

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SECOND LEGISLATURE

Legislative Document

No. 819

S. P. 271

In Senate, February 2, 1965

Referred to Committee on Taxation. Sent down for concurrence and ordered printed.

EDWIN H. PERT, Secretary

Presented by Senator Willey of Hancock.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-FIVE

AN ACT Relating to Credit for Uncollectible Accounts Under Sales and Use
Tax Law.

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

Sec. 1. R. S., T. 36, § 1811-A, additional. Title 36 of the Revised Statutes is amended by adding a new section 1811-A, to read as follows:

‘§ 1811-A. Credits for worthless accounts

The tax paid on sales represented by accounts found to be worthless and actually charged off may be credited upon the tax due on subsequent report, but if any such accounts are thereafter collected by the retailer, a tax shall be paid upon the amounts so collected. For the purpose of sections 1954 and 1955 such credit shall be considered as being required to be reported on or before the 15th day of the month following that in which the charge-off was made.’

Sec. 2. R. S., T. 36, § 1951, amended. The 7th sentence of section 1951 of Title 36 of the Revised Statutes is repealed, as follows:

~~‘The tax paid on sales represented by accounts found to be worthless and actually charged off may be credited upon the tax due on subsequent report, but if any such accounts are thereafter collected by the retailer, a tax shall be paid upon the amounts so collected.’~~

Sec. 3. R. S., T. 36, § 1954, amended. Section 1954 of Title 36 of the Revised Statutes is amended to read as follows:

‘§ 1954. Arbitrary assessment

If any person shall fail to make a report as required, the Tax Assessor may

make an estimate of the taxable liability of such person from any information he may obtain, and according to such estimate so made by him, assess the taxes, interest and penalties due the State from such person, give notice of such assessment to the person and make demand upon him for payment, but no such assessment can be made after 6 years **from the date the transactions upon which liability is based were required to be reported.**'

Sec. 4. R. S., T. 36, § 1955, amended. Section 1955 of Title 36 of the Revised Statutes is amended to read as follows:

§ 1955. Deficiency assessment

After a report is filed under chapters 211 to 225, the Tax Assessor shall cause the same to be examined, and may make such further audits or investigations as he may deem necessary and if therefrom he shall determine that there is a deficiency with respect to the payment of any tax due under chapters 211 to 225, he shall assess the taxes and interest due the State, give notice of such assessment to the person liable, and make demand upon him for payment but no such assessment can be made after 2 years **from the date the transactions upon which liability is based were required to be reported.**'