

126th MAINE LEGISLATURE

FIRST REGULAR SESSION-2013

Legislative Document

No. 728

S.P. 266

In Senate, February 28, 2013

An Act To Amend the Laws Dealing with the Taxing of Extended Warranty Claims for Trucks

Reference to the Committee on Taxation suggested and ordered printed.

DAREK M. GRANT Secretary of the Senate

Presented by Senator THOMAS of Somerset.

Cosponsored by Representative DUNPHY of Embden and
Senators: LANGLEY of Hangack, MAZUREK of Know, SHERN

Senators: LANGLEY of Hancock, MAZUREK of Knox, SHERMAN of Aroostook,

THIBODEAU of Waldo, WHITTEMORE of Somerset, Representative: AYOTTE of Caswell.

1	Be it enacted by the People of the State of Maine as follows:
2 3 4	Sec. 1. 36 MRSA §1752, sub-§11, ¶B, as amended by PL 2011, c. 655, Pt. PP, §2 and affected by §4 and amended by c. 684, §1 and affected by §3, is repealed and the following enacted in its place:
5	B. "Retail sale" does not include:
6	(1) Any casual sale;
7 8 9	(2) Any sale by a personal representative in the settlement of an estate unless the sale is made through a retailer or the sale is made in the continuation or operation of a business;
10 11 12 13 14	(3) The sale, to a person engaged in the business of renting automobiles, of automobiles, integral parts of automobiles or accessories to automobiles, for rental or for use in an automobile rented for a period of less than one year. For the purposes of this subparagraph, "automobile" includes a pickup truck or van with a gross vehicle weight of less than 26,000 pounds;
15 16	(4) The sale, to a person engaged in the business of renting video media and video equipment, of video media or video equipment for rental;
17 18	(5) The sale, to a person engaged in the business of renting or leasing automobiles, of automobiles for rental or lease for one year or more;
19 20 21	(6) The sale, to a person engaged in the business of providing cable or satellite television services, of associated equipment for rental or lease to subscribers in conjunction with a sale of extended cable or extended satellite television services;
22 23 24 25	(7) The sale, to a person engaged in the business of renting furniture or audio media and audio equipment, of furniture, audio media or audio equipment for rental pursuant to a rental-purchase agreement as defined in Title 9-A, section 11-105;
26 27	(8) The sale of loaner vehicles to a new vehicle dealer licensed as such pursuant to Title 29-A, section 953;
28 29 30 31	(9) The sale of automobile repair parts used in the performance of repair services on an automobile pursuant to an extended service contract sold on or after September 20, 2007 that entitles the purchaser to specific benefits in the service of the automobile for a specific duration;
32 33 34	(10) The sale, to a retailer that has been issued a resale certificate pursuant to section 1754-B, subsection 2-B or 2-C, of tangible personal property for resale in the form of tangible personal property, except resale as a casual sale;
35 36 37	(11) The sale, to a retailer that has been issued a resale certificate pursuant to section 1754-B, subsection 2-B or 2-C, of a taxable service for resale, except resale as a casual sale;
38 39 40	(12) The sale, to a retailer that is not required to register under section 1754-B, of tangible personal property for resale outside the State in the form of tangible personal property, except resale as a casual sale;

1 2	(13) The sale, to a retailer that is not required to register under section 1754-B, of a taxable service for resale outside the State, except resale as a casual sale;
3 4 5 6 7	(14) The sale of repair parts used in the performance of repair services on telecommunications equipment as defined in section 2551, subsection 19 pursuant to an extended service contract that entitles the purchaser to specific benefits in the service of the telecommunications equipment for a specific duration;
8 9 10	(15) The sale of positive airway pressure equipment and supplies for rental for personal use to a person engaged in the business of renting positive airway pressure equipment;
11 12 13	(16) The sale, to a person engaged in the business of renting or leasing motor homes, as defined in Title 29-A, section 101, subsection 40, or camper trailers, of motor homes or camper trailers for rental; or
14 15 16	(17) The sale of truck repair parts used in the performance of repair services on a truck pursuant to an extended service contract that entitles the purchaser to specific benefits in the service of the truck for a specific duration.
17	Sec. 2. 36 MRSA §1752, sub-§20-B is enacted to read:
18 19 20 21	20-B. Truck. "Truck" means a self-propelled motor vehicle with at least 4 wheels designed and used primarily to carry property, not designed to run on tracks and having a gross vehicle weight rating greater than 10,000 pounds. A truck may be used to tow trailers or semitrailers.
22	SUMMARY
23 24 25	This bill exempts from sales tax parts used in the repair of a truck pursuant to an extended service contract. Current law provides this exemption for the parts used in the repair of an automobile pursuant to an extended service contract.