



# 130th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2021

---

Legislative Document

No. 1162

---

H.P. 840

House of Representatives, March 22, 2021

---

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

---

Received by the Clerk of the House on March 18, 2021. Referred to the Committee on  
Taxation pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

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

ROBERT B. HUNT  
Clerk

Presented by Representative CEBRA of Naples.  
Cosponsored by Senator DIAMOND of Cumberland and  
Representatives: BRYANT of Windham, MARTIN of Sinclair, MARTIN of Greene,  
ORDWAY of Standish, PARRY of Arundel, PERKINS of Oakland, WHITE of Mars Hill.

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

2 **Sec. 1. 36 MRSA §1820** is enacted to read:

3 **§1820. Transfer to Highway Fund**

4 Beginning on July 1, 2022, and every July 1st thereafter, the State Controller shall  
5 transfer to the Highway Fund an amount, as certified by the State Tax Assessor, that is  
6 equal to 20% of the remainder of the revenue from the tax imposed on the sale or use of  
7 motor vehicles and motor vehicle parts pursuant to section 1811 or 1861 for the first 6  
8 months of the prior fiscal year after the reduction for the transfer to the Local Government  
9 Fund under Title 30-A, section 5681, subsection 5. Beginning on October 1, 2022, and  
10 every October 1st thereafter, the State Controller shall transfer to the Highway Fund an  
11 amount, as certified by the State Tax Assessor, that is equal to 20% of the remainder of the  
12 revenue from the tax imposed on the sale or use of motor vehicles and motor vehicle parts  
13 pursuant to section 1811 or 1861 for the last 6 months of the prior fiscal year after the  
14 reduction for the transfer to the Local Government Fund. For the purposes of this section,  
15 the tax amount must be based on actual sales for that fiscal year and may not consider any  
16 accruals that may be required by law. The amount transferred from General Fund sales and  
17 use tax revenues may not affect the calculation for the transfer to the Local Government  
18 Fund. For the purposes of this section, "motor vehicle" does not include an all-terrain  
19 vehicle or a snowmobile as defined in Title 12, section 13001.

20 **SUMMARY**

21 This bill provides that 20% of the sales or use tax on motor vehicles and motor vehicle  
22 parts must be transferred to the Highway Fund beginning in 2022.