MAINE STATE LEGISLATURE

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1	L.D. 1371
2	Date: 6/14/11 Major: +y (Filing No. H-629)
3	TAXATION
4	Reproduced and distributed under the direction of the Clerk of the House.
5	STATE OF MAINE
6	HOUSE OF REPRESENTATIVES
7	125TH LEGISLATURE
8	FIRST REGULAR SESSION
9 10	COMMITTEE AMENDMENT "A" to H.P. 1010, L.D. 1371, Bill, "An Act To Promote Fair and Efficient Resolutions in Tax Disputes"
11 12	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'
13	Amend the bill by striking out all of section 3 (page 2, lines 6 to 14 in L.D.)
14 15	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:
16 17 18 19 20 21 22 23 24	'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.
26 27	3. Appointment; removal. The following requirements apply to the appointment of the Chief Appeals Officer.
28 29 30 31 32	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.
33 34 35	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 "A" to H.P. 1010, L.D. 1371

1 2 3	Amend the bill in section 4 in §151-B in subsection 6 in the 5th line (page 4, line 17 in L.D.) by striking out the following: "either the taxpayer or the assessor" and inserting the following: 'the taxpayer'			
4 5 6	Amend the bill in section 4 in §151-B in subsection 6 in the 6th and 7th lines (page 4, lines 18 and 19 in L.D.) by striking out the following: "Either the taxpayer or the assessor" and inserting the following: 'The taxpayer'			
7 8	Amend the bill in section 4 in §151-B by adding at the end after subsection 6 the following:			
9 10 11 12	'7. Report. Beginning in 2013 and annually thereafter, the Chief Appeals Officer shall prepare and submit a report by January 1st on the activities of the Independent Appeals Office to the Governor, the assessor and the joint standing committee of the Legislature having jurisdiction over taxation matters.'			
13 14	Amend the bill in section 5 in §151-C by striking out all of subsection 1 (page 4, line 30 in L.D.) and inserting the following:			
15 16	'1. Appointment. The Commissioner of Administrative and Financial Services shall appoint the taxpayer advocate.'			
17 18 19	Amend the bill in section 10 in subsection 2 in the first line (page 6, line 5 in L.D.) by striking out the following: "State Tax Assessor" and inserting the following: 'Commissioner of Administrative and Financial Services'			
20 21 22	Amend the bill in section 11 in subsection 1 in the first line (page 6, line 31 in L.D.) by striking out the following: "assessor" and inserting the following: 'Commissioner of Administrative and Financial Services'			
23	Amend the bill by striking out all of sections 12 and 13 and inserting the following:			
24 25	'Sec. 12. Appropriations and allocations. The allocations are made.	ne following appro	priations and	
26	ADMINISTRATIVE AND FINANCIAL SERVICES,	DEPARTMENT (OF	
27	Revenue Services - Bureau of 0002			
28 29 30	Initiative: Deappropriates funds by eliminating one part- position and 4 Staff Attorney positions within the appo Revenue Services.			
31 32 33 34	GENERAL FUND POSITIONS - FTE COUNT Personal Services	2011-12 0.000 \$0	2012-13 (4.600) (\$444,327)	
35	GENERAL FUND TOTAL		(\$444,327)	

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COMMITTEE AMENDMENT

Revenue Services - Bureau of 0002

36

a 45.	COMMITTEE AMENDMENT " $ ethanounder$ to H.P. 1010, L.D. 1371			
1	Initiative: Appropriates funds for one Public Service Manager II position, 3 Staff Attorney positions and one Taxpayer Advocate Staff Attorney position in the new			
2 3	• • •	¥ ±	in the new	
3	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	7 m Other	Ψ2,175	ΨΟ	
9	GENERAL FUND TOTAL	\$2,175	\$528,108	
10	ADMINISTRATIVE AND FINANCIAL	•		
11	SERVICES, DEPARTMENT OF	2011 12	2012 12	
12	DEPARTMENT TOTALS	2011-12	2012-13	
13 14	CENTED AT EVIND	92 17E	£02 #01	
15	GENERAL FUND	\$2,175	\$83,781	
16	DEPARTMENT TOTAL - ALL FUNDS	\$2,175	\$83,781	
17	ATTORNEY GENERAL, DEPARTMENT OF THE	1.		
18	Administration - Attorney General 0310 Initiative: Provides funds for one part-time Assistant Attorney General position and related costs.			
19				
20				
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	\$48,209	\$64,139	
27	ATTORNEY GENERAL, DEPARTMENT OF			
28	THE			
29	DEPARTMENT TOTALS	2011-12	2012-13	
30		AVAI IM	2012 13	
31	GENERAL FUND	\$48,209	\$64,139	
32		4,>	4- 1,207	
33	DEPARTMENT TOTAL - ALL FUNDS	\$48,209	\$64,139	

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COMMITTEE AMENDMENT

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

8	COMMITTEE AMENDMENT " 7" to H.P. 1010, L.D. 1371		
1	SECTION TOTALS	2011-12	2012-13
2			
3	GENERAL FUND	\$50,384	\$147,920
4		,	,
5	SECTION TOTAL - ALL FUNDS	\$50,384	\$147,920
6	Sec. 13. Effective date. This Act takes effect Ju	ılv 1. 2012. ex	cept that the
7	Commissioner of Administrative and Financial Services		
8	Chief Appeals Officer pursuant to the Maine Revised State		
9	and the taxpayer advocate pursuant to Title 36, section 151-C prior to July 1, 2012 as		
10	long as those appointments do not take effect until July 1, 20		•
11	Amend the bill by relettering or renumbering any n	onconsecutive I	Part letter or

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

13 SUMMARY

This amendment changes the deadline in the bill for requesting reconsideration of a tax assessment from 30 days after the receipt of the notice of the assessment to 60 days after receipt of the notice.

The amendment removes the requirement that a taxpayer does not have a notice of action if the assessor has been presented with a valid power of attorney and fails to communicate with the designated attorney.

The amendment gives the Commissioner of Administrative and Financial Services, instead of the State Tax Assessor, the authority to appoint for 5-year terms the Chief Appeals Officer in the Independent Appeals Office within the Department of Administrative and Financial Services, Bureau of Revenue Services. The amendment requires nominations of the Chief Appeals Officer to be submitted to the joint standing committee of the Legislature having jurisdiction over taxation matters for review. The amendment authorizes the commissioner or the Chief Appeals Officer to hire appeals officers and administrative staff. It provides a process for removal of the Chief Appeals Officer.

It removes provisions that allow the assessor to file a petition for a de novo hearing or appeal. The amendment requires the Chief Appeals Officer to submit a report on the activities of the office by January 1, 2013 and annually thereafter on the activities of the Independent Appeals Office to the Governor, the assessor and the joint standing committee of the Legislature having jurisdiction over taxation matters.

The amendment requires the commissioner rather than the assessor to appoint the taxpayer advocate.

The amendment also removes the requirement that the Bureau of Revenue Services submit emergency legislation concerning the transition of cases from the old administrative appeals process to the new process.

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

1		The amendment adds an appropriations and allocations section.
2	,	FISCAL NOTE REQUIRED
3		(See attached)

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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.