

# MAINE STATE LEGISLATURE

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# 119th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1999

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Legislative Document

No. 895

H.P. 645

House of Representatives, February 2, 1999

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### An Act to Streamline Sales and Use Tax Reporting.

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Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative SNOWE-MELLO of Poland.  
Cosponsored by Senator FERGUSON of Oxford and  
Representatives: BUCK of Yarmouth, DUNCAN of Presque Isle, GLYNN of South Portland,  
HEIDRICH of Oxford, JONES of Pittsfield, MacDOUGALL of North Berwick, MACK of  
Standish, PLOWMAN of Hampden.

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, a report made under the pains and penalties of perjury on  
14 such form as the State Tax Assessor may prescribe that discloses  
16 the total sale price of all sales made during the preceding  
18 calendar month and such other information as the State Tax  
Assessor requires. The State Tax Assessor may permit the filing  
of returns other than monthly. The State Tax Assessor shall  
permit retailers with multiple locations who used separate  
registration numbers for each location to file one consolidated  
report with one remittance check. 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~~ \$325,000 per  
registration for the preceding calendar year and is required to  
34 file a monthly return shall pay over to the State Tax Assessor by  
the 24th day of each month an amount equal to 80% of the  
36 retailer's liability under this Part for the corresponding month  
in the prior year or 80% of the retailer's liability under this  
38 Part for the actual month. Payments made pursuant to this  
subsection must be credited against tax due with the monthly  
40 return. The State Tax Assessor shall prescribe the voucher  
required to be filed with the payment. If the retailer does not  
42 file the required voucher, the amount of the retailer's liability  
is equal to an amount that is 80% of the retailer's liability  
44 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 **Sec. 2. Reporting format.** The Bureau of Revenue Services  
9 shall develop and make available to retailers an electronic  
10 spreadsheet program for sales and use tax reporting.

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### 13 SUMMARY

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15 This bill makes changes to streamline the sales and use tax  
16 reporting laws. The bill permits retailers with multiple  
17 locations who use separate registration numbers to file a  
18 consolidated report. It raises the amount level of sales  
19 requiring estimated reporting from \$250,000 to \$325,000 per  
20 registered retailer and it requires the Bureau of Revenue  
21 Services to make available an electronic spreadsheet reporting  
22 format.