

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES (Filing No. H-1160)
108TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 2070, L.D. 2130, Bill,
"AN ACT to Establish Standard Interest and Penalty Provisions for
the Tax Laws."

Amend the Bill in section 1 by striking out all of the 3rd
and 4th underlined sentences of that part designated "§186."
and inserting in their place the following:

'A tax which is upheld on administrative or judicial review
shall bear interest from the date on which payment would have
been due in the absence of review. Any tax, interest or penalty
imposed by this Title which has been erroneously refunded and which
is recoverable by the State Tax Assessor shall bear interest at
the above rate from the date of payment of the refund. All
interest shall be recoverable by the State Tax Assessor in the
same manner as if it were a tax imposed under this Title.'

Further amend the Bill in section 1 by striking out all
of subsection 3 of that part designated "§187." and inserting
in its place the following:

'3. Failure to pay tax. Any person who fails to pay, on or
before its due date, any tax due under this Title shall be liable
for a penalty of \$5 or 5% of the unpaid tax, whichever is greater,
for each month or fraction thereof during which the failure continues,
provided that the penalty shall not exceed, in the aggregate,
\$25 or 25% of the unpaid tax, whichever is greater. Unless
otherwise provided in this Title, an amount declared by a person
to be due on a return filed by that person is due on the ^{due} /date

of the return, without regard to any extension of time permitted for filing the return and an amount assessed upon a person by the State Tax Assessor is due immediately upon the failure to proceed to the next available step of administrative or judicial review, except that, where no further judicial review is available, the amount is due on the 10th day after that person's receipt of notice that the assessment has been upheld.'

Further amend the Bill by striking out all of the last underlined paragraph of section 5 and inserting in its place the following:

'The timber and grass claimed on the public reserved lots shall be held to the State for the payment of those taxes which may be lawfully assessed against them.'

Further amend the Bill by inserting after section 6 the following:

'Sec. 6-A. 36 MRSA §1951, last ¶ is repealed.'

Further amend the Bill by inserting after section 26 the following:

'Sec. 26-A. 36 MRSA §3920 is repealed.'

Further amend the Bill in section 31 by striking out all of the first underlined sentence of that part designated "§4638." and inserting in its place the following:

'The wholesale seafood dealer's and processor's license and resident or nonresident interstate shellfish transportation license of any shellfish dealer who is liable for penalties under chapter 7 shall be suspended by the Administrative Court in a manner consistent with the Maine Administrative Procedure Act until the penalties and the related tax are paid in full.'

Further amend the Bill in section 33 by striking out all of the last underlined paragraph and inserting in its place the following:

'The wholesale seafood dealer's and processor's license, state license to pack sardines and packer's certificate of any packer, who is liable for penalties under chapter 7, shall be suspended by the Administrative Court in a manner consistent with the Maine Administrative Procedure Act, Commissioner of Agriculture and State Tax Assessor, respectively, until the penalties and the related tax are paid in full.'

Statement of Fact

This amendment further conforms existing provisions of the statutes to the language of the bill and clarifies the effect of the bill on contested tax claims in litigation.

Reported by the Committee on Taxation.

Reproduced and distributed under the direction of the Clerk of the House.
3/15/78

(Filing No. H-1160)