



126th MAINE LEGISLATURE

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Legislative Document

No. 7

H.P. 11

House of Representatives, January 15, 2013

An Act To Equalize the Premiums Imposed on the Sale of Motor Vehicle Oil

Reference to the Committee on Environment and Natural Resources suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative HARVELL of Farmington.

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

2 **Sec. 1. 10 MRSA §1020, sub-§1, ¶¶A-2 and C-1**, as amended by PL 2011, c.
3 211, §2 and affected by §27, are repealed.

4 **Sec. 2. 10 MRSA §1020, sub-§6-A**, as repealed and replaced by PL 2011, c. 211,
5 §5 and affected by §27, is amended to read:

6 **6-A. Premium.** In addition to any other tax or charge imposed under state or federal
7 law, a premium of 35¢ per gallon is imposed on motor vehicle oil sold or distributed in
8 the State ~~as provided in this subsection~~. A motor vehicle oil dealer that makes the first
9 sale or distribution of motor vehicle oil in the State shall pay the premium.

10 ~~The premium is calculated as follows:~~

11 ~~A. Diesel engine crankcase oil is subject to a premium of 35¢ per gallon;~~

12 ~~B. Gasoline engine crankcase oil sold or distributed in a container with a volume of 5~~
13 ~~gallons or less is subject to a premium of 35¢ per gallon;~~

14 ~~C. Gasoline engine crankcase oil sold or distributed in a container with a volume of~~
15 ~~more than 5 gallons is subject to a premium of \$1.10 per gallon; and~~

16 ~~D. All motor vehicle oil other than diesel engine crankcase oil and gasoline engine~~
17 ~~crankcase oil that is sold or distributed in a container with a volume of 16 gallons or~~
18 ~~less is subject to a premium of 35¢ per gallon.~~

19 All premiums must be paid to the State Tax Assessor and are subject to the administrative
20 provisions of Title 36, Parts 1 and 3 as though they were a sales tax liability. By the 20th
21 day of each month, the State Tax Assessor shall notify the State Controller and the
22 Treasurer of State of the amount of revenue attributable to the premium collected under
23 this subsection in the previous month. When notified by the State Tax Assessor, the State
24 Controller shall transfer that amount to the fund.

25 **Sec. 3. Effective date.** This Act takes effect October 1, 2013.

26 **SUMMARY**

27 Under current law, most motor vehicle oil is subject to a premium of 35¢ per gallon;
28 gasoline engine crankcase oil that is distributed in a container with a volume of more than
29 5 gallons is subject to a premium of \$1.10 per gallon.

30 This bill equalizes the premium for all motor vehicle oil, regardless of the container
31 size, at 35¢ per gallon.