

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 1326

H. P. 1068

House of Representatives, March 19, 1979

On Motion of Mrs. Post of Owl's Head, referred to the Committee on Taxation.
Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mrs. Post of Owl's Head.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

AN ACT Providing for Administrative Changes in Maine Tax Law.

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

Sec. 1. 36 MRSA § 3, as enacted by PL 1967, c. 45, is amended by adding at the end a new sentence to read:

The State, a department, an agency or an official thereof acting in his official capacity may assign to the State Tax Assessor an obligation due the taxpayer by the State, the department, agency or official thereof acting in his official capacity in payment of any amount due the State Tax Assessor by the taxpayer under this Title.

Sec. 2. 36 MRSA § 583, as repealed and replaced by PL 1977, c. 694, § 687, and as last amended by PL 1977, c. 720, §§ 6 and 7, is repealed and the following enacted in its place:

§ 583. Abatement

Assessments made under this subchapter are subject to the abatement procedures provided by section 841, except that appeal under section 843 from abatement decisions shall be to the Land Classification Appeals Board rather than to either a local board of assessment review or the State Board of Assessment Review.

Sec. 3. 36 MRSA § 1757, as repealed and replaced by PL 1977, c. 694, § 702, is amended to read:

§ 1757. Revocation of registration

The State Tax Assessor may revoke the registration certificate of a registrant who fails to file, within 15 days after receipt of notice, a bond or deposit required under section 1759 and may revoke for cause a registration certificate issued under ~~section 1756~~ **chapters 211 to 225. The State Tax Assessor may revoke the registration certificate of a registrant who fails to file with the State Tax Assessor within 15 days after the due date a return as required under chapters 211 to 225.** ~~The A~~ revocation shall be reviewable in accordance with section 151.

Sec. 4. 36 MRSA § 1759, first sentence is amended to read:

When, in the judgment of the State Tax Assessor, **either as a condition for insurance or subsequent to the issuance of a sellers registration certificate**, it is necessary or advisable for the collection of sales or use taxes or both, he may require from a taxpayer a bond written by a surety company qualified to do business in this State and in such amount and upon such condition as the State Tax Assessor may determine.

Sec. 5. 36 MRSA § 1760, sub-§ 9-B, as enacted by PL 1977, c. 686, § 2, is amended by adding at the end the following:

Where residential electricity is furnished through one meter to more than one residential unit and where the electric utility applies its tariff on a per unit basis, the furnishing of electricity shall be deemed a separate sale for each unit to which the tariff applies;

Sec. 6. 36 MRSA § 3581 is amended to read:

§ 3581. Inventory of estate

Every executor, administrator or trustee shall within 3 months of the date of his appointment in addition to the inventory returned into the probate court file with the State Tax Assessor on blanks to be furnished by the State Tax Assessor, an inventory upon oath containing a complete list of all the property of the estate or trust within his knowledge ~~except that the State Tax Assessor may, for cause, extend the time for filing said inventory. If he neglects or refuses to file said inventory, he shall be liable to a penalty of not more than \$500, and, on complaint of the State Tax Assessor, the judge of probate may remove him from his said trust~~

Trustees, grantees or donees under conveyances or gifts made during life of the settlor, grantor or donor, and person to whom beneficial interest shall accrue by survivorship shall within 6 months of the date of death of the decedent file with the State Tax Assessor on blanks to be furnished by the State Tax Assessor, an inventory upon oath of all property subject to tax within his knowledge.

The State Tax Assessor may, for cause, extend the time for filing an inventory. If a person required to file an inventory neglects or refuses to file the inventory, he shall be liable to a penalty of not more than \$500. On complaint of the State Tax Assessor, the judge of probate may remove any person appointed by the probate court from his position as an executor, administrator or trustee for neglect or refusal to file an inventory.

Sec. 7. 36 MRSA § 5102, sub-§ 11, last 2 sentences, as amended by PL 1977, c. 668, § 6, are further amended to read:

Any reference in this Part to the laws of the United States shall mean the provisions of the Internal Revenue Code of 1954, and amendments thereto and other provisions of the laws of the United States relating to federal income taxes as of December 31, ~~1977~~ 1978. This subsection shall be effective as to items of income, deductions, loss or gain accruing in taxable years ending on or after January 1, ~~1977~~ 1978 but only to the extent such items have been earned, received, incurred or accrued on or after such effective date.

STATEMENT OF FACT

The purposes of this bill are:

1. To provide that the State may credit payments due delinquent taxpayers to their outstanding tax balances;
2. To correct 2 inconsistent laws;
3. To provide for the State Tax Assessor to initiate the procedure to revoke a sales tax certificate after a tax return is overdue by more than 15 days;
4. To provide clarification for the existing sales tax exemption to assure that the 750 kilowatt hours exemption is applied to each unit in a multiple unit dwelling where that dwelling is served by a single meter and the minimum or customer charge is assessed for each unit in this dwelling;
5. To provide a filing deadline for all estates which may be subject to inheritance tax. At the present time the law does not set a time for filing in all estates. This bill intends to set that requirement;
6. To update the utilization of the Internal Revenue Code provision in Maine Income Tax Law to the status of the provisions on December 31, 1978; and
7. To allow the State Tax Assessor to require a surety bond as a precondition for registration for an applicant who can reasonably be expected to jeopardize the collection of sales tax.