

PINE STATE ELEVATOR COMPANY

v.

STATE TAX ASSESSOR

Submitted on Briefs March 22, 2006

Decided May 17, 2006

Panel: SAUFLEY, C.J., and CLIFFORD, ALEXANDER, CALKINS, LEVY, and
SILVER, JJ.

MEMORANDUM OF DECISION

Pine State Elevator Company appeals from a judgment entered in the Superior Court (Kennebec County, *Studstrup, J.*) affirming a decision of the State Tax Assessor that assessed Pine State for the use tax arising from its purchase of a van in Maine. Contrary to Pine State's contentions, the court did not err when it found that residency status is the threshold qualification for the "nonresident" exemption from the collection of sales and use taxes related to a purchase or lease of a vehicle, and that a person or entity must be a nonresident of Maine to qualify for the exemption. *See* 36 M.R.S. § 1760(23-C) (2005) (stating that the exemption

applies to sales or leases of vehicles to *nonresidents*); *Harold MacQuinn, Inc. v. Halperin*, 415 A.2d 818, 820 (Me. 1980) (stating that “an exemption from taxation, while entitled to reasonable interpretation in accordance with its purpose, is not to be extended by application to situations not clearly coming within the scope of the exemption provisions”). Moreover, the court did not err or exceed the bounds of its discretion in finding that Pine State, as a corporation that is incorporated pursuant to the laws of Maine and whose principal place of business is in Maine, is a resident of Maine, or that Pine State, as a resident of Maine, is ineligible for the exemption contained in section 1760(23-C). *See Ouellette v. Sturm, Ruger & Co.*, 466 A.2d 478, 481 (Me. 1983) (“It has long been established that a corporation is a resident of that state in which it is incorporated.”).

The entry is:

Judgment affirmed.

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