

**TOWN OF NEW GLOUCESTER  
NEW GLOUCESTER, MAINE**

**ORDINANCE  
EXEMPTING ELIGIBLE ACTIVE DUTY MILITARY PERSONNEL  
FROM VEHICLE EXCISE ACT**

**Section 1. Authority**

This ordinance is enacted pursuant to 36 M.R.S.A. § 1483-A, which expressly authorized such ordinances.

**Section 2. Excise tax exemption; qualifications**

Vehicles owned by a resident of this municipality who is on active duty serving in the United States Armed Forces and who is either permanently stationed at a military or naval post, station or base, outside this State or deployed for military service for a period of more than 180 days and who desires to register that resident's vehicle(s) in this State are hereby exempted from the annual excise tax imposed pursuant to 36 M.R.S.A. § 1482.

To apply for this exemption, the resident must present to the municipal excise tax collector certification from the commander of the resident's post, station or base, or from the command's designated agent, that the resident is permanently stationed at that post, station or base or is deployed for military service for a period of more than 180 days.

For purposes of this section, "United States Armed Forces" includes the National Guard and the Reserves of the United States Armed Forces.

For purpose of this section, "deployed for military service: has the same meaning as in 26 M.R.S.A. § 814 (1) (A).

For purpose of this section, "vehicle" has the same meaning as in 36 M.R.S.A. § 1481 (5) and does not include any snowmobiles as defined in 12 M.R.S.A. § 13001.

**Section 3. Effective date; duration**

This ordinance shall take effect immediately upon enactment by the municipal legislative body unless otherwise provided and shall remain in effect unless and until it or 36 M.R.S.A. § 1483-A is repealed.

*Adopted by the Town  
Annual Town Meeting  
May 7, 2012*

## **NEW LOCAL OPTION EXCISE TAX EXEMPTION FOR ACTIVE DUTY MILITARY PERSONNEL**

With relatively little fanfare, the Legislature last year enacted a local option excise tax exemption for vehicles owned by Maine residents who are on active military duty and who are either permanently stationed outside of Maine or deployed for more than 180 days but who still wish to register their vehicles in Maine. The new law (36 M.R.S.A. § 1483-A) took effect on January 1, 2012.

Again, this exemption is strictly a local option. If a municipality wishes to “opt in,” its legislative body (town meeting or town or city council) must adopt an ordinance to implement the exemption. Otherwise, no action is required (and no action means no exemption).

If a municipality adopts an implementing ordinance, the exemption is available to any eligible individual (see above) who presents certification from his or her commander verifying eligibility.

We take no position on whether municipalities should exercise this local option, but for those that wish to consider it, a sample ordinance is available at <http://www.memun.org/members/legalnts/2012/excise.htm>.

This is not the first instance of a legislated local option in the field of taxation (where municipal home rule is otherwise preempted). Municipalities may also vote: to refund excise taxes in certain limited circumstances (see “Excise Tax Refunds,” *Maine Townsman*, “Legal Notes,” August/September 2007); to allow seniors to “work off” up to \$750 in taxes on their homes by doing volunteer work for the municipality (see “New Tax Relief Program for Senior ‘Volunteers’,” *Maine Townsman*, “Legal Notes,” June 2008); and to allow seniors to defer tax payments on their homes until they die or the property is transferred or no longer occupied by them (see “New Tax Deferral Program for Seniors: A Local Option,” *Maine Townsman*, “Legal Notes,” April 2010).

Note that none of these local options, including the latest, are State-reimbursed, so they all have negative local revenue impacts. This is doubtless why only a few municipalities have opted for any of them. The two property tax-related options entail extra administrative burdens and legal complications as well, which most municipalities have declined (wisely, in our opinion) to accept. (*By R.P.F.*)

PLEASE NOTE: Legislative Information *cannot* perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

## **An Act To Provide Tax Relief to Residents Deployed for Military Duty or Stationed outside of Maine**

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

**Sec. 1.** 36 MRSA §1483-A is enacted to read:

### **§ 1483-A. Local option exemption for residents permanently stationed or deployed for military service outside of the State**

A municipality may by ordinance exempt from the annual excise tax imposed pursuant to section 1482 vehicles owned by a resident who is on active duty serving in the United States Armed Forces and who is either permanently stationed at a military or naval post, station or base outside this State or deployed for military service for a period of more than 180 days who desires to register that resident's vehicle in this State. To apply for the exemption, the resident must present to a designated municipal official certification from the commander of the resident's post, station or base, or from the commander's designated agent, that the resident is permanently stationed at that post, station or base or is deployed for military service for a period of more than 180 days. For purposes of this section, "United States Armed Forces" includes the National Guard and the Reserves of the United States Armed Forces. For purposes of this section, "deployed for military service" has the same meaning as in Title 26, section 814, subsection 1, paragraph A.

**Sec. 2. Effective date.** This Act takes effect January 1, 2012.

Effective January 1, 2012.