

MAINE STATE LEGISLATURE

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BMG
R. 4. 13

L.D. 1371

Date: 6/14/11

Majority

(Filing No. H-629)

TAXATION

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
125TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1010, L.D. 1371, Bill, "An Act To Promote Fair and Efficient Resolutions in Tax Disputes"

Amend the bill in section 2 in subsection 1 in the 3rd line (page 1, line 19 in L.D.) by striking out the following: "30 days" and inserting the following: '60 days'

Amend the bill by striking out all of section 3 (page 2, lines 6 to 14 in L.D.)

Amend the bill in section 4 in §151-B by striking out all of subsections 2 and 3 (page 2, lines 19 to 26 in L.D.) and inserting the following:

2. Composition of appeals office; Chief Appeals Officer. The appeals office consists of the Chief Appeals Officer appointed by the Commissioner of Administrative and Financial Services as described in subsection 3 and other appeals officers and at least one administrative staff person hired by the commissioner or the Chief Appeals Officer. The commissioner shall designate the Chief Appeals Officer who shall manage the work of the appeals officers, including the designation of an appeals officer to preside over each appeal forwarded to the appeals office under section 151, subsection 2, paragraph C. The Chief Appeals Officer, other appeals officers and staff of the appeals office are employees of the bureau. Each appeals officer must be a citizen of the United States and have substantial knowledge of tax law.

3. Appointment; removal. The following requirements apply to the appointment of the Chief Appeals Officer.

A. The Commissioner of Administrative and Financial Services shall submit the name of a nominee for appointment as the Chief Appeals Officer to the joint standing committee of the Legislature having jurisdiction over taxation matters, which shall hold a public hearing on the nomination and may make recommendations regarding the nominee to the commissioner.

B. The Commissioner of Administrative and Financial Services may remove the Chief Appeals Officer, after notice and opportunity to be heard, for neglect of duty, inability to perform the duties of the Chief Appeals Officer, malfeasance in office or other good cause.'

COMMITTEE AMENDMENT

R. 48

COMMITTEE AMENDMENT "A" to H.P. 1010, L.D. 1371

1 Amend the bill in section 4 in §151-B in subsection 6 in the 5th line (page 4, line 17
2 in L.D.) by striking out the following: "either the taxpayer or the assessor" and inserting
3 the following: 'the taxpayer'

4 Amend the bill in section 4 in §151-B in subsection 6 in the 6th and 7th lines (page 4,
5 lines 18 and 19 in L.D.) by striking out the following: "Either the taxpayer or the
6 assessor" and inserting the following: 'The taxpayer'

7 Amend the bill in section 4 in §151-B by adding at the end after subsection 6 the
8 following:

9 '7. Report. Beginning in 2013 and annually thereafter, the Chief Appeals Officer
10 shall prepare and submit a report by January 1st on the activities of the Independent
11 Appeals Office to the Governor, the assessor and the joint standing committee of the
12 Legislature having jurisdiction over taxation matters.'

13 Amend the bill in section 5 in §151-C by striking out all of subsection 1 (page 4, line
14 30 in L.D.) and inserting the following:

15 '1. Appointment. The Commissioner of Administrative and Financial Services shall
16 appoint the taxpayer advocate.'

17 Amend the bill in section 10 in subsection 2 in the first line (page 6, line 5 in L.D.) by
18 striking out the following: "State Tax Assessor" and inserting the following:
19 'Commissioner of Administrative and Financial Services'

20 Amend the bill in section 11 in subsection 1 in the first line (page 6, line 31 in L.D.)
21 by striking out the following: "assessor" and inserting the following: 'Commissioner of
22 Administrative and Financial Services'

23 Amend the bill by striking out all of sections 12 and 13 and inserting the following:

24 **'Sec. 12. Appropriations and allocations.** The following appropriations and
25 allocations are made.

26 **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

27 **Revenue Services - Bureau of 0002**

28 Initiative: Deappropriates funds by eliminating one part-time Public Service Manager II
29 position and 4 Staff Attorney positions within the appellate division of the Bureau of
30 Revenue Services.

| | | | |
|----|-----------------------|----------------|--------------------|
| 31 | GENERAL FUND | 2011-12 | 2012-13 |
| 32 | POSITIONS - FTE COUNT | 0.000 | (4.600) |
| 33 | Personal Services | \$0 | (\$444,327) |
| 34 | | | |
| 35 | GENERAL FUND TOTAL | <u>\$0</u> | <u>(\$444,327)</u> |

36 **Revenue Services - Bureau of 0002**

COMMITTEE AMENDMENT

R. of S.

COMMITTEE AMENDMENT "A" to H.P. 1010, L.D. 1371

1 Initiative: Appropriates funds for one Public Service Manager II position, 3 Staff
2 Attorney positions and one Taxpayer Advocate Staff Attorney position in the new
3 Independent Appeals Office and to reprint the taxpayer rights brochure.

| | | | |
|---|---------------------------|----------------|------------------|
| 4 | GENERAL FUND | 2011-12 | 2012-13 |
| 5 | POSITIONS - FTE COUNT | 0.000 | 5.000 |
| 6 | Personal Services | \$0 | \$528,108 |
| 7 | All Other | \$2,175 | \$0 |
| 8 | | | |
| 9 | GENERAL FUND TOTAL | <u>\$2,175</u> | <u>\$528,108</u> |

| | | | |
|----|-------------------------------------|-----------------------|------------------------|
| 10 | ADMINISTRATIVE AND FINANCIAL | | |
| 11 | SERVICES, DEPARTMENT OF | | |
| 12 | DEPARTMENT TOTALS | 2011-12 | 2012-13 |
| 13 | | | |
| 14 | GENERAL FUND | \$2,175 | \$83,781 |
| 15 | | | |
| 16 | DEPARTMENT TOTAL - ALL FUNDS | <u>\$2,175</u> | <u>\$83,781</u> |

17 **ATTORNEY GENERAL, DEPARTMENT OF THE**
18 **Administration - Attorney General 0310**

19 Initiative: Provides funds for one part-time Assistant Attorney General position and
20 related costs.

| | | | |
|----|-------------------------------|-----------------|-----------------|
| 21 | GENERAL FUND | 2011-12 | 2012-13 |
| 22 | POSITIONS - LEGISLATIVE COUNT | 0.500 | 0.500 |
| 23 | Personal Services | \$43,031 | \$60,961 |
| 24 | All Other | \$5,178 | \$3,178 |
| 25 | | | |
| 26 | GENERAL FUND TOTAL | <u>\$48,209</u> | <u>\$64,139</u> |

| | | | |
|----|--|------------------------|------------------------|
| 27 | ATTORNEY GENERAL, DEPARTMENT OF | | |
| 28 | THE | | |
| 29 | DEPARTMENT TOTALS | 2011-12 | 2012-13 |
| 30 | | | |
| 31 | GENERAL FUND | \$48,209 | \$64,139 |
| 32 | | | |
| 33 | DEPARTMENT TOTAL - ALL FUNDS | <u>\$48,209</u> | <u>\$64,139</u> |

COMMITTEE AMENDMENT



125th MAINE LEGISLATURE

LD 1371

LR 1212(02)

An Act To Promote Fair and Efficient Resolutions in Tax Disputes

Fiscal Note for Bill as Amended by Committee Amendment "A"

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

| | FY 2011-12 | FY 2012-13 | Projections FY 2013-14 | Projections FY 2014-15 |
|-----------------------------------|------------|------------|---------------------------|---------------------------|
| Net Cost (Savings) | | | | |
| General Fund | \$50,384 | \$132,920 | \$138,938 | \$144,593 |
| Appropriations/Allocations | | | | |
| General Fund | \$50,384 | \$147,920 | \$153,938 | \$159,593 |
| Revenue | | | | |
| General Fund | \$0 | \$15,000 | \$15,000 | \$15,000 |

Fiscal Detail and Notes

This bill includes a General Fund deappropriation to Maine Revenue Services (MRS) of \$444,327 in fiscal year 2012-13 made possible by the elimination of one part-time Public Service Manager II position and four Staff Attorney positions within the appellate division at MRS. The bill also includes a General Fund appropriation to MRS of \$2,175 in fiscal year 2011-12 for reprinting the taxpayer rights brochure and \$528,108 in fiscal year 2012-13 for one Public Service Manager II position, three Staff Attorney positions and one Taxpayer Advocate Staff Attorney position in the new Independent Appeals Office (IAO) created by this bill.

This bill also includes a General Fund appropriation of \$48,209 in fiscal year 2011-12 and \$64,139 in fiscal year 2012-13 for one part-time Assistant Attorney General position and related costs.

It is anticipated that petitioner fees will increase revenue to the General Fund by an estimated \$15,000 per year starting in fiscal year 2012-13.