

# MAINE STATE LEGISLATURE

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# 117th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1995

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Legislative Document

No. 937

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H.P. 686

House of Representatives, March 21, 1995

### **An Act Concerning Technical Changes to the Tax Laws.**

(EMERGENCY)

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Submitted by the Department of Administrative and Financial Services pursuant to Joint Rule 24.

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in black ink that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative DORE of Auburn.  
Cosponsored by Representative: MURPHY of Berwick.

2           **Emergency preamble.** Whereas, Acts of the Legislature do not  
become effective until 90 days after adjournment unless enacted  
as emergencies; and

4  
6           Whereas, delay in making technical changes to the tax laws  
would interfere with administration of those laws; and

8           Whereas, legislative action is immediately necessary in  
order to ensure continued and efficient administration of the tax  
laws; and

10  
12           Whereas, in the judgment of the Legislature, these facts  
create an emergency within the meaning of the Constitution of  
Maine and require the following legislation as immediately  
necessary for the preservation of the public peace, health and  
safety; now, therefore,

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

20           **Sec. 1. 36 MRSA §112, sub-§1**, as amended by PL 1991, c. 873,  
§1, is further amended to read:

22  
24           **1. General powers and duties.** The State Tax Assessor shall  
administer and enforce the tax laws enacted under this Title and,  
~~pursuant--to--this~~ under Title 29-A, and may adopt rules and  
require such information to be reported as necessary. The ~~State~~  
~~Tax-Assessor~~ assessor shall provide, at the time of issuance by  
26           ~~the--assessor~~, to one or more entities that publish a monthly  
state tax service all rules, bulletins, taxpayer notices or  
alerts, notices of rulemaking, any other taxpayer information  
issued by the ~~State-Tax-Assessor~~ assessor, and all substantive  
amendments or modifications of the same, for publication by that  
entity or entities. When a significant change has occurred in  
Bureau of Taxation policy or practice or in the interpretation by  
the ~~Bureau-of-Taxation~~ bureau of any law, rule or instruction  
bulletin, the ~~State-Tax-Assessor~~ assessor shall, within 60 days  
of the change, provide to the same publishing entity or entities  
written notice, suitable for publication, of the change.

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40           **Sec. 2. 36 MRSA §112, sub-§4**, as amended by PL 1991, c. 873,  
§2, is further amended to read:

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44           **4. Examination of records and premises.** Whenever necessary  
to the administration of this Title, the State Tax Assessor may  
make, or cause to be made by an 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  
46           ~~State-Tax-Assessor~~ assessor has reason to believe is liable for  
any tax imposed by this Title.

50

2 During the course of an audit or subsequent administrative review  
3 of any assessment resulting from the audit, the assessor may  
4 request, in writing, that the taxpayer provide specified records  
5 in the taxpayer's possession or under the taxpayer's control in  
6 order to help determine the correct tax liability, if any, under  
7 the provisions of this Title. If, within a reasonable time after  
8 the written request has been made, but in no event more than 30  
9 days after such a request, the taxpayer fails to provide the  
10 requested records or part of those records without a reasonable  
11 written explanation for the failure, the taxpayer is barred from  
12 introducing those records or part of them, or information  
13 relating to those records, in any subsequent proceeding,  
14 including review by the Superior Court pursuant to section 151,  
15 relating to taxes due under this Title for the applicable audit  
16 period.

17 At the conclusion of an audit, the State-Tax-Assessor assessor or  
18 an agent shall conduct an audit conference with the taxpayer and  
19 shall give the taxpayer a written summary of the audit findings,  
20 including the legal basis for the audit findings and adjustments,  
21 along with copies of relevant Bureau of Taxation audit workpapers.

22 **Sec. 3. 36 MRSA §113**, as enacted by PL 1989, c. 880, Pt. B,  
23 §1, is amended to read:

24 **§113. Audit and collection expenses**

25 Funds derived from contract audit and collection efforts are  
26 treated as revenues only to the extent that collections resulting  
27 from those efforts exceed the costs associated with the audit and  
28 collection efforts. ~~The State-Tax-Assessor shall annually report~~  
29 ~~to the Legislature the costs and collections of the Maine Tax~~  
30 ~~Amnesty Program established by chapter 913.~~

31 **Sec. 4. 36 MRSA §135**, as enacted by PL 1979, c. 378, §3, is  
32 amended to read:

33 **§135. Record-keeping requirements**

34 **I. Taxpayers.** ~~The State-Tax-Assessor shall by rule or~~  
35 ~~regulation require persons~~ Persons subject to tax under this  
36 Title ~~to keep~~ shall maintain such records as ~~he deems~~ the State  
37 Tax Assessor determines necessary for the reasonable  
38 administration of this Title ~~and he shall determine the period~~  
39 ~~for which all such records shall be preserved.~~ Records  
40 pertaining to taxes imposed by chapters 371 and 575 and by Part 8  
41 must be retained as long as is required by applicable federal law  
42 and regulation. Records pertaining to all other taxes imposed by  
43 this Title must be retained for a period of at least 6 years.  
44 ~~They shall~~ The records must be kept in such a manner as to ensure

2 their security and accessibility for inspection by the State-Tax  
Assessor assessor or any of ~~his~~ ~~employees~~ designated agent  
4 engaged in the administration of this Title. ~~The period of~~  
~~preservation shall not exceed 7 years.~~

6 **2. Bureau of Taxation.** Returns filed under this Title or  
microfilm reproductions of those returns shall must be preserved  
8 for 3 years and thereafter until the State Tax Assessor orders  
their destruction.

10 **Sec. 5. 36 MRSA §144** is enacted to read:

12 **§144. Application for refund**

14 **1. Generally.** A taxpayer may request a credit or refund of  
16 any tax imposed by this Title within 3 years from the time the  
return was filed or 2 years from the time the tax was paid.  
18 Every claim for refund must be submitted to the State Tax  
Assessor in writing and state the specific grounds upon which it  
20 is founded. The taxpayer may in writing request an informal  
conference regarding the claim for refund, in which case the  
22 claim for refund is considered a request for reconsideration of  
an assessment under section 151.

24 **2. Exceptions.** This section does not apply in the case of  
26 sales and use taxes imposed by Part 3, estate taxes imposed by  
chapter 575, income taxes imposed by Part 8 and any other tax  
28 imposed by this Title for which a specific statutory refund  
provision exists.

30 **Sec. 6. 36 MRSA §175-A, sub-§4** is enacted to read:

32 **4. Recording fees part of tax liability.** The costs  
34 incurred by the State Tax Assessor in recording notices of lien  
pursuant to subsection 1 and notices of release of a lien  
36 pursuant to subsection 2 may be added to the tax liability that  
gave rise to the lien and may be collected by all the methods  
38 provided for in chapter 7.

40 **Sec. 7. 36 MRSA §187-B, sub-§2, ¶¶A and B,** as enacted by PL  
42 1991, c. 873, §5 and affected by §§8 and 9, are amended to read:

44 A. Any person who fails to pay, on or before the due date,  
any amount shown as tax on any return required under this  
46 Title is liable for a penalty of \$5-~~or~~ 1% of the unpaid tax,  
~~whichever is greater,~~ for each month or fraction of a month  
48 during which the failure continues, to a maximum in the  
aggregate of \$25-~~or~~ 25% of the unpaid tax, ~~whichever is~~  
50 ~~greater.~~

2 B. Any person who fails to pay a tax assessment for which  
no further administrative or judicial review is available  
4 pursuant to section 151 and the Maine Administrative  
Procedure Act is liable for a penalty in the amount of \$25  
6 or 25% of the amount of the tax due, ~~whichever is greater,~~  
if the payment of the tax is not made within 10 days of the  
8 person's receipt of notice of demand for payment as provided  
of demand and is final when levied.

10 **Sec. 8. 36 MRSA §652, sub-§1, ¶A,** as amended by PL 1993, c.  
12 286, §1 and affected by §2, is further amended to read:

14 A. The real estate and personal property owned and occupied  
or used solely for their own purposes by benevolent and  
16 charitable institutions incorporated by in this State, ~~and~~  
~~none of these.~~ Such an institution may not be deprived of  
18 the right of exemption by reason of the source from which  
its funds are derived or by reason of limitation in the  
20 classes of persons for whose benefit such those funds are  
applied.

22 ~~(1) Any such institution that is in fact conducted or~~  
24 ~~operated principally for the benefit of persons who are~~  
~~not residents of Maine is entitled to an exemption not~~  
26 ~~to exceed \$50,000 of current just value only when the~~  
~~total amount of any stipends or charges that it makes~~  
28 ~~or takes during any tax year, as defined by section~~  
~~502, for its services, benefits or advantages divided~~  
30 ~~by the total number of persons receiving such services,~~  
~~benefits or advantages during the same tax year does~~  
32 ~~not result in an average rate in excess of \$30 per week~~  
~~when said weekly rate is computed by dividing the~~  
34 ~~average yearly charge per person by the total number of~~  
~~weeks in a tax year during which such institution is in~~  
36 ~~fact conducted or operated principally for the benefit~~  
~~of persons who are not residents of Maine. No such~~  
38 ~~institution that is in fact conducted or operated~~  
~~principally for the benefit of persons who are not~~  
40 ~~residents of Maine and makes charges that result in an~~  
~~average weekly rate per person, as computed under this~~  
42 ~~subparagraph, in excess of \$30 may be entitled to tax~~  
~~exemption. This subparagraph does not apply to~~  
44 ~~institutions incorporated as nonprofit corporations for~~  
~~the sole purpose of conducting medical research.~~

46 For the purposes of this paragraph, "benevolent and  
48 charitable institutions" include, but are not limited to,  
nonprofit nursing homes and nonprofit boarding homes and  
50 boarding care facilities licensed by the Department of Human

2 Services pursuant to Title 22, chapter 1665 or its successor  
and nonprofit community mental health service facilities  
4 licensed by the Commissioner of Mental Health and Mental  
Retardation, pursuant to Title 34-B, chapter 3. For the  
6 purposes of this paragraph, "nonprofit" means a facility  
exempt from taxation under Section 501(c)(3) of the Code;

8 **Sec. 9. 36 MRSA §653, sub-§1, ¶D-1**, as amended by PL 1993, c.  
739, §2, is further amended to read:

10 D-1. The estates up to the just value of \$47,500, having a  
12 taxable situs in the place of residence, for specially  
adapted housing units, of veterans who served in the Armed  
14 Forces of the United States during any federally recognized  
war period, including the Korean Campaign, the Vietnam War  
16 and the Persian Gulf War, and who are paraplegic veterans,  
~~so-called,~~ within the meaning of the ~~United--States~~ Code,  
18 Title 38, Chapter 21, Section 2101, and who received a grant  
from the United States Government for ~~the-specially-adapted~~  
20 any such housing, or of the unmarried widows of ~~the such~~  
veterans. A veteran of the Vietnam War must have served on  
22 active duty for a period of more than 180 days, any part of  
which occurred after August 4, 1964 and before May 7, 1975,  
24 unless the veteran died in service or was discharged for a  
service-connected disability after that date. "Vietnam War"  
26 means the period between August 5, 1964 and May 7, 1975.  
"Persian Gulf War" means service on active duty between  
28 August 7, 1990 and April 11, 1991. The exemption provided  
in this paragraph applies to the property of the veteran  
30 including property held in joint tenancy with ~~that-veteran's~~  
a spouse.

32 **Sec. 10. 36 MRSA §1752, sub-§1-B**, as amended by PL 1993, c.  
34 701, §1, is further amended to read:

36 **I-B. Automobile.** "Automobile," for purposes of subsection  
17-A, ~~paragraphs--B--and~~ paragraph H, means a self-propelled  
38 4-wheel motor vehicle designed primarily to carry passengers and  
not designed to run on tracks.

40 **Sec. 11. 36 MRSA §1752, sub-§11, ¶B**, as amended by PL 1993, c.  
42 670, §1 and c. 701, §2, is repealed and the following enacted in  
its place:

44 B. "Retail sale" does not include:

46 (1) Any casual sale;

48 (2) Any sale by a personal representative in the  
50 settlement of an estate, unless the sale is made

2                   through a retailer, or unless the sale is made in the  
3                   continuation or operation of a business;

4                   (3) The sale, to a person engaged in the business of  
5                   renting automobiles, of automobiles, integral parts of  
6                   automobiles or accessories to automobiles, for rental  
7                   or for use in an automobile rented on a short-term  
8                   basis;

10                   (4) The sale, to a person engaged in the business of  
11                   renting video tapes and video equipment, of video tapes  
12                   or video equipment for rental; or

14                   (5) The sale, to a person engaged in the business of  
15                   renting or leasing automobiles, of automobiles for  
16                   rental or lease for one year or more.

18                   **Sec. 12. 36 MRSA §1752, sub-§17-A, ¶B,** as enacted by PL 1987,  
19                   c. 497, §25, is repealed.

20                   **Sec. 13. 36 MRSA §1752, sub-§17-A, ¶H,** as enacted by PL 1993,  
21                   c. 701, §5, is amended to read:

24                   H. Rental or lease of an automobile ~~for more than one year.~~

26                   **Sec. 14. 36 MRSA §1760, sub-§49,** as enacted by PL 1985, c.  
27                   535, §3, is amended to read:

28                   **49. Community action agencies.** Sales to community action  
29                   agencies designated in accordance with Title 5 22, section 3519  
30                   5324, except sales, storage or use for activities which that are  
31                   mainly commercial enterprises;

34                   **Sec. 15. 36 MRSA §1760, sub-§68,** as amended by PL 1993, c.  
35                   410, Pt. E, §23, is further amended to read:

36                   **68. Maine Science and Technology Foundation.** Sales to  
37                   institutions incorporated as nonprofit organizations that conduct  
38                   scientific and technological research ~~solely~~ for the Maine  
39                   Science and Technology Foundation and receive funding pursuant to  
40                   Title 5, chapter 385;

42                   **Sec. 16. 36 MRSA §1811, last ¶,** as enacted by PL 1993, c. 701,  
43                   §7 and affected by §10, is amended to read:

46                   Rental or lease of an automobile for ~~more than~~ one year or  
47                   more must be taxed at the time of the lease or rental transaction  
48                   at 6% of the following: the total monthly lease payment  
multiplied by the number of payments in the lease or rental, the



amount of equity involved in any trade-in and the value of any cash down payment.

**Sec. 17. 36 MRSA §1812, sub-§1, ¶D** is enacted to read:

D. If the tax rate is 10%:

<u>Amount of Sale Price</u>	<u>Amount of Tax</u>
<u>\$0.01 to \$0.10, inclusive</u>	<u>0¢</u>
<u>.11 to .20, inclusive</u>	<u>2¢</u>
<u>.21 to .40, inclusive</u>	<u>4¢</u>
<u>.41 to .60, inclusive</u>	<u>6¢</u>
<u>.61 to .80, inclusive</u>	<u>8¢</u>
<u>.81 to 1.00, inclusive</u>	<u>10¢</u>

**Sec. 18. 36 MRSA §2726, sub-§6**, as enacted by PL 1985, c. 514, §2, is amended to read:

**6. Enforcement.** The tax imposed by this chapter may be enforced by the same enforcement and collection procedures as these provided for income taxes in chapter 835 7.

**Sec. 19. 36 MRSA §4075-A** is enacted to read:

**§4075-A. Authority to make refunds**

**1. Refund.** In the case of any overpayment of tax imposed by this chapter, the State Tax Assessor shall authorize the Treasurer of State to refund the overpayment and any applicable interest to the personal representative or the responsible party otherwise liable for the tax imposed by this chapter.

**2. Limitation on payment of interest.** Notwithstanding subsection 1, if any overpayment of tax imposed by this chapter is refunded within 3 months after the date prescribed or permitted by extension of time for filing the return of that tax or within 3 months after the return is filed or within 3 months after a return requesting a refund of the overpayment is filed, whichever is later, no interest may be paid by the assessor.

**Sec. 20. 36 MRSA cc. 704-A and 705**, as amended, are repealed.

**Sec. 21. 36 MRSA §5102, sub-§8**, as amended by PL 1991, c. 546, §32, is further amended to read:

**8. Maine net income.** "Maine net income" means, for any taxable year for any corporate taxpayer, the taxable income of that taxpayer for that taxable year under the laws of the United

2 States as modified by section 5200-A and apportionable to this  
3 State under chapter 821. To the extent that it derives from a  
4 unitary business carried on by 2 or more members of an affiliated  
5 group, the Maine net income of a corporation is determined by  
6 apportioning that part of the federal taxable income of the  
7 entire group which that derives from the unitary business, except  
8 income of an 80-20 corporation. If a taxable corporation is an S  
9 corporation, "Maine net income" means the amount taxable at the  
10 federal level pursuant to the Code, Section Sections 1374 and  
1375.

12 **Sec. 22. 36 MRSA §5121**, as repealed and replaced by PL 1989,  
13 c. 596, Pt. J, §3, is amended to read:

14

15 **§5121. Taxable income**

16

17 The entire taxable income of a resident individual of this  
18 State ~~shall be that~~ is equal to the individual's federal adjusted  
19 gross income as defined by federal law, ~~as amended with the~~  
20 modifications, and less the deductions and personal exemptions  
21 provided in this chapter.

22

23 **Sec. 23. 36 MRSA §5125, sub-§2**, as repealed and replaced by PL  
24 1987, c. 819, §7, is amended to read:

25

26 **2. Spouses.** Spouses, both of whom are required to file  
27 returns under this Part, ~~shall be~~ are allowed to claim itemized  
28 deductions only if both do so. The total of itemized deductions  
29 allowable for determining federal income tax as adjusted by this  
30 section may be taken by either or divided between them, as they  
31 may elect, if their federal income tax is determined on a joint  
32 return but their tax pursuant to this Part is determined on  
33 ~~married~~ separate returns.

34

35 **Sec. 24. 36 MRSA §5125, sub-§3**, as enacted by PL 1987, c. 819,  
36 §7, is repealed and the following enacted in its place:

37

38 **3. Amount.** The sum of an individual's allowable federal  
39 itemized deductions must be:

40

41 A. Reduced by any amount representing income taxes imposed  
42 by this State or any other taxing jurisdiction and interest  
43 or expenses incurred in the production of income exempt from  
44 tax under this Part; and

45

46 B. Increased by any amount of interest or expense incurred  
47 in the production of income taxable under this Part but  
48 exempt from federal income tax, and which has not been  
49 deducted in determining federal adjusted gross income.

50

2           **Sec. 25. 36 MRSA §5203-B**, as enacted by PL 1991, c. 591, Pt.  
AAA, §1 and affected by §2, is amended to read:

4           **§5203-B. Corporate income tax surcharge**

6           In addition to the tax liability otherwise established by  
this Part, a tax surcharge of 10% of the total amount of state  
8 tax liability established by sections 5200 and 5203-A is imposed  
on taxable corporations for tax years beginning in 1991 or 1992.

10           **Sec. 26. 36 MRSA §5204-B** is enacted to read:

12           **§5204-B. Certain capital gains of trusts**

14           The tax imposed under this Part on any trust whose federal  
16 income tax for any taxable year is increased because of a capital  
gain on property transferred to the trust at less than fair  
18 market value must be increased by 30% of the amount by which the  
trust's federal income tax was increased pursuant to the Code,  
20 Section 644. This section applies to tax years beginning on or  
after January 1, 1995.

22           **Sec. 27. 36 MRSA §5256, sub-§1**, as enacted by P&SL 1969, c.  
24 154, §F, is amended to read:

26           **1. General.** For purposes of the tax imposed by this Part, a  
taxpayer's taxable year ~~shall--be~~ is the same as ~~his~~ the  
28 taxpayer's taxable year for federal income tax purposes.

30           **Sec. 28. 36 MRSA §5256, sub-§2**, as amended by PL 1989, c. 596,  
Pt. J, §6, is further amended to read:

32           **2. Change of taxable year.** If a taxpayer's taxable year is  
34 changed for federal income tax purposes, the taxable year for  
purposes of the tax imposed by this Part ~~shall~~ must be similarly  
36 changed. The income tax for a period of less than 12 months  
resulting from a change in accounting period is computed by first  
38 determining the taxable income for the period. That taxable  
income is then multiplied by 12 and divided by the number of  
40 months in the period of less than 12 months. A tax is computed  
on the resulting taxable income. The tax is then divided by 12  
42 and multiplied by the number of months in the period of less than  
12 months. The result is the tax liability before credits.  
44 ~~Itemized deductions for the period of less than 12 months shall~~  
~~be reduced as provided in section 5125, subsection 3, paragraph~~  
46 ~~A, subparagraph (3), except that the amount established by the~~  
~~Code, Section 63(c) shall be divided by 12 and multiplied by the~~  
48 ~~number of months in the period of less than 12 months.--Standard~~  
~~deduction and personal exemption~~ Exemption amounts shall ~~be~~ are

2 divided by 12 and multiplied by the number of months in the  
period of less than 12 months.

4 **Sec. 29. 36 MRSA §5317**, as repealed and replaced by PL 1981,  
c. 364, §74, is repealed.

6 **Sec. 30. 36 MRSA §5319, sub-§2**, as amended by PL 1979, c. 541,  
8 Pt. A, §247, is further amended to read:

10 **2. Failure to furnish records or testimony.** If any  
taxpayer willfully refuses to make available any books, papers,  
12 records or memoranda for examination by the assessor or his the  
assessor's representative or willfully refuses to attend and  
14 testify pursuant to the powers conferred on the assessor by  
section 5340, ~~sub-section-3~~ 112, the assessor may apply to a  
Justice of the Superior Court of Kennebec County for an order  
16 directing the taxpayer to comply with the assessor's request for  
books, papers, records or memoranda or for his the taxpayer's  
18 attendance and testimony. If the books, papers, records or  
20 memoranda required by the assessor are in the custody of a  
corporation, the order of the court may be directed to any  
22 principal officer of ~~such~~ the corporation. If a person fails or  
refuses to obey such an order, ~~he shall be~~ the person is guilty  
24 of contempt of court.

26 **Sec. 31. 36 MRSA §5322**, as amended by PL 1979, c. 378, §49,  
is repealed.

28 **Sec. 32. 36 MRSA c. 839**, as amended, is repealed.

30 **Sec. 33. 36 MRSA c. 909**, as amended, is repealed.

32 **Sec. 34. 36 MRSA c. 910**, as enacted by PL 1987, c. 876, §7, is  
34 repealed.

36 **Sec. 35. 36 MRSA c. 911**, as enacted by PL 1987, c. 876, §8, is  
repealed.

38 **Sec. 36. 36 MRSA c. 913**, as enacted by PL 1989, c. 880, Pt. A,  
40 §1, is repealed.

42 **Sec. 37. Retroactivity.** Those sections of this Act that affect  
the Maine Revised Statutes, Title 36, sections 1752 and 1811 are  
44 effective retroactively to January 1, 1995.

46 **Sec. 38. Application date.** Those sections of this Act that  
amend the Maine Revised Statutes, Title 36, sections 5102 and  
48 5256 apply to tax years beginning on or after January 1, 1995.

2           **Emergency clause.** In view of the emergency cited in the  
preamble, this Act takes effect when approved.

4

6

## STATEMENT OF FACT

8

This bill makes technical corrections and clarifications to various laws concerning taxation and repeals various obsolete tax provisions. Specifically, the bill:

10

12

1. Clarifies that the State Tax Assessor is authorized to enforce fuel tax laws contained in the Maine Revised Statutes, Title 29-A;

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16

2. Ensures that taxpayers provide certain documentation to the Bureau of Taxation during the audit or administrative review process;

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20

3. Establishes a uniform requirement that tax records be kept by taxpayers for a period of at least 6 years;

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24

4. Establishes a general right of a taxpayer to apply for a refund of overpaid taxes when no specific refund provision applies;

26

28

5. Provides that the State may recoup the cost of filing notices of tax liens;

30

6. Eliminates the \$5 minimum threshold for the calculation of the "failure to pay" penalty provided by Title 36, section 187-B, subsection 2;

32

34

7. Amends the charitable property tax exemption to remove limiting language that has been found unconstitutional by the Maine Superior Court;

36

38

8. Updates a statutory citation to the United States Internal Revenue Code;

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42

9. Corrects a conflict and provides that car rentals for a term of exactly one year are accorded the same treatment as car rentals for a term of more than one year;

44

46

10. Updates a statutory reference to the Maine Revised Statutes;

48

11. Changes Title 36, section 1760, subsection 68 so that the one institution that has been eligible for the sales tax exemption in the past will continue to be eligible;

50

- 2           12. Adds a 10% sales tax rate chart to the law in order to  
cover short-term car rentals;
- 4
- 6           13. Makes the enforcement provisions for the commercial  
forestry excise tax the same as provided for all other taxes in  
the uniform administrative provisions;
- 8
- 10          14. Provides a specific refund provision for the Maine  
estate tax;
- 12          15. Repeals the illegal drug excise tax that has been found  
unconstitutional by the Maine Superior Court;
- 14
- 16          16. Repeals the fertilizer tax;
- 18          17. Adds to the definition of "Maine net income" a  
necessary citation to the United States Internal Revenue Code;
- 20          18. Clarifies the language in Title 36, section 5121  
setting forth what constitutes taxable income;
- 22
- 24          19. Deletes an outdated remnant from a 1987 law change  
relating to the way taxable income is calculated;
- 26          20. Clarifies that the corporate income tax surcharge  
applies only to tax years beginning in 1991 or 1992;
- 28
- 30          21. Provides that the state fiduciary tax on a trust is  
increased slightly when the trust's federal income tax is  
increased pursuant to the United States Internal Revenue Code,  
Section 644, which relates to an exchange of property at a gain  
within 2 years after receiving the property;
- 32
- 34          22. Corrects Title 36, section 5256, subsection 2 to  
provide that actual itemized deductions are used in calculating  
taxable income for a short-year return, in accordance with  
federal law;
- 36
- 38
- 40          23. Repeals unnecessary and ineffective provisions of Title  
36 relating to bankruptcy;
- 42
- 44          24. Repeals an unnecessary provision of Title 36 relating  
to the compromise of tax liability;
- 46
- 48          25. Repeals the 1987 Rebate Act;
- 50          26. Repeals the 1988 Individual Surplus Return Act;
27. Repeals the 1988 Corporate Surplus Return Act; and

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28. Repeals the tax amnesty law.