

By Mr. Tarr of Gloucester, petition of Bruce E. Tarr, Augusta Hornblower and Thomas G. Palumbo for legislation to provide for the reduction of the automobile sales tax for automobiles sold at retail for the first time. Taxation.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Ninety-Four.

AN ACT PROVIDING FOR THE REDUCTION OF THE AUTOMOBILE SALES TAX FOR AUTOMOBILES SOLD AT RETAIL FOR THE FIRST TIME.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 2 of Chapter 64H is hereby amended by
2 inserting after the word "property" in line 4 the following: —
3 "; provided, that the rate of sales tax for motor vehicles, as defined
4 in paragraph (c) of section 3 of Chapter 64H, shall be two and
5 one-half percent only for the first time a motor vehicle is sold at
6 retail by a vendor, and".

1 SECTION 2. The first sentence of paragraph (c) of section 3
2 of Chapter 64H of the Massachusetts General Laws is amended
3 by striking out said sentence and inserting in place thereof the
4 following new language: —

5 "The excise imposed by section two upon sales at retail of motor
6 vehicles sold for the first time shall be calculated by using the
7 formula set forth in section 4A of Chapter 64H. All subsequent
8 sales of said motor vehicle shall use the formula set forth in
9 section 4 of Chapter 64H. The excise rates imposed by section two
10 upon sales at retail of motor vehicles or trailers shall be paid by
11 the purchaser to the registrar of motor vehicles in the manner
12 prescribed by the commissioner."

1 SECTION 3. Chapter 64H of the Massachusetts General
2 Laws is hereby amended by inserting after section 4 the following
3 new section: —

4 Section 4A. For the purpose of adding and collecting the tax
 5 imposed by this chapter, or an amount equal as nearly as possible
 6 or practicable to the average equivalent thereof, for “motor
 7 vehicles” as defined in the last sentence of paragraph (c) of
 8 section 3 of Chapter 64H of the General Laws, in accordance with
 9 the provisions of said paragraph (c), the following formula shall
 10 be in force and effect as follows: —

Amount of Sale	Amount of Tax
\$0.01 to \$0.09 inclusive	No tax
\$0.10 to \$0.29 inclusive5 cent
\$0.30 to \$0.49 inclusive	1.0 cent
\$0.50 to \$0.69 inclusive	1.5 cents
\$0.70 to \$0.89 inclusive	2.0 cents
\$0.90 to \$1.09 inclusive	2.5 cents

11 In addition to a tax of two and one-half cents on each full dollar,
 12 a tax shall be collected on each part of a dollar in excess of a full
 13 dollar in accordance with the above formula.