

# MAINE STATE LEGISLATURE

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SERVING THE PUBLIC AND DELIVERING ESSENTIAL SERVICES TO STATE GOVERNMENT

JANET T. MILLS  
GOVERNOR

KIRSTEN LC FIGUEROA  
COMMISSIONER

## Maine Taxpayer Advocate Annual Report FY21

### Introduction

Pursuant to 36 M.R.S. § 151-C (3), the Taxpayer Advocate (Advocate) must prepare an annual report of activities by August 1<sup>st</sup>. The Advocate who previously held this position retired at the end of June 2021. This report was prepared by the Deputy Director of the Compliance Division at Maine Revenue Services (MRS) using data from the former Advocate. A log of inquiries was utilized to prepare this report. Inquiries for assistance came in by email, phone, fax, and mail. There were also calls and emails for the Federal Taxpayer Advocate that were redirected.

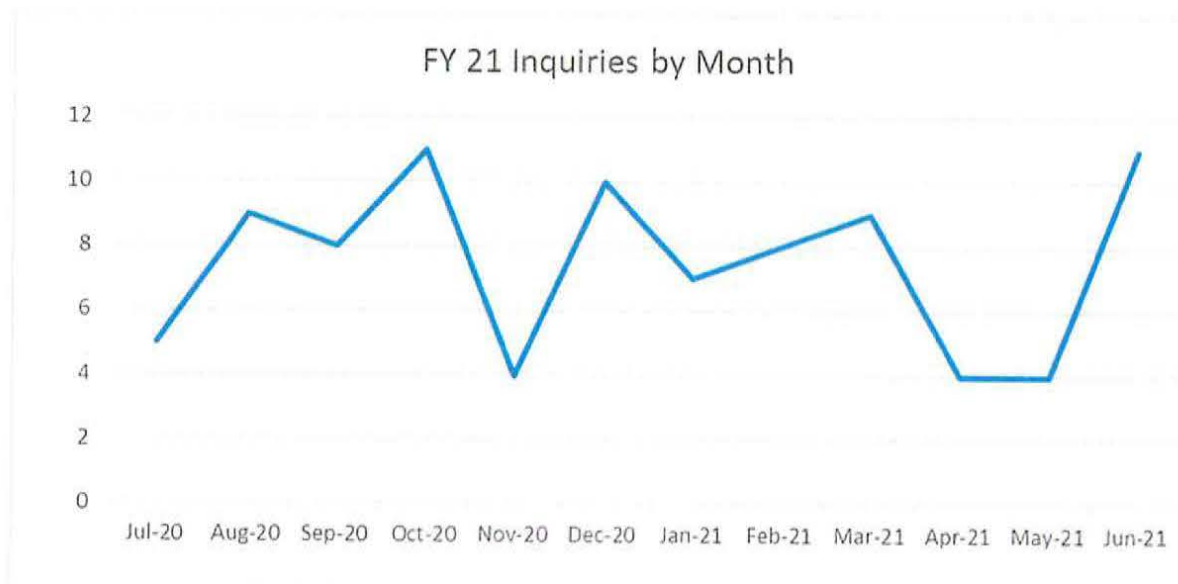
The primary duty and responsibility of the Advocate is to assist taxpayers in resolving state tax issues. Other duties include identifying areas where taxpayers are having difficulties in dealing with MRS and proposing changes in the administrative practices to mitigate any potential areas of confusion. See 36 M.R.S. § 151-C (2).

### FY2021

Fiscal year 2021 included two filing deadlines for Individual Income Taxes, as well as an extension period. Some taxpayer inquiries involved filing due dates. Also, there was an exemption for the first \$10,200 of unemployment received for tax year 2020, (PL 2021, Ch. 1, Part Z) which required taxpayers to amend their state tax return with MRS. This, too, was the subject of many taxpayer inquiries.

During FY21 there were ninety initial Advocate inquiries logged. Follow-up contacts were made by the Advocate and division staff to taxpayers and their representatives. In turn, some of the taxpayers and their representatives had follow-up questions.

Inquiries received included the following topics: refunds, penalties and interest, filing due dates, levies on back taxes, how to resolve unpaid taxes, and offers in compromise. Inquiries generated due to the pandemic included: how income is taxed while working remotely, taxability of unemployment, the Paycheck Protection Program, and when tax returns were due to be filed. Some taxpayers needed assistance registering for a tax account. Several inquiries were received regarding property taxes, including tax rates, liens, foreclosures, taxes on campers, and vehicle excise taxes.



Kirsten LC Figueroa  
Commissioner

August 30, 2022