



126th MAINE LEGISLATURE

LD 698

LR 202(01)

An Act To Provide an Exemption from Fuel and Sales Taxes to Persons Engaged in Snowmobile Trail Grooming

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Sen. Thomas of Somerset

Committee: Taxation

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

| | FY 2012-13 | FY 2013-14 | FY 2014-15 | Projections FY 2015-16 | Projections FY 2016-17 |
|-----------------------------|------------|------------|------------|---------------------------|---------------------------|
| Net Cost (Savings) | | | | | |
| General Fund | \$1,810 | \$7,566 | \$7,902 | \$8,256 | \$8,624 |
| Highway Fund | \$19,616 | \$80,032 | \$81,632 | \$83,265 | \$84,930 |
| Revenue | | | | | |
| General Fund | (\$1,810) | (\$7,566) | (\$7,902) | (\$8,256) | (\$8,624) |
| Highway Fund | (\$19,616) | (\$80,032) | (\$81,632) | (\$83,265) | (\$84,930) |
| Other Special Revenue Funds | (\$2,199) | (\$8,981) | (\$9,169) | (\$9,362) | (\$9,561) |

Fiscal Detail and Notes

Providing an exemption to the gasoline tax to persons engaged in certain snowmobiles trail grooming will reduce Highway Fund revenue by \$19,616 in fiscal year 2012-13, \$80,032 in fiscal year 2013-14 and \$81,632 in fiscal year 2014-15. It will also decrease Other Special Revenue Funds revenue within the Departments of Agriculture, Conservation and Forestry, Inland Fisheries and Wildlife and Marine Resources, as well as the TransCap Trust Fund within the Maine Municipal Bond Bank, for their portions of fuel tax receipts. General Fund revenue is reduced by a small amount as well.

Expanding the sales tax exemption on snowmobiles and snowmobile trail grooming equipment from snowmobile clubs to persons registered this equipment with the Department of Agriculture, Conservation and Forestry will reduce General Fund revenue by \$1,781 in fiscal year 2012-13, \$7,446 in fiscal year 2013-14 and \$7,781 in fiscal year 2014-15. Municipal Revenue Sharing is reduced by a small amount as well.