

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document

No. 152

H. P. 118

House of Representatives, January 7, 1981

Submitted by the Department of Finance and Administration pursuant to Joint Rule 24.

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

EDWIN H. PERT, Clerk

Presented by Mrs. Post of Owls Head.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

AN ACT Providing for Administrative Changes in the Tax Laws.

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

Sec. 1. 10 MRSA § 952, sub-§ 6, first sentence, as enacted by PL 1977, c. 531, § 1, is amended to read:

It shall not declare or pay any dividends to its shareholders during its first 5 years of operation and thereafter any dividends shall be paid only on common stock whose holders are not using the credit for investment in the Maine Capital Corporation allowed under Title 36, ~~sections 5129, 5167 or 5202~~ section 5216.

Sec. 2. 36 MRSA c. 1, as amended, is repealed.

Sec. 3. 36 MRSA cc. 3 and 4, as amended, are repealed.

Sec. 4. 36 MRSA § 111, sub-§ 5, as enacted by PL 1979, c. 378, § 2, is repealed and the following enacted in its place:

5. Tax. "Tax" means the total amount required to be paid, withheld and paid over, or collected and paid over with respect to estimated or actual tax liability under this Title, including any interest or civil penalty relating thereto.

Sec. 5. 36 MRSA § 111, sub-§ 7 is enacted to read:

7. Taxpayer. "Taxpayer" means any person required to file a return under

this Title or to pay, withhold and pay over or collect and pay over any tax imposed by this Title.

Sec. 6. 36 MRSA § 112 is enacted to read:

§ 112. State Tax Assessor

1. General powers and duties. The State Tax Assessor shall administer and enforce the tax laws enacted under this Title and, pursuant to this Title may make such rules and require such information to be reported as he deems necessary.

2. Organization. The State Tax Assessor may employ such deputies, assistants and employees, subject to the Personnel Law, as are necessary, and distribute the duties given to him or to the Bureau of Taxation among such persons or divisions in that bureau as he deems necessary for economy and efficiency in administration. An officer within each division of the bureau shall be designated by the State Tax Assessor as director of that division. The State Tax Assessor, for enforcement and administrative purposes, may divide the State into a reasonable number of districts in which branch offices may be maintained.

3. Examination of witnesses. The State Tax Assessor may summon before him and examine under oath any person whose testimony he deems necessary to the proper discharge of his duties and may require the production of all books or other documents in the custody or control of that person which relate to any matter which the State Tax Assessor has authority to investigate or determine. This examination may be conducted by an agent designated by the State Tax Assessor and shall be deemed an "official proceeding" within the meaning of that term in Title 17-A, section 451. The State Tax Assessor or that agent may administer all oaths required under this Title and may, in his discretion, reduce any examination under oath to writing.

Any justice of the Superior Court and, with respect to the taxes imposed under Part 6, any judge of probate, upon application of the State Tax Assessor, may compel the attendance of witnesses and the giving of testimony before the State Tax Assessor in the same manner, to the same extent and subject to the same penalties as if before the court over which that justice or judge presides.

4. Examination of records and premises. Whenever he deems it necessary to the administration of this Title, the State Tax Assessor may make or cause to be made by his employee, an examination or investigation of the place of business, books and other documents and any other relevant personal property of any person who the State Tax Assessor has reason to believe is liable for any tax imposed by this Title.

5. Contract authority. The State Tax Assessor is authorized to contract with persons on an independent contract basis for the furnishing of technical services to assist him in the administration of this Title.

6. Agent for collection. The State Tax Assessor is authorized to name any of his employees as his agent to collect any tax imposed under this title.

7. **Evaluation of tax systems.** The State Tax Assessor shall investigate and examine the systems and methods of taxation of other states and make careful and constant inquiry into the practical operation and effect of the laws of this State, in comparison with the laws of other states, with the view of ascertaining wherein the tax laws of this State are defective, inefficient, inoperative or inequitable.

8. **Additional duties.** In addition to the duties specified in this Title, the State Tax Assessor is responsible for the following:

A. Collection of the tax levied on fire insurance companies by Title 25, section 2399;

B. Certification of distributors of internal combustion engine fuels in accordance with Title 10, section 1655; and

C. Administration of the spruce budworm excise tax in accordance with Title 12, section 8406.

Sec. 7. 36 MRSA § 141, sub-§ 2, ¶ D, first sentence, as enacted by PL 1979, c. 378 § 4, is amended to read:

If the State Tax Assessor finds that the collection of tax for any reporting period will be jeopardized by delay, he may, upon giving notice of this finding to the person liable for the tax, demand an immediate return with respect to that period or immediate payment of any the which has been assessed declared to be in jeopardy, or both, and may terminate the current reporting period and demand an immediate return and payment with respect to that period.

Sec. 8. 36 MRSA § 151, as amended by PL 1979, c. 378, § 5, is further amended to read:

§ 151. **Review of determinations of State Tax Assessor**

~~A taxpayer Any person who is entitled by law to receive notice of a determination of the State Tax Assessor and who is aggrieved by an assessment under this Title of any tax other than property tax that determination may petition in writing, within 15 days after receipt of notice of the assessment that determination, for reconsideration by the State Tax Assessor of the assessment that determination by the State Tax Assessor. The petition shall set forth the grounds on which the assessment is protested. A registrant aggrieved by a decision to revoke a registration certificate required under this Title may petition, within 15 days after receipt of notice of the revocation, for reconsideration of the revocation.~~

If a petition for reconsideration is filed within the specified time period, the State Tax Assessor shall reconsider ~~the assessment or revocation, as the case may be his determination.~~ If the ~~taxpayer or registrant~~ petitioner has so requested in his petition, the State Tax Assessor shall hold an informal conference with the ~~taxpayer or registrant~~ petitioner to receive additional information and to hear argument regarding the protested ~~assessment or revocation determination~~

and shall give the ~~taxpayer or registrant~~ **petitioner** 10-days' notice of the time and place ~~thereof of the conference~~. The reconsideration, with or without an informal conference, shall not be deemed to be an "adjudicatory proceeding" within the meaning of that term in the Maine Administrative Procedure Act.

The ~~taxpayer or registrant~~ **may petition for judicial review of a State Tax Assessor's decision on reconsideration constitutes final agency action which is subject to review by the Superior Court** in accordance with the Maine Administrative Procedure Act, except that the absence of a record shall be resolved ~~in all appeals~~ exclusively by a hearing de novo on review.

Sec. 9. 36 MRSA §§ 152 and 153 are enacted to read:

§ 152. Payment of contested taxes

A taxpayer may pay any tax, make any deposit or file any bond at any time without forfeiting any right to apply for a refund or an abatement or to seek review of the validity of the tax. No such tax, bond or deposit need be paid, filed or made under protest or under duress to entitle the taxpayer to apply for a refund or an abatement or to seek review of the validity of the tax.

§ 153. Timely filing or paying

1. Mail. If any document or payment required by this Title to be filed or paid, respectively, on or before a prescribed date is transmitted by the United States Postal Service to the person with whom or to whom the filing or payment is to be made, the date of the United States Postal Service postmark stamped on the envelope shall be deemed to be the date of filing or payment if that postmark date precedes the prescribed date for filing or paying, determined with regard to any filing extension, and if that document or payment was deposited in the mail, postage prepaid and properly addressed to the person with whom or to whom the filing or payment is to be made. If the document or payment is not received by that person or if the postmark date is illegible, omitted or claimed to be erroneous, the document or payment shall be deemed to have been filed or paid on the mailing date if the sender establishes by competent evidence that the document or payment was deposited with the United States Postal Service, postage prepaid and properly addressed, on or before the prescribed date and, in the case of nonreceipt, files a duplicate document or makes payment, as the case may be, within 15 days after his receipt of written notification by the addressee of the addressee's nonreceipt of the document or payment. A record authenticated by the United States Postal Service of mailing by registered mail, certified mail or certificate of mailing constitutes competent evidence of deposit with the United States Postal Service. The State Tax Assessor may, by rule, extend the application of this subsection to the postmarks of agencies other than the United States Postal Service.

2. Weekends and holidays. When the last day, including any extension of time, prescribed under this Title for the performance of an act falls on Saturday, Sunday or a legal holiday in this State, the performance of that act is timely if it

occurs on the next succeeding day which is not a Saturday, Sunday or legal holiday in this State.

Sec. 10. 36 MRSa § 172 is enacted to read:

§ 172. Denial, suspension or revocation of license

If any tax, other than property tax, assessed and deemed final under this Title remains unpaid in an amount exceeding \$1,000 for a period greater than 60 days after the taxpayer has received notice of such finality and the taxpayer refuses to cooperate with the bureau in establishing and remaining in compliance with a reasonable plan for liquidating that liability, the State Tax Assessor shall certify the liability and lack of cooperation:

1. Liquor licensee. If the taxpayer is a liquor licensee, to the State Liquor Commission, which shall construe that liability and lack of cooperation to be a ground for denying, suspending or revoking the taxpayer's liquor license in accordance with Title 28, sections 304 and 401; or

2. Motor vehicle dealer. If the taxpayer is a licensed motor vehicle dealer, to the Secretary of State, who shall construe that liability and lack of cooperation to be a ground for denying, suspending or revoking the taxpayer's motor vehicle dealer license in accordance with Title 29, section 350-A.

Sec. 11. 36 MRSa § 174 is enacted to read:

§ 174. Collection by civil action

1. Generally. If any taxpayer fails to pay any tax imposed by this Title on or before the due date of that tax, the State Tax Assessor, through the Attorney General, may commence a civil action within 6 years of the due date in any court of competent jurisdiction within this State in the name of the State for the recovery of that tax. In this action, the certificate of the State Tax Assessor showing the amount of the delinquency is prima facie evidence of the levy of the tax, of the delinquency and of the compliance by the State Tax Assessor with this Title in relation to the assessment of the tax.

2. Other jurisdictions. The Attorney General may bring civil actions in the courts of other states in the name of this State or any of its tax-collecting agencies to collect taxes legally due this State or those agencies.

3. Comity. The courts of this State shall recognize and enforce liabilities for taxes lawfully imposed by another state to the same extent that the laws of that other state permit the enforcement in its courts of tax liabilities arising under this Title. The duly authorized officer of any such state may sue for the collection of such a tax in the courts of this State. A certificate by the Secretary of State of such other state that an officer suing for the collection of such a tax is duly authorized to collect the tax shall be conclusive proof of that authority.

Sec. 12. 36 MRSa § 185 is enacted to read:

§ 185. Set-off

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

Sec. 13. 36 MRSA § 185, 5th sentence, as enacted by PL 1977, c. 679, § 1, is amended to read:

All interest shall accrue automatically, without being assessed by the State Tax Assessor, and shall be recoverable by the State Tax Assessor in the same manner as if it were a tax imposed assessed under this Title.

Sec. 14. 36 MRSA § 187, sub-§ 3, 2nd sentence, as enacted by PL 1977, c. 679, § 1, is amended to read:

~~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~~ For purposes of this subsection, 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.

Sec. 15. 36 MRSA § 187, sub-§ 5, 3rd sentence, as enacted by PL 1977, c. 679, § 1, is repealed and the following enacted in its place:

The penalties imposed by subsection 1 and 3 shall accrue automatically, without being assessed by the State Tax Assessor, and each penalty imposed by this section shall be recoverable by the State Tax Assessor in the same manner as if it were a tax assessed under this Title.

Sec. 16. 36 MRSA §§ 188-190 are enacted to read:

§ 188. Remedies not exclusive

Each remedy provided in this Title is not exclusive and is in addition to all other remedies prescribed in this Title for the enforcement and collection of any tax imposed by this Title.

§ 189. Taxes as additional

Unless otherwise specifically provided, any tax imposed under this Title shall be in addition to all other taxes legally imposed upon the subject of the tax by any other law of the State now or hereafter in force.

§ 190. Effect of repeal

The repeal of an Act or resolve, or part thereof, imposing a tax or taxes shall have no effect upon the reporting, collecting or refunding of taxes accrued to the

date of that repeal. The procedures relating to the reporting, collecting or refunding of taxes in effect at the date of the repeal shall remain in full force and effect until the liabilities incurred pursuant to the Act or resolve, or part thereof, are satisfied.

Sec. 17. 36 MRSA § 191, sub-§ 2, ¶ H, as enacted by PL 1977, c. 668, § 2 is amended to read:

H. The disclosure by the State Tax Assessor of the fact that a ~~business or individual person~~ is or is not registered as a seller under ~~section 1754 or section 1756~~ this Title or disclosure of both the fact that a registration under either ~~section 1754 or section 1756~~ this Title has been revoked in accordance with ~~section 1757 or section 1923~~ and the reasons for revocation; and

Sec. 18. 36 MRSA § 192 is enacted to read:

§ 192. Miscellaneous

1. Expenses. The reasonable and necessary traveling expenses of the State Tax Assessor and of his employees while actually engaged in the performance of their duties, certified upon vouchers approved by the State Tax Assessor, shall be paid by the Treasurer of State upon warrant of the State Controller.

2. Facsimile signature. A facsimile of the signature of the State Tax Assessor imprinted by or at his direction upon any license, registration certificate, notice of assessment or statutory demand notice issued by him under authority of this Title shall have the same validity as his written signature.

3. Small payments. No payment of less than \$1 may be made pursuant to this Title, except in the case of an overpayment of tax when a specific written request is made by the taxpayer.

Sec. 19. 36 MRSA § 204 is repealed.

Sec. 19-A. 36 MRSA § 578, sub-§ 1, 3rd ¶, 2nd sentence, as enacted by PL 1977, c. 720, § 3, is amended to read:

A municipality actually levying and collecting municipal property taxes and within whose boundaries this acreage lies shall receive annual payments from moneys so appropriated by the Legislature provided it submits an annual return in accordance with the provisions of section 383; and it achieves the appropriate minimum assessment ratio described in section 327.

Sec. 20. 36 MRSA § 655, sub-§ 1, ¶ P, sub-¶ (3), as enacted by PL 1977, c. 456, is repealed and the following enacted in its place:

(3) Watercraft.

Sec. 21. 36 MRSA § 844, first sentence, as last amended by PL 1979, c. 666, § 22, is further amended to read:

Except where the municipality has adopted a board of assessment review or has

been designated as a primary assessing area, if the assessors or the municipal officers refuse to make the abatement asked for, the applicant may apply to the county commissioners, within 30 days after notice of the decisions from which the appeal is being taken, or within 30 days after the application shall be is deemed to be have been denied.

Sec. 22. 36 MRSA § 1109, sub-§ 1, 5th and 6th sentences, as enacted by PL 1975, c. 726, § 2, are repealed as follows:

~~If a parcel of land is classified after such date, the assessor shall file notice of said classification with the register of deeds in the appropriate county within 14 days of said classification. The list filed pursuant to this subsection shall be on a form provided by the State Tax Assessor, shall contain the name of each owner, the date of classification and a short description of each parcel of real estate, together with such other information as the State Tax Assessor may prescribe~~

Sec. 23. 36 MRSA § 1952, 2nd ¶, is repealed as follows:

~~The Tax Assessor shall pay over all receipts collected to the Treasurer of State daily and such receipts shall be credited to the General Fund~~

Sec. 24. 36 MRSA § 2011, first ¶, as amended by PL 1977, c. 694, § 707, is repealed and the following enacted in its place:

If the State Tax Assessor determines, upon written application by a taxpayer, that any tax, interest or penalty has been paid more than once or has been erroneously or illegally collected or computed, he shall certify to the State Controller the amount collected in excess of that legally due, from whom it was collected or by whom paid, and that amount shall be credited by the State Tax Assessor on any taxes then due from the taxpayer and the balance refunded to the taxpayer or his successors, administrators, executors or assigns, but no such credit or refund shall be allowed unless a written petition therefor, stating the grounds upon which refund is claimed, is filed with the State Tax Assessor within 3 years of the date of overpayment. The State Tax Assessor may cancel or abate any tax which has been illegally levied. Nothing in this section authorizes a refund of any amount assessed by the State Tax Assessor when administrative and judicial review of the assessment under section 151 has been exhausted.

Sec. 25. 36 MRSA c. 351, as amended, is repealed.

Sec. 26. 36 MRSA § 2521-A, 2nd ¶, as last amended by PL 1977, c. 679, § 11, is further amended to read:

At the time of filing such returns, each insurance company, association or attorney-in-fact of a reciprocal insurer shall pay to the State Tax Assessor the amount of tax shown due ~~and the State Tax Assessor shall pay over all receipts daily to the Treasurer of State~~

Sec. 27. 36 MRSA § 2626 is repealed and the following enacted in its place:

§ 2626. Payment schedule

One-third of the tax on railroad companies is payable to the State Tax Assessor on June 15th of the year in which the tax is levied, 1/3 on the next September 15th and 1/3 on the next December 15th.

Sec. 28. 36 MRSA § 2686, 3rd sentence, as repealed and replaced by PL 1973, c. 717, § 3, is repealed as follows:

~~The State Tax Assessor shall pay over all receipts from such tax to the Treasurer of State daily~~

Sec. 29. 36 MRSA § 2906, 4th sentence, is amended to read:

At the time of the filing of said the report, each distributor and importer shall pay to the State Tax Assessor a tax of 9¢ upon each gallon so reported as sold, distributed or used and ~~the State Tax Assessor shall pay over all receipts from such tax to the Treasurer of State daily~~

Sec. 30. 36 MRSA § 2964, 6th sentence, as amended by PL 1973, c. 7, § 4, is further amended to read:

All taxes ~~interest and penalties~~ received under this chapter shall be paid by the State Tax Assessor to the Treasurer of State daily and shall be credited to the General Highway Fund.

Sec. 31. 36 MRSA § 2969 is repealed.

Sec. 32. 36 MRSA § 3028, 2nd ¶, 2nd sentence is repealed as follows:

~~The State Tax Assessor shall pay over all receipts from such tax to the Treasurer of State daily~~

Sec. 33. 36 MRSA § 3033, as amended by PL 1971, c. 21, § 1, is repealed and the following enacted in its place:

§ 3033. Injunction; priority

The State Tax Assessor may institute legal proceedings by the Attorney General in a court of appropriate jurisdiction for the purpose of enjoining the business of a person who is delinquent in the payment of the tax imposed by this chapter. The claims of the State for sums due under this chapter shall be preferred and priority claims in the event of the assignment, receivership or bankruptcy of any user.

Sec. 34. 36 MRSA § 3521 is repealed.

Sec. 35. 36 MRSA § 3522, 3rd ¶ is repealed as follows:

~~The State Tax Assessor shall pay over all receipts from such taxes, interest and penalties to the Treasurer of State daily~~

Sec. 36. 36 MRSA § 3525 is repealed.

Sec. 37. 36 MRSA § 3526, as amended by PL 1979, c. 540, § 47, is repealed.

Sec. 38. ~~36 MRS~~ **§ 3686, first sentence**, as amended by PL 1979, c. 540, § 50, is repealed as follows:

~~A civil action may be maintained in the name of the State against a personal representative, trustee, grantee or donee for the recovery of all taxes imposed by chapters 551-567, with interest thereon~~

Sec. 39. ~~36 MRS~~ **§ 3742, 3rd sentence** is repealed as follows:

~~The State Tax Assessor shall pay over all receipts from such taxes and interest to the Treasurer of State daily~~

Sec. 40. ~~36 MRS~~ **§ 4307, 4th sentence** is repealed as follows:

~~All such money so collected shall be transmitted forthwith by the State Tax Assessor to the Treasurer of State~~

Sec. 41. ~~36 MRS~~ **§ 4310**, as last amended by PL 1977, c. 679, § 27, is repealed.

Sec. 42. ~~36 MRS~~ **§ 4313** is repealed.

Sec. 43. ~~36 MRS~~ **§ 4366, 6th sentence** is amended to read:

~~He shall keep accurate records of all stamps sold to each distributor and dealer and shall pay over all receipts from the sale of stamps to the Treasurer of State daily.~~

Sec. 44. ~~36 MRS~~ **§ 4375**, as repealed and replaced by PL 1979, c. 663, § 223, is repealed.

Sec. 45. ~~36 MRS~~ **§ 4376** is repealed.

Sec. 46. ~~36 MRS~~ **§ 4504** is repealed.

Sec. 47. ~~36 MRS~~ **§ 4509, 4th sentence** is repealed as follows:

~~The State Tax Assessor shall pay over all receipts from such tax to the Treasurer of State daily~~

Sec. 48. ~~36 MRS~~ **§ 4510**, as last amended by PL 1979, c. 731, § 19, is repealed and the following enacted in its place:

§ 4510. Delegation of investigating authority

The State Tax Assessor is authorized to delegate the investigating authority conferred upon him by section 112, subsection 4, as it applies to the tax imposed by this chapter, to the Commissioner of Agriculture, Food and Rural Resources, or his agents.

Sec. 49. ~~36 MRS~~ **§ 4512**, as last amended by PL 1979, c. 452, § 8, is repealed and the following enacted in its place:

§ 4512. Revocation of dealer's certificate

Whenever a dealer fails to pay a tax due or fails to file a report at the time it is

required to be filed for 2 consecutive reporting periods, the State Tax Assessor may revoke the dealer's certificate of that dealer. The revocation shall be reviewable in accordance with section 151.

Sec. 50. 36 MRSA § 4528, 5th sentence, as enacted by PL 1975, c. 444, § 6, is repealed as follows:

~~The State Tax Assessor shall pay over all receipts from such tax to the Treasurer of State daily~~

Sec. 51. 36 MRSA § 4529, as amended by PL 1979, c. 731, § 19, is repealed and the following enacted in its place:

§ 4529. Delegation of investigating authority

The State Tax Assessor is authorized to delegate the investigating authority conferred upon him by section 112, subsection 4, as it applies to the tax imposed by this chapter, to the Commissioner of Agriculture, Food and Rural Resources, or his agents.

Sec. 52. 36 MRSA § 4531, as last amended by PL 1977, c. 694, § 716, is repealed and the following enacted in its place:

§ 4531. Revocation of dealer's certificate

Whenever a dealer fails to pay a tax due or fails to file a report at the time it is required to be filed for 2 consecutive reporting periods, the State Tax Assessor may revoke the dealer's certificate of that dealer. The revocation shall be reviewable in accordance with section 151.

Sec. 53. 36 MRSA § 4564 is repealed.

Sec. 54. 36 MRSA § 4569, 3rd sentence is repealed as follows:

~~The State Tax Assessor shall pay over all receipts from such tax to the Treasurer of State daily~~

Sec. 55. 36 MRSA § 4572 as amended by PL 1977, c. 679, § 30, is repealed.

Sec. 56. 36 MRSA § 4641-B, 6th ¶, as amended by PL 1975, c. 78, § 21, is repealed as follows:

~~The State Tax Assessor shall pay over all receipts to the Treasurer of State daily and such receipts shall be credited to the General Fund~~

Sec. 57. 36 MRSA § 4641-I as enacted by PL 1975, c. 572, § 1, is amended to read:

§ 4641-I. Priority

The tax and interest imposed by this chapter shall be recoverable by a civil action in the name of the State of Maine, and shall have preference in any distribution of the assets of the taxpayer.

Sec. 58. 36 MRSA § 4694 is repealed.

Sec. 59. 36 MRSA § 4697, last sentence is repealed as follows:

~~The State Tax Assessor shall pay over all receipts from such tax to the Treasurer of State daily~~

Sec. 60. 36 MRSA § 4700, as last amended by PL 1970, c. 127, § 201, is repealed and the following enacted in its place:

§ 4700. Suspension of licenses or certificate

If a packer is liable for penalties under chapter 7, his wholesale seafood license and state license to pack sardines are subject to suspension by the Administrative Court in a manner consistent with the Maine Administrative Procedure Act, Title 5, chapter 375, and his packer's certificate shall be suspended by the State Tax Assessor until the penalties and related tax are paid in full.

Sec. 61. 36 MRSA § 5129, as enacted by PL 1977, c. 531, § 2, is repealed.

Sec. 62. 36 MRSA § 5167, as enacted by PL 1977, c. 531, § 3, is repealed.

Sec. 63. 36 MRSA § 5202, as enacted by PL 1977, c. 531, § 4, is repealed.

Sec. 64. 36 MRSA § 5214, as enacted by PL 1977, c. 722, is repealed.

Sec. 65. 36 MRSA § 5215, sub-§ 7 is enacted to read:

7. Legislative findings. The Legislature finds the encouragement of the growth of major industry in the State to be in the public interest and for the promotion of the general welfare of the people of the State; and that the use of investment tax credits to encourage industry to make substantial capital investments in the State is necessary to promote the purpose of the Legislature of encouraging the growth of industry; and that the Legislature further finds that the selecting of limits of \$5,000,000 in qualified investment in the State and an increase of a new job credit base of \$1,200,000 for a taxable year are reasonable qualifying criteria for the application of an investment tax credit and will best promote substantial capital investment in the State.

Sec. 66. 36 MRSA § 5216 is enacted as follows:

§ 5216. Credit for investment in The Maine Capital Corporation

1. Credit. A resident individual, resident estate or trust, or taxable corporation is entitled to a credit against the tax otherwise due under this Part equal to 50% of the amount of his or its investment in common stock of The Maine Capital Corporation. 20% of the credit shall be taken in the taxable year of the investment and 20% in each of the next 4 taxable years.

2. Limitation. The amount of the credit allowed under this section for any one taxable year shall not exceed 50% of the tax imposed on the taxpayer for that taxable year before application of the credit.

3. Carry-forward. Credits not taken in accordance with the timetable in subsection 1 because of the limitation in subsection 2 may be claimed in any of the 4 taxable years following the year of limitation, provided that the limitation of subsection 2 shall also apply to the carry-forward years.

4. Recapture. If the taxpayer disposes of the stock in The Maine Capital Corporation within 6 years after the date on which the taxpayer acquired that stock in a transaction which gives rise to gain or loss for federal income tax purposes, the tax imposed under this Part for the taxable year in which the disposition occurs shall be increased by an amount equal to the amount allowed as a credit in the year of disposition and all prior years. Any unused credit attributable to the disposed of stock is disallowed.

Sec. 67. 36 MRSA § 5253, 2nd sentence, as amended by PL 1977, c. 477, § 20, is repealed and the following enacted in its place:

The State Tax Assessor may, by rule, require or permit the filing of returns and paying over of taxes withheld on other than a quarterly basis.

Sec. 68. 36 MRSA § 5253, 3rd, 4th and 5th sentences, as enacted by P&SL 1969, c. 514, Sec. F, are repealed.

Sec. 69. 36 MRSA § 5310, as enacted by P&SL 1969, c. 154, Sec. F, is repealed.

Sec. 70. 36 MRSA § 5317, as last amended by PL 1979, c. 541, Pt. B, § 52, is repealed and the following enacted in its place:

§ 5317. Priority

Claims of the State for sums due under this Part shall have preference in any distribution of the assets of the taxpayer, whether in bankruptcy, insolvency or otherwise.

Sec. 71. 36 MRSA § 5318, as enacted by P&SL 1969, c. 154, Sec. F, is repealed.

Sec. 72. 36 MRSA § 5340, as enacted by P&SL 1969, c. 154, Sec. F, and as amended, is repealed.

Sec. 73. 36 MRSA § 5342, as enacted by P&SL 1969, c. 154, Sec. F, is repealed.

STATEMENT OF FACT

This bill provides several "housekeeping" changes designed to facilitate the administration of the laws relating to state taxation. The purpose of each section is detailed below.

Section 1 corrects a reference in Title 10 to conform with amendments effected by sections 63 through 65 and section 68.

Section 2 repeals chapter 1, all existing provisions of which are relocated by sections 9, 10, 11, 12, 16 and 18.

Section 3 repeals chapter 3, all existing provisions of which are relocated by sections 6 and 18; and chapter 4, which is obsolete.

Section 4 amends the definition of "tax" to clarify intent to include estimated as well as actual tax liability within its operation and to simplify language.

Section 5 provides a definition for previously undefined word.

Section 6 relocates general authority of State Tax Assessor now contained in Title 36, sections 51 through 53 and section 57.

Section 7 amends jeopardy assessment provision to effectuate original intent of that provision.

Section 8 broadens present reconsideration procedure to include all determinations of the State Tax Assessor.

Section 9 relocates provisions now contained in Title 36, sections 4 and 6-A.

Section 10 relocates provisions now contained in Title 36, sections 6 and 7.

Section 11 relocates provisions now contained in Title 36, sections 1 and 2, and establishes standard provision for civil action for collection of taxes.

Section 12 relocates provision now contained in Title 36, section 3.

Section 13 clarifies legislative intent that monthly interest on overdue taxes may be collected without having been officially assessed by the State Tax Assessor.

Section 14 eliminates unnecessary language and clarifies intent that due date specified in Title 36, section 187, is only for purposes of imposing penalties.

Section 15 provides that penalties for failure to file and failure to pay accrue automatically until a 5-month maximum amount is reached.

Section 16 relocates provision contained in Title 36, section 5, and provides that taxes and collection remedies provided in Title 36 are cumulative.

Section 17 broadens authority of the State Tax Assessor to disclose fact of registration and revocation of registration to apply to all taxes.

Section 18 relocates provisions now contained in Title 36, sections 3, 55 and 56.

Section 19 repeals unnecessary provision for disposition of property tax revenues.

Section 19-A clarifies the law regarding state reimbursement to municipalities of the tree growth tax. It requires that the municipality assess and collect taxes on property classified in tree growth in order to qualify for any state reimbursement. This addition reflects the original intent of the Tree Growth Tax Law.

Section 20 clarifies intent that outboard motors be subject to property tax and eliminates unnecessary language.

Section 21 provides for appeal from poverty abatement decision of municipal officers to be heard by county commissioners rather than State Board of Assessment Review.

Section 22 repeals unnecessary filing requirement.

Section 23 repeals unnecessary provision for disposition of sales and use tax revenues.

Section 24 extends period for requesting refund of sales or use tax from 2 to 3 years to conform with new assessment period and clarifies language. It also clarifies intent that refund of sales or use tax may not be requested after administrative and judicial review of assessment of the tax in question has been exhausted.

Section 25 repeals authority for access to books with respect to insurance taxes and civil action authority with respect to all business taxes. General civil action authority is provided by section 11 and authority for access to books of insurers by section 6.

Section 26 repeals unnecessary provision for disposition of insurance tax revenues.

Section 27 repeals unnecessary provision for disposition of railroad tax revenues and simplifies language.

Section 28 repeals unnecessary provision for disposition of telephone and telegraph tax revenues.

Section 29 repeals unnecessary provision for disposition of gasoline tax revenues.

Section 30 repeals unnecessary provision for disposition of gasoline road tax revenues.

Section 31 repeals rule-making authority of State Tax Assessor with respect to gasoline road tax made unnecessary by general rule-making power provided by section 6.

Section 32 repeals unnecessary provision for disposition of use fuel tax revenues.

Section 33 repeals inspection of records and rule-making authority of State Tax Assessor under use fuel tax law, both of which are made unnecessary by general inspection and rule-making power provided by section 6 and civil action authority made unnecessary by civil action authority provided by section 11.

Section 34 repeals enforcement authority of the State Tax Assessor with respect to inheritance tax, made unnecessary by general enforcement authority provided by section 6.

Section 35 repeals unnecessary provisions for disposition of inheritance tax revenues.

Sections 36 and 37 repeal State Tax Assessor's rule-making authority and authority to examine witnesses with respect to inheritance tax, made unnecessary by general rule-making and examination authority provided by section 6.

Section 38 repeals civil action provision of inheritance tax law due to become effective January 1, 1981, made unnecessary by general civil action authority provided by section 11.

Section 39 repeals unnecessary provision for disposition of estate tax revenues.

Section 40 repeals unnecessary provision for disposition of blueberry tax revenues.

Section 41 repeals civil action provision of blueberry tax law, made unnecessary by general civil action authority provided by section 11.

Section 42 repeals provision that blueberry tax is additional to all other taxes, made unnecessary by general provision of section 16.

Section 43 repeals unnecessary provision for disposition of cigarette tax revenues.

Sections 44 and 45 repeal record-keeping provision and authority for State Tax Assessor to examine books and witnesses with respect to cigarette tax, made unnecessary by general record-keeping requirement provided by Title 36, section 135, and by general provisions for examination of books and witnesses provided by section 6.

Section 46 repeals provision that milk tax is additional to all other taxes, made unnecessary by general provision of section 16.

Section 47 repeals unnecessary provision for disposition of milk tax revenues.

Section 48 repeals inspection powers of State Tax Assessor with respect to milk tax, made unnecessary by section 6.

Section 49 repeals civil action authority with respect to milk tax, made unnecessary by general civil action authority provided by section 11.

Section 50 repeals unnecessary provision for disposition of dairy and nutrition council tax revenues.

Section 51 repeals inspection powers of State Tax Assessor with respect to dairy and nutrition council tax, made unnecessary by general inspection powers provided by section 6.

Section 52 repeals civil action authority with respect to dairy and nutrition council tax, made unnecessary by general civil action authority provided by section 11.

Section 53 repeals provision that potato tax is additional to all other taxes, made unnecessary by general provision of section 16.

Section 54 repeals unnecessary provision for disposition of potato tax revenues.

Section 55 repeals civil action authority with respect to potato tax, made unnecessary by general civil action authority provided by section 11.

Section 56 repeals unnecessary provision for disposition of real estate transfer tax revenues.

Section 57 repeals civil action authority with respect to real estate transfer tax, made unnecessary by general civil action authority provided by section 11.

Section 58 repeals provision that sardine tax is additional to all other taxes, made unnecessary by general provision of section 16.

Section 59 repeals unnecessary provision for disposition of sardine tax revenues.

Section 60 repeals civil action authority with respect to sardine tax, made unnecessary by general civil action authority provided by section 11.

Sections 61 through 63 repeal separate credits for investments in The Maine Capital Corporation by resident individuals, resident estates and trusts and corporations, respectively, all made unnecessary by enactment of an amended Maine Capital Corporation credit in the general tax credit chapter, chapter 822.

Sections 64 and 65 relocate legislative findings with respect to investment tax credit to the investment tax credit provision itself in order to clarify the tax credit chapter, chapter 822.

Section 66 amends The Maine Capital Corporation credit provisions to clarify the administrative interpretation of the credit and consolidates the 3 separate credit provisions into a single section in the general tax credit chapter, chapter 822.

Sections 67 and 68 amend withholding provision of income tax law to allow State Tax Assessor to determine the dollar amounts of withholding required for exception from the normal quarterly filing and paying requirements and repeals jeopardy assessment provision with respect to withholding, made unnecessary by general jeopardy assessment provision in Title 36, section 141.

Section 69 repeals provision relating to timeliness of mailed returns, made unnecessary by general provision in section 9.

Section 70 repeals civil action authority with respect to income tax, made unnecessary by general civil action authority provided by section 11.

Section 71 repeals comity provision of income tax law, made unnecessary by general comity provision in section 11.

Section 72 repeals powers of State Tax Assessor to prescribe rules and forms and to examine books and witnesses with respect to income tax, all made unnecessary by general rule-making and examination powers provided by section 6.

Section 73 repeals unnecessary provision for disposition of income tax revenues.