



129th MAINE LEGISLATURE

LD 873

LR 2173(03)

An Act To Clarify the Application of the Motor Vehicle Excise Tax to Water Well Drilling Equipment

Fiscal Note for Bill as Engrossed with:

C "A" (H-442)

Committee: Taxation

Fiscal Note

Potential current biennium revenue decrease - General Fund
Potential current biennium revenue decrease - Local Government Fund

Fiscal Detail and Notes

This bill would exempt water well-drilling equipment from the motor vehicle excise tax and therefore it would become eligible for assessment of property taxes. If the business is also eligible for either the Business Equipment Tax Reimbursement (BETR) or Business Equipment Tax Exemption (BETE) programs, reimbursements to taxpayers or municipalities would be increased. No estimate of any potential increase has been made.

The bill would decrease municipal excise tax revenues. However, some of this reduction could be made up by the assessment of property taxes. No estimate has been made at this time.