

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)



118th MAINE LEGISLATURE

FIRST SPECIAL SESSION-1997

Legislative Document

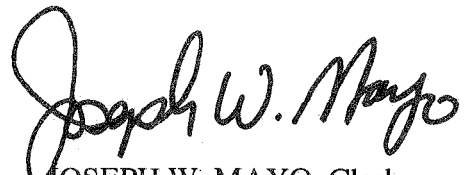
No. 1740

H.P. 1228

House of Representatives, April 3, 1997

An Act to Create a Taxpayers' Bill of Rights.

Reference to the Committee on Taxation suggested and ordered printed.


JOSEPH W. MAYO, Clerk

Presented by Representative PLOWMAN of Hampden.
Cosponsored by Representatives: BERRY of Belmont, NASS of Acton, SPEAR of Nobleboro.

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

2
3 **Sec. 1. 36 MRSA §111, sub-§1-B** is enacted to read:

4 1-B. Bureau. "Bureau" means the Bureau of Taxation.

6 **Sec. 2. 36 MRSA §115** is enacted to read:

8
9 §115. Office of Taxpayer Advocate

10 1. Establishment. There is established within the bureau
12 the Office of Taxpayer Advocate, referred to in this section as
13 the "office."

14 2. Duties. The office shall:

16 A. Assist taxpayers in resolving problems with the bureau;

18 B. Identify areas in which taxpayers have problems dealing
20 with the bureau;

22 C. To the extent possible, propose changes in the
23 administrative practice of the bureau to mitigate problems
24 identified under paragraph B; and

26 D. Identify potential legislative changes that may be
27 appropriate to mitigate problems identified in paragraph B.

28 3. Annual reports. Reports must be filed annually in
30 accordance with the following.

32 A. Not later than June 30th of each calendar year, the
33 office shall report to the joint standing committee of the
34 Legislature having jurisdiction over taxation matters on the
35 objectives of the office for the fiscal year beginning in
36 that calendar year. This report must contain full and
37 substantive analysis, in addition to statistical information.

38 B. Not later than December 31st of each calendar year, the
39 office shall report to the joint standing committee of the
40 Legislature having jurisdiction over taxation matters on the
41 activities of the office during the fiscal year ending
42 during that calendar year. This report must contain full
43 and substantive analysis, in addition to statistical
44 information and must:

46 (1) Identify the initiatives that the office has taken
47 on improving taxpayer services and bureau
48 responsiveness;

2 (2) Contain a summary of at least 20 of the most
3 serious problems encountered by taxpayers, including a
4 description of the nature of such problems;

5 (3) Contain an inventory of the items described in
6 subparagraphs (1) and (2) for which action has been
7 taken and the result of such action;

8 (4) Contain an inventory of the items described in
9 subparagraphs (1) and (2) for which action remains to
10 be completed and the period during which each item has
11 remained on that inventory;

12 (5) Contain an inventory of the items described in
13 subparagraphs (1) and (2) for which no action has been
14 taken, the period during which each item has remained
15 on such inventory, the reasons for the inaction and
16 identify any bureau official who is responsible for
17 such inaction;

18 (6) Contain recommendations for such administrative
19 and legislative action as may be appropriate to resolve
20 problems encountered by taxpayers; and

21 (7) Include such other information as the office may
22 consider advisable.

23 C. Each report required under this subsection must be
24 provided directly to the joint standing committee of the
25 Legislature having jurisdiction over taxation matters
26 without any prior review or comment from the State Tax
27 Assessor.

28 4. Responsibilities of State Tax Assessor. The State Tax
29 Assessor shall establish procedures requiring a formal response
30 to all recommendations submitted to the State Tax Assessor by the
31 office within 3 months after submission to the State Tax Assessor.

32 **Sec. 3. State Tax Assessor directed to develop proposed legislation.**

33 The State Tax Assessor shall review the federal Taxpayer Bill of
34 Rights 2, PL 104-0168, and using the federal law as a model,
35 develop proposed legislation designed to further fairness and
36 enhance taxpayers' rights. This package of proposals may include
37 provisions to:

- 38 1. Restrict retroactive application of rules;
- 39 2. Enhance taxpayers' rights in litigation;
- 40 3. Expand rights with respect to installment agreements;

2 4. Increase the Bureau of Taxation's flexibility with
respect to liens and levies;

4 5. Widen the scope of the Bureau of Taxation's interest and
penalty abatement authority; and

6
8 6. Increase the responsibility on the Bureau of Taxation to
notify taxpayers of unallocated payments and outstanding
liabilities.

10
12 The State Tax Assessor shall submit the proposed legislation
to the Joint Standing Committee on Taxation no later than January
14 1, 1998. The committee may report out a bill based on the
proposal.

16
18 **SUMMARY**

20 This bill establishes, within the Bureau of Taxation, the
Office of Taxpayer Advocate to assist taxpayers in resolving
22 problems with the bureau, identify areas in which taxpayers have
problems with the bureau and propose changes to mitigate such
24 problems. The office is also directed to file annual reports
with the joint standing committee of the Legislature having
jurisdiction over taxation matters regarding the office's
26 objectives and activities.

28 This bill also directs the State Tax Assessor to review the
federal Taxpayer Bill of Rights 2, and using the federal law as a
30 model, develop a package of proposed legislation designed to
further fairness and enhance taxpayers' rights.