

MAINE STATE LEGISLATURE

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127th MAINE LEGISLATURE

FIRST REGULAR SESSION-2015

Legislative Document

No. 702

H.P. 478

House of Representatives, March 5, 2015

An Act To Clarify Filing Methods for Quarterly Payroll Reports

Submitted by the Department of Labor pursuant to Joint Rule 204.

Reference to the Committee on Labor, Commerce, Research and Economic Development suggested and ordered printed.

A handwritten signature in cursive script that reads "Robert B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative HERBIG of Belfast.

Cosponsored by Senator VOLK of Cumberland and

Representatives: AUSTIN of Gray, LOCKMAN of Amherst, WARD of Dedham, Senator:
PATRICK of Oxford.

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

2 **Sec. 1. 26 MRSA §1082, sub-§13**, as amended by PL 1995, c. 657, §1 and
3 affected by §10, is further amended to read:

4 **13. Filing payroll reports; penalty.** The commission may prescribe rules for the
5 filing of payroll reports for the employing units in the State. Each employing unit shall
6 submit a quarterly payroll report by electronic submission or on these forms prescribed
7 by the bureau prescribes and these. ~~These~~ quarterly reports are due in the office of the
8 bureau, or of any duly constituted agent of the bureau, on or before the last day of the
9 month following the close of the calendar quarter for which the reports relate. The failure
10 on the part of any employing unit to file the payroll reports within this time frame renders
11 the employing unit liable for a penalty of \$25 or 10% of the tax due, whichever is greater.

12 ~~Provided that in~~ In the case of executive, administrative and professional employees, and
13 outside sales representatives, as defined in Part 541 of the Rules and Regulations
14 promulgated under the Fair Labor Standards Act of 1938, as amended as of June 30,
15 1971, the commissioner, upon the request of an employer of those individuals, may
16 approve an alternative method for obtaining from that employer necessary wage
17 information relative to those employees.

18 **Sec. 2. 26 MRSA §1161**, as amended by PL 2003, c. 164, §1, is further amended
19 to read:

20 **§1161. Accounts and deposit**

21 The Treasurer of State is the ex officio treasurer and custodian of the Unemployment
22 Compensation Fund and shall administer the fund in accordance with the directions of the
23 commissioner. The Treasurer of State shall maintain within the fund 4 separate accounts:

24 **1. Clearing account.** A clearing account for all money payable to the trust fund
25 account that is not deposited into the ~~combined unemployment insurance contributions~~
26 ~~and income tax withholding deposit~~ account;

27 **2. Trust fund account.** An unemployment trust fund account;

28 **3. Benefit account.** A benefit account; and

29 **4. Tax deposit account.** A clearing account for that portion of unemployment
30 insurance contributions payable to the trust fund account from the ~~combined money of~~
31 ~~unemployment insurance contributions and state income tax withholding payments~~
32 deposit account.

33 All money payable to the fund, upon receipt by the commissioner, must be forwarded
34 to the Treasurer of State, who shall immediately deposit it in the clearing account or the
35 ~~combined unemployment insurance contributions and income tax withholding deposit~~
36 account. Refunds payable pursuant to section 1043, subsection 11, paragraph F,
37 subparagraph (2) or section 1225 may be paid from the clearing account, the ~~combined~~
38 ~~unemployment insurance contributions and income tax withholding deposit~~ account or
39 the benefit account upon warrants prepared by the commissioner and signed by the State

1 Controller. After clearance, all other money in the clearing account and all of the
2 unemployment compensation money in the ~~combined-unemployment insurance~~
3 ~~contributions and income tax withholding~~ deposit account must be immediately deposited
4 with the Secretary of the Treasury of the United States of America to the credit of the
5 account of this State in the Unemployment Trust Fund, established and maintained
6 pursuant to Section 904 of the Social Security Act, as amended, any provisions of law in
7 this State relating to the deposit, administration, release or disbursement of money in the
8 possession or custody of this State to the contrary notwithstanding. The benefit account
9 must consist of all money requisitioned from this State's account in the Unemployment
10 Trust Fund.

11 Except as otherwise provided, money in the clearing, ~~combined-unemployment~~
12 ~~insurance contributions and income tax withholding~~ deposit and benefit accounts may be
13 deposited by the Treasurer of State, under the direction of the commissioner, in any bank
14 or public depository in which general funds of the State may be deposited, but no public
15 deposit insurance charge or premium may be paid out of the fund.

16 The Governor is authorized to apply for advances to the account of this State in the
17 Unemployment Trust Fund in accordance with the provisions of Title XII of the Social
18 Security Act, 42 United States Code, Section 1321, as amended, or under any other Act
19 of Congress extending such authority, in order to secure to this State and its citizens the
20 advantages available under the provisions of Title XII of the Social Security Act.

21 **SUMMARY**

22 This bill allows for employers to file separate quarterly state withholding and
23 unemployment tax forms electronically. It also renames the combined unemployment
24 insurance contributions and income tax withholding account within the Unemployment
25 Compensation Fund administered by the Commissioner of Labor the tax deposit account.