

# MAINE STATE LEGISLATURE

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# 117th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1995

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Legislative Document

No. 167

S.P. 79

In Senate, January 20, 1995

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**An Act to Decrease the Paperwork Burden on Maine Businesses by  
Decreasing the Number of Tax Filings for Retailers.**

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Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "May M. Ross".

MAY M. ROSS  
Secretary of the Senate

Presented by Senator FAIRCLOTH of Penobscot.  
Cosponsored by Senator CARPENTER of York, Representative MITCHELL of Vassalboro and  
Senator: FERGUSON of Oxford, Representatives: BRENNAN of Portland, GWADOSKY of  
Fairfield.

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

2           **Sec. 1. 36 MRSA §1951-A**, as amended by PL 1993, c. 395, §16,  
4 is further amended to read:

6           **§1951-A. Collection of tax; report to State Tax Assessor**

8           **1. Monthly report and payment.** Every retailer shall file  
10 with the State Tax Assessor, on or before the 15th day of each  
12 month, except that those retailers required to pay estimated  
14 taxes pursuant to subsection 2 shall file with the State Tax  
16 Assessor on or before the 24th day of each month, a report made  
18 under the pains and penalties of perjury on such form as the  
20 State Tax Assessor may prescribe that discloses the total sale  
22 price of all sales made during the preceding calendar month and  
24 such other information as the State Tax Assessor requires. The  
26 State Tax Assessor may permit the filing of returns other than  
28 monthly. The State Tax Assessor, by rule, may waive reporting  
nontaxable sales. Upon application of a retailer, the State Tax  
Assessor shall issue a classified permit establishing the  
percentage of exempt sales. The classified permit may be amended  
or revoked as to its classification whenever the State Tax  
Assessor determines that the percentage of exempt sales is  
inaccurate. The State Tax Assessor may for good cause extend for  
not more than 30 days the time for making returns required under  
chapters 211 to 225. Every person subject to the use tax shall  
file similar reports, at similar dates, and pay the tax or  
furnish a receipt for the same from a registered retailer.

30           **2. Estimated payment.** Every retailer that had a tax  
32 liability under this Part in excess of \$250,000 for the preceding  
34 calendar year and is required to file a monthly return shall pay  
36 over to the State Tax Assessor by the 24th day of each month an  
amount equal to 80% of the retailer's liability under this Part  
for the corresponding month in the prior year or 80% of the  
retailer's liability under this Part for the actual month.  
Payments made pursuant to this subsection must be credited  
against tax due with the monthly return. The State Tax Assessor  
shall prescribe the ~~oucher~~ form required to be filed with the  
40 payment. The form also must satisfy the requirements of  
42 subsection 1. If the retailer does not file the required ~~oucher~~  
form, the amount of the retailer's liability is equal to an  
44 amount that is 80% of the retailer's liability under this Part  
for the corresponding month in the prior year.

46           When the business of a retailer required to make estimated  
48 payments pursuant to this section is transferred to a new owner,  
the successor business shall continue to make estimated payments  
and has the option of employing the sales made by the predecessor  
50 business during the 12 months preceding the transfer in

2 determining its own estimated payments during the next 12  
3 months. For purposes of this provision, "successor business"  
4 means a taxpayer that has acquired the organization, trade or  
5 business of a retailer required to make estimated payments  
6 pursuant to this section or that has acquired 50% or more of the  
7 assets thereof.

8  
**STATEMENT OF FACT**

10  
11 This bill allows those large retailers that must pay the  
12 estimated sales tax liability in advance to file just one form  
13 per month rather than 2. The sales tax return form for these  
14 large retailers is combined with the estimated tax voucher and is  
15 due by the 24th day of each month.  
16