

The Town of Hampden hereby ordains that the following ordinance be adopted:

EXCISE TAX REFUND ORDINANCE OF THE TOWN OF HAMPDEN

Title and Authority: This ordinance shall be known as the Excise Tax Refund Ordinance of the Town of Hampden. It is adopted pursuant to the authority created by 36 MRSA ss1482(7).

Purpose: The purpose of this ordinance is to provide equitable rebate of the excise taxes paid to the Town of Hampden for an annual duration with respect to leased Special Mobile Equipment as defined in 29-A MRSA ss101(70) when the registration for that property has been voluntarily surrendered and its use on the roadways of this state is discontinued within the annual excise tax period.

Procedure: After the effective date of this ordinance and pursuant to 36 MRSA ss1482(7), the Excise Tax Collector is directed to prepare for the Treasurer's Warrant an excise tax refund check, to be approved by the municipal officers, according to all of the conditions of this section.

- A. The excise tax refund check must be issued in the name of the registrant of the leased special mobile equipment as defined in 29-A MRSA ss101(70) who is on record for paying to the Town of Hampden the annual excise tax for same equipment.
- B. The excise tax refund check must not be issued unless the registrant provides sufficient evidence to the Tax Collector that the registration had been voluntarily surrendered and canceled pursuant to 29-A MRSA ss410. The submission of such evidence shall be considered an application for the excise tax refund check. The application for the excise tax refund check must be presented to the tax collector no later than 30 days after the effective date of the cancellation of the registration.
- C. The excise tax refund check must be made out in the amount that is the percentage of the annual excise tax which was actually paid to the Town of Hampden on the leased special mobile equipment, which percentage represents the number of full months remaining in the year of the cancelled registration.

Effective Date: Pursuant to Section 213(c) of the Town Charter, this Ordinance shall become effective at the expiration of 30 days after its adoption by the Town Council.

ADOPTED: 01/07/2002
EFFECTIVE: 02/06/2002

C-4-d

TO: Hampden Town Council
FROM: Sue Lessard, Town Manager
DATE: 8/15/07
RE: Excise Tax (PL 83, LD 227 Effective September 20, 2007)

The legislature passed a law this last session which allows a municipality to refund excise tax in the case where a person takes a credit for a former vehicle against a new registration and the excise amount on the credit is more than the new excise. Up until this law passed, that amount was not refunded. The Town is not required to do this if the municipal officers vote not to do so and I am requesting that we keep things as they are now.

The cost of this program is additional time, postage, checks and processing on the part of the staff. The way the law reads, if we do it for one, it has to be done in every instance. In many cases the cost of processing would exceed the value of the reimbursement. In addition, people moving into this municipality who transfer vehicles would end up getting a refund from us and never having paid the excise here in the first place. Following this item on the tax collector/clerk list serve indicates that municipalities in general are not endorsing this.

*Approved by
Council 8/20/07*