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TAXATION

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STATE OF MAINE
SENATE
125TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT " " to S.P. 292, L.D. 946, Bill, "An Act To Amend the Sales and Use Tax Exemption for an Aircraft Purchased Outside of Maine by Nonresidents"

Amend the bill by striking out the title and substituting the following:

'An Act To Amend the Sales and Use Tax Exemption for Aircraft'

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

Sec. 1. 36 MRSA §1760, sub-§23-C, ¶B, as enacted by PL 1999, c. 759, §2 and affected by §5, is amended to read:

B. Semitrailers; and

Sec. 2. 36 MRSA §1760, sub-§23-C, ¶C, as amended by PL 2005, c. 618, §2 and affected by §5, is repealed.

Sec. 3. 36 MRSA §1760, sub-§45, ¶A-3, as amended by PL 2007, c. 691, §1 and affected by §2, is repealed and the following enacted in its place:

A-3. The owner at the time of purchase was an individual resident in another state or tax jurisdiction or an entity in which the majority of the shares or interests is held by an individual or individuals who reside in another state or tax jurisdiction; or

Sec. 4. 36 MRSA §1760, sub-§76, as amended by PL 2003, c. 588, §11, is repealed.

Sec. 5. 36 MRSA §1760, sub-§88, as enacted by PL 2005, c. 519, Pt. EE, §2 and affected by §3, is amended to read:

88. Aircraft and parts. Sales, use or leases of aircraft that weigh over 6,000 pounds, that are propelled by one or more turbine engines or that are in use by a Federal Aviation Administration classified 135 operator and sales of repair and replacement parts exclusively for use in aircraft or in the significant overhauling or rebuilding of aircraft or aircraft parts or components.'

COMMITTEE AMENDMENT

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SUMMARY

This amendment changes the bill by expanding the current exemption from sales and use tax for aircraft purchased or leased by a nonresident and immediately transported out of the State and for certain other specifically designated aircraft to include sales and leases of all aircraft by a person, regardless of the type of aircraft or the state of residency of the purchaser. The amendment also expands the exemption to include sales of repair and replacement parts used exclusively in aircraft and in the overhauling and rebuilding of aircraft. It retains the bill's original provision to amend the existing sales, storage and use tax exemption for an aircraft purchased outside of the State by a nonresident by removing limitations on the use of the aircraft in this State during the 12 months following purchase.

FISCAL NOTE REQUIRED

(See attached)