Title 36, chapter 105 on April 1, 1983;

[1983, c. 92, Pt. B, §9 (new).]

D. Commercial vessels without an established base of operations in this State and all other watercraft which are not within this State more than 75 days during the year; and

[1983, c. 92, Pt. B, §9 (new).]

E. Watercraft 20 feet or less in length that are not required to be registered under Title 12, section 13056.

[2003, c. 414, Pt. B, §57 (amd); c. 614, §9 (aff).]

5. Credits. Any owner who has paid the excise tax for a watercraft which is subsequently totally lost by fire, theft or accident in the same year, shall be entitled to a pro rata credit for the tax previously paid in that period for any one watercraft toward the tax for any number of watercraft. [1983, c. 92, Pt. B, §9 (new).]

A. The credit shall be allowed in any place in which the excise tax is payable.

[1983, c. 92, Pt. B, §9 (new).]

B. No portion of any excise tax once paid may be repaid to any person by reason of the loss of a watercraft.

[1983, c. 92, Pt. B, §9 (new).]

C. For purposes of this subsection, the term "owner" includes the surviving spouse.

[1983, c. 92, Pt. B, §9 (new).]

5-A. Credit for transfer. Any owner who has paid the excise tax for a watercraft which is transferred in the same tax year is entitled to a credit to the maximum amount of the tax previously paid in that year for any number of watercraft, regardless of the number of transfers which may be required of him in the same tax year. The credit shall be allowed in any place in which the excise tax is payable. [1987, c. 196, §8 (new).]

6. Watercraft not required to register. [1983, c. 632, Pt. A, §9 (rp).]

6-A. Improper levy of tax. If a municipality or watercraft owner believes the excise tax has been improperly levied under the authority of this section, the municipality or watercraft owner may request a determination of this question by the State Tax Assessor. The State Tax Assessor's determination is binding on all parties. Any party may seek review of the determination in accordance with the Maine Rules of Civil Procedure, Rule 80B. [1985, c. 726, §5 (new).]

7. Evidence of tax payment. Each watercraft, required to pay the excise tax established by this chapter but not required to be registered under Title 12, section 13056, must display a current excise tax decal as directed by the commissioner. A current excise tax decal must be issued by the municipal tax collector or tribal clerk upon the payment of all excise taxes due under this chapter. The commissioner shall

make excise tax decals available at cost to municipalities and Indian reservations. For watercraft required to be registered under Title 12, section 13056, the registration sticker is considered evidence of tax payment. [2003, c. 414, Pt. B, §58 (amd); c. 614, §9 (aff).]

7-A. Interest on delinquent taxes. Any tax assessed under this chapter which is not paid when due shall accrue interest at the rate set for municipal property taxes for the year during which the excise tax is due. [1985, c. 726, §7 (new).]

8. Lien. If the tax imposed by this chapter is not paid when due, the tax collector may file in the office of the registry of deeds of the county where the owner of the watercraft resides or in the case of a nonresident owner or partnership or corporation, either domestic or foreign, where the watercraft is principally moored, docked or located or has its established base of operations, or in the office in which a security or financial statement or notice with respect to personal property would be filed, a notice of lien specifying the amount of the tax, addition to tax, penalty and interest due, the name and last known address of the taxpayer liable for the amount and the fact that the tax collector has complied with this chapter in the assessment of the tax. From the time of the filing, the amount set forth in the certificate constitutes a lien upon all property of the taxpayer, in the county then owned by him or thereafter acquired by him in the period before the expiration of the lien. In the case of any prior mortgage on any real or personal property so written as to secure a present debt and also future advances by the mortgagee to the mortgagor, the lien, as provided in this subsection, when notice thereof has been filed in the proper office, shall be subject to the prior mortgage, unless the assessor also notifies the mortgagee of the recording of the lien in writing, in which case any indebtedness thereafter created from the mortgagor to the mortgagee shall be junior to the lien provided in this subsection. The lien, provided in this subsection, has the same force, effect and priority as a judgment lien and shall continue for 5 years from the date of recording, unless sooner released or otherwise discharged. The lien may, within the 5-year period or within 5 years from the date of the last extension of the lien in the manner provided in this section, be extended by filing for record in the appropriate office, a copy of the notice and from the time of that filing the lien shall be extended for 5 years, unless sooner released or otherwise discharged. [1983, c. 92, Pt. B, §9 (new).]

9. Enforcement. General enforcement provisions are as follows. [2003, c. 414, Pt. B, §59 (amd); c. 614, §9 (aff).]

A. Beginning March 1, 1984, payment of the excise tax and accrued interest, where applicable, is a prerequisite for obtaining a certificate of number of a watercraft under Title 12, section 13056, and no registration may be renewed until all excise taxes and accrued interest, where applicable, with respect to the watercraft have been paid in accordance with this chapter.

[2003, c. 414, Pt. B, §59 (amd); c. 614, §9 (aff).]

B. The provisions of chapters 7 and 835 shall apply with like effect to collecting the tax and enforcing this chapter in the unorganized territory.

[1985, c. 726, §8 (amd).]

C.

[1985, c. 726, §8 (rp).]

D. Each marina or boat yard leasing storage space or leasing mooring or docking spaces for 10 or more consecutive days during the period from April 15th of any year and April 15th of the next year to watercraft not registered in the State shall maintain a list of all such watercraft. The list shall contain, with respect to each watercraft:

- (1) The name of the vessel;
- (2) The name and address of the owner of the watercraft;
- (3) The state of registration or port of hail;
- (4) The approximate length of the vessel; and
- (5) The type of vessel.

These lists shall be made available by marinas and boat yards for inspection during normal business hours by law enforcement officers and by municipal officials. Marina and boat yard owners must

retain these lists for 3 years.

[1987, c. 196, §9 (new).]

E. Upon receipt from the United States Coast Guard of a list of watercraft that have valid marine documents as a watercraft of the United States, and that are moored in this State or owned by State residents, the State Tax Assessor shall send a copy of this list to the tax collector of each municipality.

§1505. Unorganized territory

For the purposes of this chapter, the unorganized territory shall be treated as a municipality. All excise tax payments for watercraft owned by residents of the unorganized territory, nonresidents or a partnership or corporation, domestic or foreign, and principally moored, docked or located or with an established base of operations in the unorganized territory shall be collected and distributed in the same manner as the motor vehicle excise tax.

§1506. Rulemaking

The Bureau of Revenue Services, after consultation with the Commissioner of Marine Resources, the Commissioner of Inland Fisheries and Wildlife and the Director of the Division of Licensing and Registration, may adopt rules and establish such forms and procedures as are necessary for the efficient administration and enforcement of the excise tax established by this chapter.

There are certain key factors to remember when calculating the excise tax on watercraft.

1. Watercraft 20 feet or less in length without a motor are not required to pay excise tax not are they required to register with the State.
2. Watercraft 13 feet or less and 23 feet and greater and all canoes are not subject to the motor surcharge.
3. NO depreciation due to age shall reduce the net tax below \$12.00.
4. Documented vessels with the U.S Coast Guard need not register with the State but must pay excise tax.
5. Residents of this State must pay the excise tax where they reside.
6. Non-residents must pay where the boat is moored or docked.

A simpler version of the state tax table follows. We suggest you print out these pages and keep them handy for boat registrations.

Watercraft Excise Table-Complete

<u>Length to Nearest Foot</u>	Tax	11 Years & Over	21 Years & Over	Commercial
Dories & Canoes 20' & Under without motor	Not subject to excise tax			
Dories & Canoes over 20' without motor	\$6.00	\$6.00	\$6.00	\$3.00
All Canoes with motors	\$6.00	\$6.00	\$6.00	\$3.00
12' & Under without motor	Not subject to excise tax			
12' & under with motor	\$6.00	\$6.00	\$6.00	\$3.00
13' without motor	Not subject to excise tax			
13' with motor	\$7.00	\$7.00	\$7.00	\$3.50
14' without motor	Not subject to excise tax			
with up to 20HP motor	\$10.00	\$10.00	\$10.00	\$5.00
with over 20 HP to 70 HP motor	\$13.00	\$12.00	\$12.00	\$6.50
with over 70 HP motor	\$20.00	\$16.00	\$12.00	\$10.00
15' without motor	Not subject to excise tax			
with up to 20HP motor	\$11.00	\$11.00	\$11.00	\$5.50
with over 20 HP to 70 HP motor	\$14.00	\$12.00	\$12.00	\$7.00
with over 70 HP motor	\$21.00	\$16.80	\$12.60	\$10.50
16' without motor	Not subject to excise tax			
with up to 20HP motor	\$13.00	\$12.00	\$12.00	\$6.50
with over 20 HP to 70 HP motor	\$16.00	\$12.80	\$12.00	\$8.00
with over 70 HP motor	\$23.00	\$18.40	\$13.80	\$11.50
17' without motor	Not subject to excise tax			
with up to 20HP motor	\$15.00	\$12.00	\$12.00	\$7.50
with over 20 HP to 70 HP motor	\$18.00	\$14.40	\$12.00	\$9.00
with over 70 HP motor	\$25.00	\$20.00	\$15.00	\$12.50
18' without motor	Not subject to excise tax			
with up to 20HP motor	\$18.00	\$14.40	\$12.00	\$9.00
with over 20 HP to 70 HP motor	\$21.00	\$16.80	\$12.60	\$10.50
with over 70 HP motor	\$28.00	\$22.40	\$16.80	\$14.00
19' without motor	Not subject to excise tax			
with up to 20HP motor	\$21.00	\$16.80	\$12.60	\$10.50
with over 20 HP to 70 HP motor	\$24.00	\$19.20	\$14.40	\$12.00
with over 70 HP motor	\$31.00	\$24.80	\$18.60	\$15.50

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Length to Nearest Foot	Tax	11 Years & Over	21 Years & Over	Commercial
20' without motor	Not subject to excise tax			
with up to 20HP motor	\$24.00	\$19.20	\$14.40	\$12.00
with over 20 HP to 70 HP motor	\$27.00	\$21.60	\$16.20	\$13.50
with over 70 HP motor	\$34.00	\$27.20	\$20.40	\$17.00
21' without motor	\$26.00	\$20.80	\$15.60	\$13.00
with up to 20HP motor	\$28.00	\$22.40	\$16.80	\$14.00
with over 20 HP to 70 HP motor	\$31.00	\$24.80	\$18.60	\$15.50
with over 70 HP motor	\$38.00	\$30.40	\$22.80	\$19.00
22' without motor	\$30.00	\$24.00	\$18.00	\$15.00
with up to 20HP motor	\$32.00	\$25.60	\$19.20	\$16.00
with over 20 HP to 70 HP motor	\$35.00	\$28.00	\$21.00	\$17.50
with over 70 HP motor	\$42.00	\$33.60	\$25.20	\$21.00
23'	\$51.00	\$40.80	\$30.60	\$25.50
24'	\$56.00	\$44.80	\$33.60	\$28.00
25'	\$61.00	\$48.80	\$36.60	\$30.50
26'	\$68.00	\$54.40	\$40.80	\$34.00
27'	\$75.00	\$60.00	\$45.00	\$37.50
28'	\$82.00	\$65.60	\$49.20	\$41.00
29'	\$89.00	\$71.20	\$53.40	\$44.50
30'	\$96.00	\$76.80	\$57.60	\$48.00
31'	\$103.00	\$82.40	\$61.80	\$51.50
32'	\$110.00	\$88.00	\$66.00	\$55.00
33'	\$117.00	\$93.60	\$70.20	\$58.50
34'	\$125.00	\$100.00	\$75.00	\$62.50
35'	\$133.00	\$106.40	\$79.80	\$66.50
36'	\$141.00	\$112.80	\$84.60	\$70.50
37'	\$149.00	\$119.20	\$89.40	\$74.50
38'	\$158.00	\$126.40	\$94.80	\$79.00
39'	\$167.00	\$133.60	\$100.20	\$83.50
40'	\$177.00	\$141.60	\$106.20	\$88.50
41'	\$187.00	\$149.60	\$112.20	\$93.50
42'	\$198.00	\$158.40	\$118.80	\$99.00
43'	\$210.00	\$168.00	\$126.00	\$105.00
44'	\$223.00	\$178.40	\$133.80	\$111.50
45'	\$237.00	\$189.60	\$142.20	\$118.50
46'	\$252.00	\$201.60	\$151.20	\$126.00
47'	\$268.00	\$214.40	\$160.80	\$134.00
48'	\$284.00	\$227.20	\$170.40	\$142.00
49'	\$301.00	\$240.80	\$180.60	\$150.50
50'	\$318.00	\$254.40	\$190.80	\$159.00
51'	\$335.00	\$268.00	\$201.00	\$167.50
52'	\$352.00	\$281.60	\$211.20	\$176.00
53'	\$370.00	\$296.00	\$222.00	\$185.00

Length to Nearest Foot	Tax	11 Years & Over	21 Years & Over	Commercial
54'	\$388.00	\$310.40	\$232.80	\$194.00
55'	\$406.00	\$324.80	\$243.60	\$203.00
56'	\$424.00	\$339.20	\$254.40	\$212.00
57'	\$442.00	\$353.60	\$265.20	\$221.00
58'	\$460.00	\$368.00	\$276.00	\$230.00
59'	\$478.00	\$382.40	\$286.80	\$239.00
60'	\$496.00	\$396.80	\$297.60	\$248.00
61'	\$514.00	\$411.20	\$308.40	\$257.00
62'	\$532.00	\$425.60	\$319.20	\$266.00
63'	\$550.00	\$440.00	\$330.00	\$275.00
64'	\$568.00	\$454.40	\$340.80	\$284.00
65'	\$586.00	\$468.80	\$351.60	\$293.00
for each foot over 65+	\$18.00	\$14.40	\$10.80	\$9.00
*Watercraft 20' or less in length which are not required to be registered with IF&W are not subject to this excise tax				
**Watercraft 13' or less, 23 feet and greater, and canoes are not subject to a tax on the motor				
***No depreciation due to age shall reduce the total tax below \$12.				

XI. Aircraft Excise Tax

Aircraft excise tax is no longer collected on the community level. Collection, by state law (36 MRSA §1484) is conducted by the Maine Department of Transportation.

Appendix

1. Application for Excise Tax Reimbursement

BMV COPY
APPLICATION FOR EXCISE TAX REIMBURSEMENT

MUNICIPALITY _____ TOWN CODE _____

TAX COLLECTOR _____ PLATE #: _____
(if any)

REGISTRANT'S NAME _____

MODEL YEAR _____ MAKE: _____ VIN: _____

ACTUAL SALE PRICE: _____ MSRP: _____

IRP – CHECK ONE: YES _____ NO _____

Attach to copy of Registration, Bill of Sale and Green Dealer's Certificate. Forward all materials to the Commercial Vehicle Section of the Maine Office of Motor Vehicles, 29 State House Station, Augusta, ME 04333.

CUT OR TEAR HERE

.....

TOWN OFFICE FILE COPY
APPLICATION FOR EXCISE TAX REIMBURSEMENT

MUNICIPALITY _____ TOWN CODE _____

TAX COLLECTOR _____ PLATE #: _____
(if any)

REGISTRANT'S NAME _____

MODEL YEAR _____ MAKE: _____ VIN: _____

ACTUAL SALE PRICE: _____ MSRP: _____

IRP – CHECK ONE: YES _____ NO _____

Attach copies of all documents submitted to Bureau of Motor Vehicles and retain for your records.

**EXCISE TAX REIMBURSEMENT - 1996 AND NEWER
COMMERCIAL VEHICLES AND SPECIAL MOBILE EQUIPMENT**

This law allows the excise tax to be calculated on the actual sales price of commercial vehicles 1996 model year and newer which are registered over 26,000 pounds gross vehicle weight. This law also applies to farm trucks and special mobile equipment, Class A and B.

Municipalities will be reimbursed by BMV for the difference in excise tax between using the Manufacturer's Suggested Retail Price and the actual sales price as the excise tax base. The reimbursement process requires the town to submit both values (actual purchase price and MSRP) on the Application for Excise Tax Reimbursement. The form must be submitted only once, per vehicle, per town, at the time of the original registration. Reimbursement for subsequent years will be automatic from BMV when the vehicle is renewed.

Failure to submit the required information during the first registration year will disqualify the town from receiving reimbursement on that vehicle for the current year.

Reimbursement will be made once per year by September 30 on excise tax collected between July 1 and June 30. **Submit your application for reimbursement when the registration is processed. Do not wait.** Applications must be received by this office by July 1 in order to ensure your reimbursement will be processed for the current year. Any applications received after July 15th will not be processed. If reimbursement was due, it will be forfeited for that year. The reimbursement will, however, be processed for subsequent years. Each municipality will receive an itemized report on their reimbursement applications. Information submitted by each town is subject to review. If an application cannot be processed, the town will receive correspondence from this office explaining why.

Submit your application for reimbursement with a copy of the registration or excise tax receipt form. A copy of the dealer's green sales tax certificate, dealer's invoice, or bill of sale must also be submitted to verify what the registrant actually paid for the vehicle. Submit these documents directly to:

Bureau of Motor Vehicles
Commercial Registration Section
29 State House Station
Augusta, ME 04333

IMPORTANT NOTICE: Retain a copy of your application and all back up materials submitted for your town records.

EXCISE TAX REIMBURSEMENT - PAGE 2

LEASED VEHICLES: Leased vehicles are also eligible for this program. You will need the lease agreement in order to determine the full purchase price of the vehicle. If the lease agreement does not list the full purchase price of the vehicle, the following information will be required:

1. Amount of down payment
2. Number of payments
3. Amount of monthly payment
4. Amount to buy out at end of lease

Multiply the number of payments by the amount of each payment. Add together the amount of down payment, the amount of the buy out at the end of the lease and the total of the number of payments. This will determine the full purchase price of the vehicle. If a vehicle is traded towards the purchase of the qualifying vehicle, the amount of "credit" given is not taken into consideration.

If a 1996 model or newer is purchased as a used vehicle, the registrant must provide the tax collector with proof of the original purchase price of the vehicle when it was new. If the vehicle was registered in Maine, that information may be available by contacting the commercial vehicle section at the main office of motor vehicles. If not, it is up to the registrant to obtain that information from the original owner of the vehicle.

If any assistance is needed to calculate or process an excise tax reimbursement, you may contact the main office of motor vehicles on the WATS line and you will be transferred to the staff of the commercial vehicle registration section who will guide you through the procedure.

2. VIN – Year of Manufacture Table

To determine the year of manufacture from the 17 digit VIN, the character in the 10th position indicates the year. Use the following table.

A-1980	H-1987	R-1994	1-2001	8-2008
B-1981	J-1988	S-1995	2-2002	9-2009
C-1982	K-1989	T-1996	3-2003	A-2010
D-1983	L-1990	V-1997	4-2004	B-2011
E-1984	M-1991	W-1998	5-2005	C-2012
F-1985	N-1992	X-1999	6-2006	D-2013
G-1986	P-1993	Y-2000	7-2007	E-2014

Appendix # 3 Bulletin No 13 (Motor Vehicle Excise Tax & Personal Property Tax)

(Published under Appropriation No. 1037.1)

Issued September 21, 2001 ; Replaces July 1, 1997 Revision

REFERENCE: Title 36, MRSA, Sections 1481 through 1491.

1. In General . The motor vehicle excise tax is a tax for the privilege of operating a vehicle over the public highway. Motor vehicles covered by the excise tax include generally all self-propelled vehicles except those operated exclusively on tracks (rails) and except those prohibited by law from operating on the public highways. Thus, this bulletin is concerned principally with automobiles, trucks, truck tractors, motorcycles and motorized homes.

Mobile homes, camper trailers, truck campers and aircraft may be subject to the excise tax, but since they are subject to different rates, than those applying to motor vehicles, and to certain special provisions, they are not covered by this bulletin. Detailed information about the excise tax as applied to mobile homes, camp trailers and truck campers will be found in Property Tax Bulletin No. 6; and information about the excise tax as applied to aircraft may be obtained from Maine Revenue Services, Property Tax Division.

Motor vehicles which are excised before commitment are not subject to a personal property tax during the same excise year. Any vehicle owned on April 1, but not excised before property taxes are committed should be in the property tax commitment.

Motor vehicles owned on April 1 and not excised before commitment, are subject to the property tax, payment of which shall be credited to the excise tax if registration occurs between the date of property tax commitment and April 1 of the year following. The excise tax on motor vehicles acquired by residents after April 1 or brought into the state by nonresidents after April 1 may be paid at any time. If registration occurs after April 1 of the year following the last property tax commitment, the property tax should be paid for the last year and an excise tax shall be paid for the current year.

The Secretary of State may provide registrants of automobiles, trucks or truck tractors with renewable forms for processing by the excise tax collector in lieu of the excise tax collector providing the forms.

2. The Motor Vehicle Excise Tax .

A. When applicable . The excise tax on motor vehicles is a tax "for the privilege of operating a motor vehicle upon the public ways" and thus applies where the owner of the motor vehicle intends to register it for use on the public ways during the year.

(1) The Federal Soldiers' and Sailors' Civil Relief Act prohibits collection of a motor vehicle excise tax from nonresident servicemen registering motor vehicles in Maine . This applies to trailers, aircraft or other vehicles subject to excise tax. Any person claiming exemption as a nonresident serviceman should be referred by the Tax Collector to the local motor vehicle registry office or to the Augusta Office of the Motor Vehicle Division of the Secretary of State's Office.

(2) Vehicles owned by veterans who are granted free registration of such vehicles by the Secretary of State under Title 29, Section 251, are exempt from payment of the excise tax. Eligible veterans must produce a letter of authorization from the Veterans Administration in order to obtain an "exempt" excise tax receipt from the Tax Collector.

B. Where Excise Tax is Payable .

(1) If the motor vehicle is owned by an individual resident of the State the excise tax shall be paid in the place where the owner resides.

(2) If the motor vehicle is owned by a nonresident person the excise tax shall be paid in the place where he is temporarily or occasionally residing; or, if there is no such residing place, to the State (36 MRSA §1484, sub-§3-B.)

(3) If the motor vehicle is owned by a corporation or a partnership, the excise tax shall be paid in the following manner.

(a) If it is a corporation or partnership other than one described in sub-paragraph (b) below, the excise tax shall be paid to the municipality in which the registered or main office of that organization is located, except that if the organization has an additional permanent place, or places, of business where motor vehicles are customarily kept, the tax on these vehicles shall be paid to the municipality where such permanent place of business is located. The temporary location of an office and the stationing of vehicles in connection with a construction project of less than 24 months duration is not considered to constitute a permanent place of business. In the case of a foreign corporation or partnership not maintaining a place of business within the State, the excise tax shall be paid to the State.

(b) The case of corporations described in Title 35, § 2301, (public utilities) any excise taxes owed shall be paid to the municipality in which the registered or main office of that organization is located.

(c) If a municipality, county or motor vehicle owner feels the excise tax has been improperly levied under the authority of this paragraph, the owner, county or municipality may request within 3 years from the date of an excise tax levy a determination of this question by the State Tax Assessor. The State Tax Assessor's determination is limited to the same 3-year period and shall be binding on all parties.

Any party may seek review of the determination in accordance with the Maine Rules of Civil Procedure, Rule 80-C. Upon notification by the State Tax Assessor of a determination made under this section, any municipality or county which has incorrectly accepted excise tax money, within 30 days of that determination, shall pay the money, together with interest at the maximum rate determined by the Treasurer of State, pursuant to Section 505, to the municipality or county named in the determination as the proper place of payment.

(d) Notwithstanding the preceding three provisions, if a motor vehicle is leased for a period of one month or longer, the excise tax shall be paid where it would be paid if the lessee were the owner. (36 MRSA §1484, sub-§3, paragraph D).

C. Tax Rate . The excise tax rate on a motor vehicle, other than a stock race car, is as follows: A sum equal to 24 mils on each dollar of the manufacturers suggested retail price* (M.S.R.P.) the first or current year of model; 17½ mils for the 2nd year; 13½ mils for the 3rd year; 10 mils for the 4th year; 6½ mils for the 5th year, and 4 mils for the sixth and following years. If a tax rate of 4 mils applied against the M.S.R.P.* produces less than \$5.00 then the tax is \$5.00. The excise tax for a stock race car is \$5.00. *(except for certain commercial vehicles the tax rate is applied to the initial purchase price of the vehicle: see section 3 of this bulletin).

(1) For vehicles other than automobiles, ½ rates will apply from November 1 through the last day of the following February, except for:

(a) The excise tax on a farm motor truck having 2 or 3 axles, when such trucks are used primarily for transportation of agricultural produce grown by the owner on his farm or farms, is ½ the annual amount during the last 6 months of the registration year.

(2) For automobiles, trucks and truck tractors, ½ rates will apply during the last four months of the registration year. If the registration is new there is no ½ rate available. All new registration fees are for 12 months.

(3) For a bicycle with motor attached the minimum tax is \$2.50. From November 1 to the last day of February the ½ fee of \$1.25 is applicable.

Neither bicycles with motors attached nor motor cycles are considered affected by the stagger system. Mopeds, as distinguished from bicycles with motor attached, are subject to the \$5.00 minimum fee.

(4) For a stock race car the excise tax is \$5.00 for a full year or \$2.50 from November 1 through the last day of February of the following year.

(5) A brand new 1996 model vehicle excised for the first time in 1997 takes the second year rate if it is no longer the current model.

(6) During 1996, a 1996 model vehicle will take the first year rate, even after the 1997 models have become available.

(7) Whenever an excise tax has been paid for the previous calendar year or registration year by the same person on the same vehicle, the excise tax for the calendar year or registration year is computed as if the vehicle were in its next year of model. A 1997 vehicle which was excised in 1996 will be excised at the second year rate in 1997, the 3rd year rate in 1998 and so on, as long as the person who excised it in 1996 continues to own it. If he sells it to a new owner who first excises it in 1997 or later, it will be taxed at the first year rate in 1997, the second year rate in 1998, and so on.

D. Credit for Transfers . Credit for transfers is provided for as follows:

(1) Credits. Any owner (owner includes surviving spouse) who has paid the excise or property tax for a vehicle the ownership of which is transferred, or which is subsequently totally lost by fire, theft or accident, or which is subsequently totally junked or abandoned, in the same calendar year or registration year, shall be entitled to a credit to the maximum amount of the tax previously paid in such year or period for any one vehicle toward the tax for such other vehicles, regardless of the number of transfers, which may be required of him in the same calendar year or registration year.

(2) For each transfer made in the same calendar year or registration year the owner shall pay \$3.00 to the place in which the excise tax is payable.

- From November 1 to the last day of February such credit shall not exceed $\frac{1}{2}$ the amount of the maximum tax, except that for automobiles, trucks and truck tractors, during the last 4 months of the registration year, such credit shall not exceed $\frac{1}{2}$ the maximum tax.
- A municipality **may by ordinance** refund a portion of the excise tax paid on leased special mobile equipment as defined by Title 29-A, section 101, subsection 70, if the person who paid the excise tax provides evidence that the registration has been voluntarily surrendered and cancelled under Title 29-A, section 410. The amount of the refund must be the percentage of the excise tax paid that is equal to the percentage represented by the number of full months remaining in the year of the cancelled registration.

E. Examples of Continuous Credit .

(1) John Doe excises a 1997 model \$22,900 automobile in January 1997 for a new registration. The first year rate of 24 mils produces a tax of $(22,900 \times .024 =)$ \$549.60: Collector issues receipt #123 for \$549.60.

Receipt #123

Amount of tax \$549.60

(2) John Doe trades for another automobile in April 1997, at \$24,590, model 1997. The tax is $(.024 \times \$24,590 =) \590.16 . Credit is extended in amount of tax paid, \$549.60, from first auto replaced. Collector issues receipt #132.

Receipt #132 issued

Amount of Tax \$590.16

Rec. No. 123 Credit (549.60)

Sub-Total \$ 40.56

Transfer Fee 3.00

Excise Tax Bal. \$ 44.56

(3) John Doe wrecks his second automobile in July 1997 and replaces number two with a third, a 1992 model, \$16,900 list. The 6th year rate, 4 mils, applies; the tax is $(\$16,900 \times .004 =) \67.60 . Collector issues receipt #185.

Receipt #185

Amount of Tax \$ 67.60

Rec. No. 132 Credit (590.16)

Sub-Total Cr.Bal. (522.56)

Transfer Fee 3.00

Excise Tax Bal. \$ 3.00

(The only out of pocket expense is payment of the \$3.00 transfer fee)

(4) John Doe's 3rd car is junked and abandoned in October. A 4th car, a \$26,700, 1997 model is excised at $\frac{1}{2}$ rate being within four months of expiration date. The tax, at 1st year rate is $(26,700 \times .024 \div 2 =) \320.40 . Credit balance available within last 4 months of excise year $(590.16 \div 2 =) \$295.08$. Collector issues receipt #212.

Receipt #212

Amount of Tax ($\frac{1}{2}$) \$320.40

Rec. No. 132 Credit ($\frac{1}{2}$) (295.08)

Sub-Total \$ 25.32

Transfer Fee 3.00

Excise Tax Bal. \$ 28.32

The minimum tax of \$5.00 which applies to automobiles does not apply to the balance due on a transfer. Existing credits may exceed the tax on the latest acquired automobile in which only the \$3.00 transfer fee is due from the taxpayer.

F. There is no credit if the owner retains the discontinued vehicle, unless it is totally junked.

G. An owner who replaces excised vehicles with a single vehicle is entitled to credit for only one excise paid. Should he later get a second vehicle the unused credit would be available.

H. An owner who replaces one excised vehicle with more than one vehicle may have the fee for the first excised (replaced) vehicle applied to a number of other vehicles to the full amount of the first replaced vehicle. Replacement vehicles may be credited at one time or at different times until the expiration date of the originally excised vehicle.

I. Where an owner changes his residence and later replaces his vehicle, the excise tax collector allows credit for the tax paid to the town in which the original tax was paid and includes on the excise tax receipt the name of the town and the number of the old receipt.

Example: Rec. #190

Tax \$426.48 (Town B)

Cr. #25 (213.98) (Town A) 212.50

Transfer Fee 3.00

Due: \$215.50

J. Since aircraft, mobile homes, and camp trailers are also vehicles, an owner is entitled to credit should he replace one of these with a motor vehicle and vice versa.

K. Some confusion arises with leased vehicles, since under the motor vehicle registration law, certain persons having the exclusive right to the use of a vehicle may be considered owners. This, however, is for registration purposes only . So far as excise tax credits are concerned, they are available only when a transfer of vehicles by the same true owner occurs. (Owner includes surviving spouse)

Customarily, when a leased vehicle is registered, the registration is in the joint names of the lessor (the one who owns the vehicle) and the lessee (the one who hires the vehicle).

In such a case, where a transfer of registration occurs, the credit is available only if the true ownership of the vehicle is changed. If the transfer involves only a change of lessees, rather than a change in true ownership of the vehicle, no additional excise tax liability arises.

For the same reason, if a lessee changes lessors, and the newly leased vehicle is being registered for the first time, no credit is available toward excise tax on the newly registered vehicle for excise tax paid on the former vehicle, since the true ownership of the two vehicles is not the same.

3. Price to be Used in Excising .

3.1 Maker's list price also called M.S.R.P The statute requires, except for certain commercial vehicles, that the "M.S.R.P." be used as the basis of the excise tax. The M.S.R.P. is defined, in the case of vehicles manufactured in the United States , to mean the retail price at the point of manufacture less the Federal manufacturer's tax, if any. M.S.R.P, in the case of vehicles manufactured outside the United States , means the retail price at the nearest port of entry. In either case, M.S.R.P. includes the manufacturer's suggested retail price of all accessories and equipment (except the value of adaptive equipment that is installed on a motor vehicle to make that vehicle accessible or operable by a disabled person) which are a part of the vehicle at the time the excise tax is paid.

A. Whenever a new vehicle is to be excised the owner must provide the original or a copy of the original dealer's invoice which details the vehicle and all accessory equipment. In the case of registration renewal, attention should be paid to the maker's list price which was applied the previous year.

B. Maine Revenue Services will provide to vehicle excise tax collectors information consisting of the M.S.R.P. of a vehicle, the source from which the M.S.R.P. may be obtained or the manner in which it shall be determined. Efforts should be made to obtain full details of such units to assure determination of full value.

- Self-propelled contractor's equipment may present a problem where new equipment is mounted on an old chassis or vice versa.

In such instances it is suggested that the two elements of value making up the vehicle be computed separately according to maker's list price new, and that separate rates be applied to the two elements appropriate to the model year of each. Once the tax on each element has been determined the results should be added together and the total accepted as the vehicle tax. In 1995, for example, a 1991 concrete mixer with a maker's list price of \$24,000 is mounted on a 1995 Mack truck with a maker's list price of \$97,000. The \$24,000 element being five years old, the fifth year rate for 1991, 6 ½ mils, produces $(0.0065 \times \$24,000 =) \156 . By like method the \$97,000 Mack cab and chassis sold in 1995 will be subject to the first year rate of 24 mils to provide a tax of $(0.024 \times \$97,000 =) \$2,328$ By adding the result of the two computations, a tax of $(\$156 + \$2,328 =) \$2,484$ is indicated.

D. The creation of special purpose vehicles such as dune buggies creates another type of problem. Generally speaking, the new body is of greater value than the used chassis to which it is added. Under such circumstances where there is no identifying year of model of the more valuable component, excise tax collectors should use the first year rate for the first year the vehicle is excised.

3.2 Certain commercial vehicles . Beginning July 1, 1996 the annual excise tax on certain commercial vehicles (vehicles over 26,000 pounds and "special mobile equipment") is based on the initial purchase price of the commercial vehicle including accessories and equipment installed on that vehicle in the original year of title for commercial vehicles manufactured in model year 1996 and later. Commercial vehicles manufactured prior to model year 1996 are based on the manufacturer's list price.

A. Whenever a 1996 or later model commercial vehicle is to be excised the collector should request a copy of the dealers invoice or owner's bill of sale which details the vehicle and all accessory equipment. In the case of registration renewal or transfer, attention should be paid to the **original** purchase price which was charged for that vehicle.

B. The state Bureau of Motor Vehicles must establish procedures for municipalities to report and claim reimbursement for any revenue losses resulting from the use of a vehicle's initial purchase price instead of the manufacturer's list price for that vehicle.

4. Administration . The collectors may wish to use the forms illustrated as Attachment 1 (Automobile Excise Tax Application) and Attachment 2 (Non Automobile Excise Tax Application) to facilitate computation of the excise tax. The collector may wish to redesign either form in format suitable to his/her choice; except the closing statement on Attachments 1 and 2 shall be as indicated and signed by the applicant.

5. Exemptions . Motor vehicles owned by individuals are not exempt from the excise tax if the motor vehicle will be registered in Maine for highway use subject to the provisions of 36 MRSA, section 1483 as amended.

6. Personal Property Taxation of Motor Vehicles .

A motor vehicle which acquires a tax situs within Maine is subject to a personal property tax unless an excise tax has been paid. If the owner later wishes to register the vehicle, the property tax paid shall be allowed as a credit on the excise tax.

A. Where Motor Vehicles are Taxable .

(1) If a motor vehicle with a Maine tax situs on April 1 is owned by an individual resident, resident partnership or Domestic Corporation of this State the vehicle is taxable in the place where the owner resides on April 1.

(2) If a motor vehicle with a Maine tax situs on April 1 is owned by a nonresident individual, nonresident partnership or foreign corporation the vehicle is taxable in the place where located on April 1.

(3) 36 MRSA, section 603.9 provides an exception to where the motor vehicles of certain domestic corporations are taxable. The vehicles of manufacturing, smelting, agricultural and stock raising corporations and corporations organized for the purpose of buying, selling and leasing real estate are taxable where situated. A further exception is that vehicles owned, leased or otherwise subject to possessory control of a mining company are taxable where the mine is located.

B. Description . A motor vehicle assessed as personal property should be identified by make, model and year and serial number (if possible). This will permit documentary proof that the property tax was paid on the vehicle should subsequent registration be desired.

C. Valuation . When assessed for personal property taxes, motor vehicles should be valued as all other property on the basis of "just" or fair market value. The property tax is not based upon what the excise tax might have been, although extreme variation should be sufficient reason to re-examine the property valuation, or the basis for re-computing the excise tax, to ensure no error has been made.

D. Exemptions . Property Tax Exemptions apply to motor vehicles as well as other property. 36 MRSA, sections 651-655.

Appendix 4 - State Tax Bulletin No 6 (Taxation of Mobile Homes, Camper Trailers and Truck Campers)

(Published under Appropriation No. 1037.1)

Issued July 1, 1992 ; Replaces April 1, 1983 Revision

REFERENCE: Title 36, MRSA, Sections 551, 553, 603, 1481-1491.

The purpose of this bulletin is to explain, as simply as possible, the manner in which mobile homes, camper trailers and truck campers are to be taxed in municipalities.

The provisions noted in this bulletin cover all mobile homes, including those adapted to commercial use, as well as camper trailers and truck campers. These provisions do not apply to cargo trailers, which are not in any event subject to excise tax, and which are taxable on the same basis as other personal property.

Generally speaking, a mobile home, camper trailer or truck camper is subject to excise tax only when registration is sought prior to commitment of property taxes, or under circumstances where a property tax does not apply (where registration is sought for a mobile home, camper trailer or truck camper purchased after April 1, or brought into the State by a nonresident after April 1).

So far as property taxes are concerned, mobile homes are taxable as real estate. If a mobile home is excised it is still subject to real estate tax (though a credit for excise tax paid is allowed toward the real estate tax).

So far as property taxes are concerned, camper trailers or truck campers are taxable as personal property, except in the rare instance in which such a trailer might be affixed to the land, in which case it would be taxable as real estate. If a camper trailer or truck camper is excised it is exempt from property tax for that year.

All of the foregoing is explained in greater detail on the pages following:

- Definitions . So far as the special provisions relating to taxation of such mobile homes, camper trailers and truck campers are concerned, and so far as this bulletin is concerned, the terms "mobile home," "camper trailer" and "truck camper" are defined as follows:

A. Mobile Home . "Mobile home," not including camper trailer or truck camper, means:

1. A structure, transportable in one or more sections, which is 8 body feet or more in width and is 32 body feet or more in length, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems contained therein.

A mobile home remains a mobile home for purposes of this Title even though it may be used for the advertising, sales, display or promotion of merchandise or services, or for any other commercial purposes except the transportation of property.

2. A trailer or semitrailer which is 32 feet or longer and primarily designed and constructed to provide temporary living quarters for recreational, camping, travel or other use.

B. Camper Trailer . "Camper trailer" means:

1. A trailer or semitrailer of less than 32 feet in length primarily designed and constructed to provide temporary living quarters for recreational, camping, travel or other use.

2. A manufactured or homemade tent trailer, so called, which consists of a platform, shelf or box, with means of permanently or temporarily attaching a tent, used to provide temporary living quarters for recreational, camping, travel or other use.

C. Truck Camper . "Truck camper" means:

1. A slide in camper designed to be mounted on a truck body to provide temporary living quarters for recreational, camping, travel or other use.

2. Taxation of Mobile Homes, Camper Trailers and Truck Campers in General.

Such mobile homes, camper trailers and truck campers may be subject to the motor vehicle excise tax, personal property tax, or real estate tax, as follows:

A. Motor Vehicle Excise Tax . The excise tax is a tax for the privilege of operating a mobile home, camper trailer or truck camper upon the public ways. The excise tax applies even after property taxes have been committed to the collector if the camper trailer is to be moved over the public ways. However, after that date, the property tax will be allowed as a credit against any excise tax due. Where a person acquires a mobile home, camper trailer or truck camper after April 1, or, being a nonresident of the State, brings such a mobile home, camper trailer or truck camper into the State after April 1, and then wishes to register it in Maine , the excise tax will apply.

Ordinarily an excise tax will not be paid unless the owner intends to register the mobile home, camper trailer or truck camper for highway use, since there is nothing to compel payment of the excise tax other than the fact that the mobile home, camper trailer or truck

camper cannot be registered unless the applicable excise and/or property tax has been paid. For further information regarding the excise tax, see Section VI of this bulletin.

- Personal Property Tax . The personal property tax should not be assessed on any mobile homes.

The personal property tax should be assessed on camper trailers and truck campers:

1. Where the trailer is not affixed to the land, and
2. Where the excise tax has not been paid prior to commitment of property taxes.

Since camper trailers and truck campers will rarely be found affixed to the land they will normally be taxable as personal property unless the excise tax has been paid. For further information regarding the personal property tax, see Section VII of this bulletin.

C. Real Estate Tax . The real estate tax should be assessed:

1. On all mobile homes.

The fact that an excise tax has been paid does not render the mobile home exempt from real estate taxation; but the law provides that where an excise tax has been paid and the mobile home is later in the year taxed as real estate, the excise tax paid shall be allowed as a credit on the real estate tax.

2. On camper trailers and truck campers.

Only where the camper trailer or truck camper is affixed to the land, whether located on land owned by the owner of the trailer or not.

For further information regarding the real estate tax, see Section VII of this bulletin.

D. Trailers Owned by Nonresident Servicemen . Nonresident servicemen (that is, servicemen with legal residence outside the State of Maine) are in general not subject to taxation, either property tax or excise tax, with respect to personal property located in this State, because of the Federal Soldiers' and Sailors' Civil Relief Act.

When such a serviceman seeks to register a mobile home, camper trailer or truck camper he should be referred directly to the Registry of Motor Vehicles, as no action on the part of the tax collector is required. (See also Section VII D. 2 of this bulletin.)

3. Responsibility of Assessors in Taxation of Mobile Homes, Camper Trailers and Truck Campers .

While the excise tax collector is responsible for excising mobile homes, camper trailers and truck campers it is the responsibility of the assessors to assess all mobile homes (whether excised or not) and such camper trailers and truck campers as are not excised, which have a tax situs in the municipality, unless some reason exists for exempting them from property taxes. See Section VII of this bulletin for more detailed information.

4. Responsibility of the Excise Tax Collector .

A. Excise Tax Receipt . An excise tax receipt for the current year is necessary to support registration.

The excise tax collector should accept the full excise tax:

1. On any mobile home, camper trailer or truck camper if the property tax has not been committed to the property tax collector.
2. On any mobile home, camper trailer or truck camper acquired or brought into the State after April 1.

After the property tax has been committed to the property tax collector, the excise tax collector shall allow credit for the property tax paid on the mobile home, camper trailer or truck camper in question, against the excise tax due.

5. Responsibility of the Property Tax Collector .

A. Excise Tax Receipt . An excise tax receipt for the current year is necessary to support registration.

The property tax collector should:

1. Prior to commitment of the property tax, refer any person seeking to register a mobile home, camper trailer, or truck camper to the excise tax collector.
2. After commitment of the property tax, collect any property tax due on the mobile home, camper trailer or truck camper in question and refer the person seeking to register the mobile home, camper trailer or truck camper to the excise tax collector.

B. Credit for Excise Tax Paid . Since an excise tax previously paid in the same year on a mobile home is to be a credit toward a real estate tax later assessed against the mobile home, the property tax collector must verify the excise tax payment. The most practical method of doing this is by examination of the excise tax receipt itself. The collector should assure himself that the same mobile home, camper trailer or truck camper is covered by both taxes. He should then note on the property tax receipt the amount of credit allowed identifying the excise tax receipt by number. If the excise tax was paid in a different town, the property tax receipt should also indicate the name of the town in which the excise tax was paid. If the excise tax was greater than the real estate tax, credit

is given only to the amount of real estate tax; the excess is not to be refunded. Please note that such credit is to be given only when the mobile home, camper trailer or truck camper is later taxed as real estate. If an excise tax is paid on a mobile home which would otherwise be taxable as personal property, the mobile home, camper trailer or truck camper is exempt from the property tax.

C. Enforcement of Real Estate Tax . In view of the ease with which mobile homes can be moved, the collector should consider the advisability of using some method other than tax mortgage liens to secure delinquent real estate taxes. While the law provided safeguards in requiring payment of tax before registration can be obtained, as well as where the mobile home is to be moved on dealer or transporter plates (see Section VIII of this bulletin), situations may arise where the lien procedure will be found to unsatisfactory. In such cases the collector should consider the desirability of using the civil action of debt as a means of collection.

6. Excise Tax on Mobile Homes, Camper Trailers and Truck Campers .

A. When Applicable . The excise tax on mobile homes, camper trailers and truck campers is a tax "for the privilege of operating a . . . mobile home, camper trailer or truck camper upon the public ways" and thus applies only where the owner of the mobile home, camper trailer or truck camper intends to register it for use on the public ways during the year.

The excise tax must be paid before the property taxes are committed to the collector, except where the taxpayer acquired the mobile home, camper trailer or truck camper after April 1, or, being a nonresident, brought it into the State after April 1.

B. Where Payable . The excise tax on a mobile home, camper trailer or truck camper, if paid before April 1, or if acquired or brought into the State after April 1, is to be paid where located at time of payment; otherwise, if paid on or after April 1, the excise tax is to be paid where located on April 1.

C. Tax Rate .

1. Mobile Homes . The excise tax on mobile homes is based on the Manufacturers Suggested Retail Price (M.S.R.P.), at the rate of 25 mils for the 1st or current year of model; 20 mils for the 2nd year; 16 mils for the 3rd year; and 12 mils thereafter. Twelve mils is the lowest rate at which mobile homes can in any event be excised. If a tax is less than \$15.00, based on a rate of 12 mils, then the tax will be \$15.00. Half rate applies after November 1.

2. Camper trailers and truck campers. For the privilege of operating a camper trailer or truck camper upon the public ways, each camper trailer or truck camper so operated shall be subject to an excise tax as follows: A sum equal to 24 mils on each dollar of the M.S.R.P. for the 1st or current year of model. 17 ½ mils for the 2nd year, 13 ½ mils for the 3rd year, 10 mils for the 4th year, 6 ½ mils for the 5th year and 4 mils for the 6th

and succeeding years. The minimum tax for a camper trailer other than a tent trailer or truck camper shall be \$15.00, for a tent trailer or truck camper \$5.00.

D. **Maker's List Price or MSRP** The Official Mobile Home Market Report, 469 E. Ohio Street , Chicago , Illinois , publishes suggested retail prices, together with current market data. The present cost of this publication is \$10.00 per copy issued three times each year and \$20.00 per year for annual subscription. The Property Tax Division of Maine Revenue Services on request will advise excise tax collectors as to proper price information for excise tax purposes if the vehicle is identified as to name, model, year, etc.

E. **Exemptions** . Generally speaking, no mobile home, camper trailer or truck camper owned by an individual, including veterans entitled to property tax exemption, is exempt from excise tax if it is to be registered in Maine for highway use. However, nonresident servicemen are exempt from excise taxes as noted in Section II D. of this bulletin.

7. **Property Tax** . A mobile home is taxable as real estate whether the mobile home is affixed to the land or not and whether or not an excise tax has previously been paid.

A camper trailer or truck camper is taxable as real estate only if affixed to the land - for example, if it rests on a foundation - which will rarely occur. Otherwise a camper trailer or truck camper is taxable as personal property unless the excise tax has properly been paid.

Where the excise tax has been paid prior to commitment of property taxes, and a mobile home, camper trailer or truck camper is later taxed as real estate, the excise tax paid (even if paid to another municipality, if legally excised there prior to April 1) is to be allowed by the collector as a credit toward the real estate tax.

A. **Where Taxable** . The property tax should be assessed in the place where the mobile home, camper trailer or truck camper was located on April 1.

B. **Description**. Where mobile homes, camper trailers or truck campers are assessed as real estate or as personal property they should be identified, if possible, by make, model and year (and serial number if available). This is so that, if later registration is desired, it can be shown that the property tax was paid on the mobile home, camper trailer or truck camper to be registered; and also that, if an excise tax has been paid the tax collector will be able to give the proper credit toward the real estate tax.

C. **Valuation** . When assessed for property taxes, mobile homes, camper trailers or truck campers should be valued as is other property, on the basis of "just" or fair market value. The property tax is not limited by what the excise tax might have been, although if there is an extreme variation it would be reason to reexamine the property valuation or the basis of computing the excise tax, to make sure no error has been made. The furniture and fixtures of a mobile home or camper trailer, even though standard equipment should not

be included in the valuation unless they are built in, since household furniture is exempt from property taxation.

D. Exemptions . Property tax exemptions may also apply to mobile homes, camper trailers or truck campers. Thus, mobile homes, camper trailers or truck campers owned by certain eligible veterans, blind persons, benevolent and charitable, or literary and scientific institutions, etc., are entitled to exemption from property taxes. The most important exemptions applying when mobile homes, camper trailers or truck campers are taxed as property are:

1. Mobile homes, camper trailers or truck campers owned by veterans entitled to property tax exemption are part of their "estates."
2. Mobile homes, camper trailers or truck campers owned by nonresident servicemen, not affixed to the land and not used for commercial purposes, cannot be taxed because of a federal law, the Soldiers' and Sailors' Civil Relief Act. By "nonresident serviceman" is meant a serviceman resident in some state other than Maine . (The Soldiers' and Sailors' Civil Relief Act, in exempting such property, applied only to personal property as defined by federal standards.) Federal courts have ruled that connecting mobile homes to the land by water, sewer, electrical, and telephone lines does not constitute "permanent affixation," with the result that such mobile homes owned by nonresident servicemen are exempt.
3. Camper trailers and truck campers taxable as personal property, but on which the excise tax has been paid by the same owner before property taxes are committed.
8. Removal of Mobile Homes Where Tax is Unpaid . One of the problems sometimes encountered in the taxation of mobile homes is evasion by removal of the mobile home without payment of tax. This is not as easy as some people believe, provided the municipal officials take prompt steps when such a move is suspected, or known.

It is not lawful to move a mobile home owned by an individual over the highways unless tax is paid. No mobile home shall be moved over highways of this State through use of dealer or transporter plates unless the operator of the vehicle hauling such mobile home has in his possession a written certificate from the tax collector of the municipality from which the mobile home is being moved, identifying the mobile home and stating that all property taxes applicable to the mobile home, including those taxes which have been committed for the current tax year, have been paid, or that the mobile home is exempt from such taxes. "The tax year shall be the period from April 1st through March 31st."

State police are cooperative in cases where illegal movement over the highways is attempted or suspected. In such cases the municipal officials should get in touch immediately with the nearest State police barracks, or with headquarters in Augusta .

The operation of this law is more fully covered in Property Tax Bulletin No. 9
MOVEMENT OF MOBILE HOMES.

- Further Questions . If assessors or collectors have any questions regarding the taxation of mobile homes, camper trailers or truck campers, they should write or call the Property Tax Division, Maine Revenue Services, for further information.

NOTE: This bulletin is intended solely as advice to assist persons in determining, exercising or complying with their legal rights, duties or privileges. If further information is needed contact the Property Tax Division of Maine Revenue Services.

Appendix 5 – Tax Bulletin # 9 (Movement of Mobile Homes by Dealers or Transporters)

(Published under Appropriation No. 1037.1)

Issued April 1, 1985 ; Replaces May 1, 1983 Revision.

REFERENCE: Title 29-A, MRSA, Sections 1002.9, 851-954.

No mobile home shall be moved over the highways of this state unless the operator of the vehicle hauling such mobile home has in his possession a written certificate from the tax collector of the municipality in which the mobile home is situated on the day of the move, identifying the mobile home and stating that all property taxes applicable to the mobile home, including those for the current tax year, have been paid or that the mobile home is exempt from such taxes. The tax year shall be the period from April 1st through March 31st. Applicable property taxes mean committed property taxes.

Mobile home means a structure, transportable in one or more section, which is 8 body feet or more in width and is 32 body feet or more in length, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air conditioning and electrical systems contained therein.

A mobile home remains a mobile home even though it may be used for advertising, sales, display or promotion of merchandise or services, or for any other commercial purposes except the transportation of property.

1. Purpose of the Law . This law is intended to control the movement of mobile homes on which property taxes are due. It applies only to the movement of mobile homes on dealer or transporter plates; it does not apply to movement of mobile homes which are regularly registered, since, a mobile home cannot be registered unless the current taxes are paid. Nor does it apply to the movement of camper trailers. It is to the advantage of tax collectors to make every effort to see that this law is properly utilized.

2. Suggested Form of Certificate . When the tax collector receives a request for the certificate required under the statute, the form on the following page will be satisfactory:

Date _____

To Whom It May Concern:

This is to certify that the mobile home described below is situated in the Town of _____ and that all property taxes applicable to it, including those for the current year, have been paid, or that the mobile home is exempt from such taxes.

Description of mobile home:

Make _____

Model _____

Size _____

Serial No. _____

Tax Collector _____ Town
of _____

3. When Taxes Are Due in More Than One Town . Under the statute, the certificate is to be given by the tax collector of the municipality from which the mobile home is being moved. A tax collector should not give a certificate unless the mobile home is located in his town. In the case of a mobile home which had previously been located in some other town, the collector may have no knowledge of prior unpaid taxes. In such case he should withhold the certificate until the mobile home owner satisfies him that tax was in fact paid or that the mobile home was not subject to tax. If the law is properly used, this problem will soon disappear, since a mobile home can now be moved only if properly registered (in which case the tax must be paid before registration), or if the dealer has the necessary certificate (in which case, also, the taxes must be paid.)

4. Mobile Home Owned by Dealers . Where a mobile home dealer is located in a town, arrangements should be worked out between the collector and the dealer so that certificates covering the delivery by the dealer of mobile homes sold by him can be supplied with a minimum of inconvenience. The collector should bear in mind, however, that he can give a certificate only for a mobile home then located in his town; thus if a dealer takes a mobile home in trade, located in some other town, before that mobile home can be moved on dealer plates the certificate must be obtained from the collector in that town.

5. Tax Year . This statute provides that the tax year shall be from April 1 to March 31 and that all taxes, including those for the current year, must be paid before a certificate for removal can be given.

Since mobile homes are no longer assessable as stock in trade in dealer's inventories, the movement certificates should be issued to dealers with a notation "tax exempt."

For mobile homes which are privately owned, if a certificate for removal is requested prior to commitment of property taxes, the excise tax should be collected only if the owner intends to register the mobile home, which is rarely the case. Usually, the owner obtains from the State Motor Vehicle Division a one-way certificate which does not require payment of an excise tax. A tax collector cannot legally refuse to issue a certificate for removal of a mobile home for which all committed property taxes have been paid.

6. Mobile Homes Transported Into the State From Outside the State . The mobile home statute obviously does not apply in the case of a mobile home which is being moved into Maine from a point outside the state; it does apply in the case of a mobile home being moved from Maine to a point outside the state.

7. Illegal Movement of Mobile Homes . If a collector has reason to believe a mobile home is about to be moved in violation of the statute (that is, through use of dealer or transporter plates and without the necessary tax certificate) it should immediately be brought to the attention of the nearest State Police Officer.

8. Transporter Registration Certificate and Plates; Fee . Garage owners, body shops, finance companies, banks and junk dealers may apply for a transporter registration license and plates for the purpose of transportation and delivery of vehicles owned or temporarily in their custody. The holder of a transporter registration plate may transport or deliver using this plate only if the vehicle is accompanied by the owner or someone in his employ. In no event shall any transporter plate be used in lieu of registration plates or be loaned to any person or be used by the holder for personal reasons. Transporter plates shall not be used on a towing vehicle.

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