

MAINE STATE LEGISLATURE

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117th MAINE LEGISLATURE

FIRST REGULAR SESSION-1995

Legislative Document

No. 1253

S.P. 457

In Senate, April 11, 1995

An Act to Improve Access to Corporate Tax Data.

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 MILLS of Somerset.

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

2 **Sec. 1. 5 MRSA §282, sub-§3** is amended to read:

4
6 **3. Financial data and statistics.** To prepare and report to
8 the Governor or to the Legislature such financial data or
10 statistics as may be required or requested by them. The report
12 of financial data and statistics must include, for every then
14 current tax expenditure enacted, extended or modified after
16 January 1, 1996, a detailed analysis of the revenue lost based on
18 the most recent fiscal year for which data is available or can
20 reasonably be obtained. The analysis must include, but is not
22 limited to, the number and proportion of taxpayers or taxpaying
 entities benefiting from the tax expenditure, by income, gross
 profit, gross receipts or sales and the distribution of benefit
 across taxpayers or taxpaying entities with different income,
 gross profit, gross receipts or sales. To the extent possible,
 the analysis must be based on data gathered from actual tax
 returns. The analysis does not have to be provided for tax
 expenditures for which the revenue lost did not exceed \$1,000,000
 in the most recent fiscal year for which data is available;

24 **Sec. 2. 13-A MRSA §1301, sub-§1, ¶C**, as amended by PL 1989, c.
 501, Pt. L, §22, is further amended to read:

26 C. A brief statement of the character of the business in
28 which the corporation is actually engaged in this State, if
 any; and

30 **Sec. 3. 13-A MRSA §1301, sub-§1, ¶D**, as amended by PL 1991, c.
 465, §20, is further amended to read:

32 D. The name and business or residence address of the
34 president, the treasurer, the clerk or registered agent and
36 directors or, if no directors, shareholders of the
 corporation, including the street or rural route number,
 town or city, and state; and

38 **Sec. 4. 13-A MRSA §1301, sub-§1, ¶E** is enacted to read:

40 E. Whether the corporation is publicly traded.

42 **Sec. 5. 36 MRSA §191, sub-§2, ¶O**, as amended by PL 1991, c.
44 820, §6, is further amended to read:

46 O. The disclosure to an authorized representative of the
48 Department of Human Services of the most recent address of a
50 delinquent payor of child support when a written request
 containing the payor's Social Security number is made by the
 department; and

2 **Sec. 6. 36 MRSA §191, sub-§2, ¶P**, as enacted by PL 1991, c.
820, §7, is amended to read:

4
6 P. The public disclosure by the State Tax Assessor of the
name, last known business address and title of the
8 professional license or certificate of any person whose
license or certificate of authority to conduct a profession,
10 trade or business in this State has not been renewed,
reissued or otherwise extended by order of the assessor
12 pursuant to section 175. This disclosure may be made only
after no further administrative or judicial review of the
14 order is available under section 151 or the Maine
Administrative Procedure Act. ; and

16 **Sec. 7. 36 MRSA §191, sub-§2, ¶Q** is enacted to read:

18 O. The full exercise of any of the activities required of
either the State Tax Assessor or the Secretary of State by
20 section 193.

22 **Sec. 8. 36 MRSA §193** is enacted to read:

24 **§193. Reporting of corporate tax information**

26 **1. Corporate reporting.** A bank, insurance company or
publicly traded corporation obligated to file both a report
28 pursuant to the federal Securities and Exchange Act of 1934 and
12 United States Code shall report, by March 1st of each year, to
30 the Secretary of State information from the tax return on a form
prepared by the Secretary of State. An entity that files a
32 consolidated return shall report to the Secretary of State on a
consolidated basis and shall list all entities so consolidated.
34 The form is treated as a report for the purposes of Title 9-B,
section 222 and Title 13-A, section 1302 and as part of the
36 annual report for the purposes of Title 24-A, section 424.

38 An amended form must be filed within 30 days of a relevant change
to the return made by the tax paying entity or ordered by the
40 State Tax Assessor.

42 **2. Forms; availability; information.** The Secretary of
State shall prepare and make forms available to entities required
44 to report under this section no later than January 1st of each
year. The form must include information from the return,
46 schedules and attachments relevant to calculation of tax
liability and to the effect of apportionment rules, exemptions,
48 deductions and credits on the tax liability of entities subject
to this reporting requirement. Information must include but not
50 be limited to the following:

2 A. Name of entity;
4 B. Street address by principal office;
6 C. Net and gross income and assets, including, when
8 applicable:
10 (1) Gross profit;
12 (2) Taxable Maine tangible property;
14 (3) Taxable net worth;
16 (4) Gross receipts or sales;
18 (5) Net income;
20 (6) Total net taxable income;
22 (7) Income subject to apportionment;
24 (8) Income taxable in Maine;
26 (9) Total net and gross direct premiums in or
 allocable to Maine;
28 (10) Taxable premiums;
30 (11) Gross investment income;
32 (12) Maine taxable investment income;
34 (13) Net underwriting profit;
36 (14) Admitted assets; and
38 (15) Total adjusted taxable income;
40 D. Each deduction, exemption, credit, offset, adjustment or
42 credit carryover that reduces income subject to taxation or
 otherwise affects tax liability;
44 E. The percentage, if any, used to establish what portion
46 of total net taxable income is apportioned to Maine;
48 F. The total Maine excise or tax due;
 G. The total Maine excise or tax paid;

2 H. Any excess tax credit subject to carryover to future
3 years; and

4 I. The net income according to the books and filed on the
5 entity's federal tax return.

6 The Secretary of State may not require the reporting of any
7 information not required on the return, schedules or attachments
8 provided to the Bureau of Taxation.

9 3. Additional information. A bank, insurance company or
10 corporation required to file under this section that chooses to
11 supplement the information required by the form provided by the
12 Secretary of State with additional information from its tax
13 return may request, in writing, of the Secretary of State that
14 the bank, insurance company or corporation be allowed to append
15 to the form the additional information. The permission may not
16 be unreasonably denied.

17 4. Notification. The State Tax Assessor shall annually
18 notify all banks, insurance companies and corporations of the
19 obligations under this section. The first notice must be given
20 within 30 days after enactment of this section.

21 5. Inform public. The Secretary of State shall make public
22 by April 1st of each year:

23 A. All forms filed pursuant to this section with the
24 Secretary of State; and

25 B. A list of the banks, insurance companies and
26 corporations required to report under this section.

27 All amendments or late filings must be made public within 30 days
28 of submission to the Secretary of State.

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STATEMENT OF FACT

41 This bill requires public reporting of corporate tax
42 information by the Secretary of State and the analysis of certain
 tax expenditures by the Commissioner of Finance.