

MAINE STATE LEGISLATURE

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Date: 4/13/26

MAJORITY

TAXATION

Reproduced and distributed under the direction of the Secretary of the Senate.

STATE OF MAINE

SENATE

132ND LEGISLATURE

SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 883, L.D. 2178, "An Act to Establish the Independent Office of Tax Appeals and Make Other Changes to the Laws Governing the Tax Appeals Process"

Amend the bill in Part B in section 9 in §151-E in subsection 3 in the last line (page 4, line 22 in L.D.) by inserting after the following: "State," the following: 'Notwithstanding this subsection, the Commissioner of Administrative and Financial Services may assign other duties to the hearing officers consistent with subsection 4, including assisting the State Board of Property Tax Review.'

Amend the bill in Part B in section 9 in §151-E in subsection 4 by striking out all of the first blocked paragraph (page 4, lines 33 to 35 in L.D.).

Amend the bill in Part B in section 9 in §151-E in subsection 5 by striking out all of paragraphs E and F (page 5, lines 6 to 11 in L.D.) and inserting the following:

'E. Ensuring that the assignment of duties to hearing officers comports with conflicts of interest standards and other ethics standards; and

F. Providing and assigning part-time duties to a hearing officer to provide legal services to the State Board of Property Tax Review in consultation with the Office of the Attorney General.'

Amend the bill in Part B in section 14 in subsection 1 in the first line (page 7, line 36 in L.D.) by striking out the following: "September 15, 2026" and inserting the following: 'January 1, 2027'

Amend the bill in Part B in section 14 in subsection 2 in the last line (page 7, line 39 in L.D.) by striking out the following: "September 15, 2026" and inserting the following: 'January 1, 2027'

Amend the bill in Part B in section 14 in subsection 5 in the first line (page 8, line 6 in L.D.) by striking out the following: "September 15, 2026" and inserting the following: 'January 1, 2027'

Amend the bill in Part B by striking out all of section 15 and inserting the following:

COMMITTEE AMENDMENT

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- 1 **'Sec. B-15. Effective date.** This Part takes effect January 1, 2027.'
- 2 Amend the bill in Part C by striking out all of section 2.
- 3 Amend the bill in Part C by striking out all of sections 6 to 12.
- 4 Amend the bill by striking out all of Part D.
- 5 Amend the bill in Part E by striking out all of section 2.
- 6 Amend the bill by inserting after Part E the following:

'PART F

Sec. F-1. Appropriations and allocations. The following appropriations and allocations are made.

**ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF
Independent Office of Tax Appeals N585**

Initiative: Effective January 1, 2027, transfers all 3 existing Legislative Count and funding in the Maine Board of Tax Appeals to the newly created Independent Office of Tax Appeals.

GENERAL FUND	2025-26	2026-27
POSITIONS - LEGISLATIVE COUNT	0.000	3.000
Personal Services	\$0	\$206,458
All Other	\$0	\$26,564
GENERAL FUND TOTAL	\$0	\$233,022

OTHER SPECIAL REVENUE FUNDS	2025-26	2026-27
All Other	\$0	\$22,500
OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$22,500

Maine Board of Tax Appeals Z146

Initiative: Effective January 1, 2027, transfers all 3 existing Legislative Count and funding in the Maine Board of Tax Appeals to the newly created Independent Office of Tax Appeals.

GENERAL FUND	2025-26	2026-27
POSITIONS - LEGISLATIVE COUNT	0.000	(3.000)
Personal Services	\$0	(\$206,458)
All Other	\$0	(\$26,564)
GENERAL FUND TOTAL	\$0	(\$233,022)

OTHER SPECIAL REVENUE FUNDS	2025-26	2026-27
All Other	\$0	(\$22,500)
OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	(\$22,500)

COMMITTEE AMENDMENT

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ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF DEPARTMENT TOTALS	2025-26	2026-27
GENERAL FUND	\$0	\$0
OTHER SPECIAL REVENUE FUNDS	\$0	\$0
DEPARTMENT TOTAL - ALL FUNDS	\$0	\$0

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment makes the following changes to the bill.

1. It removes language from the powers and duties provision of the proposed Independent Office of Tax Appeals and instead adds that language to the qualifications provision to make clear that the Commissioner of Administrative and Financial Services may assign other duties to the hearing officers, including assisting the State Board of Property Tax Review.
2. It removes a listed duty of the Chief Hearing Officer regarding the assignment of duties to an administrative staff person and adds a listed duty to provide and assign part-time duties to a hearing officer to provide legal services to the State Board of Property Tax Review in consultation with the Office of the Attorney General.
3. It changes the proposed date of transition from the existing Department of Administrative and Financial Services, Maine Board of Tax Appeals to the new Independent Office of Tax Appeals from September 15, 2026 to January 1, 2027.
4. It removes provisions that propose changes to the composition, jurisdiction and duties of the State Board of Property Tax Review.
5. It removes the provisions that change the jurisdictional threshold amounts and appeals process for nonresidential property.
6. It removes the provisions that require the Department of Administrative and Financial Services, Bureau of Revenue Services, Office of Tax Policy to study further simplification and modernization of the administrative tax appeals process and report findings and recommendations to the joint standing committee of the Legislature having jurisdiction over taxation matters.
7. It adds an appropriations and allocations section.

FISCAL NOTE REQUIRED
(See attached)



132nd MAINE LEGISLATURE

LD 2178

LR 2674(02)

An Act to Establish the Independent Office of Tax Appeals and Make Other Changes to the Laws Governing the Tax Appeals Process

Fiscal Note for Bill as Amended by Committee Amendment "A" (S-703)

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Net Cost (Savings)				
General Fund	\$0	\$0	\$0	\$0
Appropriations/Allocations				
General Fund	\$0	\$0	\$0	\$0
Other Special Revenue Funds	\$0	\$0	\$0	\$0

Correctional and Judicial Impact Statements

This bill may decrease the number of civil suits filed in the court system. The Judicial Branch may realize some minor reduction of workload and administrative costs associated with the minimal number of cases that will no longer be filed. Collection of filing fees will decrease General Fund revenue by minor amounts.

Fiscal Detail and Notes

The bill creates the Independent Office of Tax Appeals and effective January 1, 2027, transfers all 3 existing Legislative Count and funding in the Maine Board of Tax Appeals to the newly created Independent Office of Tax Appeals.

Any additional costs to the Department of Administrative and Financial Services to implement the provisions of this bill are expected to be minor and can be absorbed within existing budgeted resources.