

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 electronic originals
(may include minor formatting differences from printed original)



128th MAINE LEGISLATURE

SECOND REGULAR SESSION-2018

Legislative Document

No. 1805

S.P. 676

In Senate, January 25, 2018

An Act To Amend the Maine Tax Laws

Submitted by the Department of Administrative and Financial Services pursuant to Joint Rule 203.

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST
Secretary of the Senate

Presented by Senator DOW of Lincoln.

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

2 **PART A**

3 **Sec. A-1. 36 MRSA §1752, sub-§3-F** is enacted to read:

4 **3-F. Facilitation of the rental of living quarters.** "Facilitation of the rental of
5 living quarters" means the operation of a transient rental platform for brokering,
6 coordinating, collecting rental receipts for or in any way arranging for the rental of living
7 quarters in any hotel, rooming house or tourist or trailer camp in this State.

8 **Sec. A-2. 36 MRSA §1752, sub-§11-B** is enacted to read:

9 **11-B. Room remarketer.** "Room remarketer" means a person who reserves,
10 arranges for, offers, furnishes or collects or receives consideration for the rental of living
11 quarters in this State, whether directly or indirectly, pursuant to a written or other
12 agreement with the owner, manager or operator of a hotel, rooming house or tourist or
13 trailer camp.

14 **Sec. A-3. 36 MRSA §1752, sub-§14, ¶A,** as amended by PL 2007, c. 627, §43,
15 is further amended to read:

16 A. "Sale price" includes:

17 (1) Any consideration for services that are a part of a retail sale; ~~and~~

18 (2) All receipts, cash, credits and property of any kind or nature and any amount
19 for which credit is allowed by the seller to the purchaser, without any deduction
20 on account of the cost of the property sold, the cost of the materials used, labor or
21 service cost, interest paid, losses or any other expenses; ~~and~~

22 (3) All consideration received for the rental of living quarters in this State or for
23 facilitation of the rental of living quarters in this State, including any service
24 charge or other charge or amount required to be paid as a condition for
25 occupancy, valued in money, whether received in money or otherwise and
26 whether received by the owner, occupant, manager or operator of the living
27 quarters, by a room remarketer, by a person that operates a transient rental
28 platform or by another person on behalf of any of those persons.

29 **Sec. A-4. 36 MRSA §1752, sub-§17-B,** as amended by PL 2013, c. 156, §2, is
30 repealed and the following enacted in its place:

31 **17-B. Taxable service.** "Taxable service" means the:

32 A. Rental of living quarters in a hotel, rooming house or tourist or trailer camp;

33 B. Facilitation of the rental of living quarters;

34 C. Transmission and distribution of electricity;

35 D. Sale of prepaid calling service;

1 E. Rental or lease of an automobile, a camper trailer or a motor home, as defined in
2 Title 29-A, section 101, subsection 40;

3 F. Rental or lease of a pickup truck or van with a gross vehicle weight of less than
4 26,000 pounds from a person primarily engaged in the business of renting
5 automobiles; and

6 G. Sale of an extended service contract on an automobile or truck that entitles the
7 purchaser to specific benefits in the service of the automobile or truck for a specific
8 duration.

9 **Sec. A-5. 36 MRSA §1752, sub-§20-C** is enacted to read:

10 **20-C. Transient rental platform.** "Transient rental platform" means an electronic
11 or other system, including an Internet-based system, that allows the owner or occupant of
12 living quarters in this State to offer the living quarters for rental and that provides a
13 mechanism by which a person may arrange for the rental of the living quarters in
14 exchange for payment to either the owner or occupant, to the operator of the system or to
15 another person on behalf of the owner, occupant or operator.

16 **Sec. A-6. 36 MRSA §1754-B, sub-§1, ¶F**, as amended by PL 2005, c. 218, §19,
17 is further amended to read:

18 F. Every person that manages or operates in the regular course of business or on a
19 casual basis a hotel, rooming house or tourist or trailer camp in this State or that
20 collects or receives rents ~~from~~ on behalf of a hotel, rooming house or tourist or trailer
21 camp in this State;

22 **Sec. A-7. 36 MRSA §1754-B, sub-§1, ¶¶F-1 and F-2** are enacted to read:

23 F-1. Every person engaged in the facilitation of the rental of living quarters by means
24 of operating a transient rental platform;

25 F-2. Every room remarketer;

26 **Sec. A-8. 36 MRSA §1811**, as amended by PL 2015, c. 267, Pt. OOOO, §5 and
27 affected by §7 and amended by c. 300, Pt. A, §25, is repealed and the following enacted
28 in its place:

29 **§1811. Sales tax**

30 **1. Tax imposed; rates.** A tax is imposed on the value of all tangible personal
31 property, products transferred electronically and taxable services sold at retail in this
32 State. Value is measured by the sale price, except as otherwise provided by this section.

33 A. For sales occurring on or after October 1, 2013 and before January 1, 2016, the
34 rate of tax is 5.5% on the value of all tangible personal property and taxable services,
35 except the rate of tax is:

36 (1) Eight percent on the value of prepared food;

1 (2) Eight percent on the value of liquor sold in licensed establishments as
2 defined in Title 28-A, section 2, subsection 15, in accordance with Title 28-A,
3 chapter 43;

4 (3) Eight percent on the value of rental of living quarters in any hotel, rooming
5 house or tourist or trailer camp; and

6 (4) Ten percent on the value of rental for a period of less than one year of an
7 automobile, of a pickup truck or van with a gross vehicle weight of less than
8 26,000 pounds rented from a person primarily engaged in the business of renting
9 automobiles or of a loaner vehicle that is provided other than to a motor vehicle
10 dealer's service customers pursuant to a manufacturer's or dealer's warranty.

11 B. For sales occurring on or after January 1, 2016 and before October 1, 2018, the
12 rate of tax is 5.5% on the value of all tangible personal property and taxable services,
13 except the rate of tax is:

14 (1) Eight percent on the value of prepared food;

15 (2) Eight percent on the value of liquor sold in licensed establishments as
16 defined in Title 28-A, section 2, subsection 15, in accordance with Title 28-A,
17 chapter 43;

18 (3) Nine percent on the value of rental of living quarters in any hotel, rooming
19 house or tourist or trailer camp; and

20 (4) Ten percent on the value of rental for a period of less than one year of an
21 automobile, of a pickup truck or van with a gross vehicle weight of less than
22 26,000 pounds rented from a person primarily engaged in the business of renting
23 automobiles or of a loaner vehicle that is provided other than to a motor vehicle
24 dealer's service customers pursuant to a manufacturer's or dealer's warranty.

25 C. For sales occurring on or after October 1, 2018, the rate of tax is 5.5% on the
26 value of all tangible personal property and taxable services, except the rate of tax is:

27 (1) Eight percent on the value of prepared food;

28 (2) Eight percent on the value of liquor sold in licensed establishments as
29 defined in Title 28-A, section 2, subsection 15, in accordance with Title 28-A,
30 chapter 43;

31 (3) Nine percent on the value of rental of living quarters in any hotel, rooming
32 house or tourist or trailer camp;

33 (4) Nine percent on the value of the facilitation of the rental of living quarters;
34 and

35 (5) Ten percent on the value of rental for a period of less than one year of an
36 automobile, of a pickup truck or van with a gross vehicle weight of less than
37 26,000 pounds rented from a person primarily engaged in the business of renting
38 automobiles or of a loaner vehicle that is provided other than to a motor vehicle
39 dealer's service customers pursuant to a manufacturer's or dealer's warranty.

40 **2. Value of automobile rentals.** The value of the rental or lease of an automobile is
41 determined pursuant to this subsection.

1 period of any extension of time for filing the return. If a claim is not filed, any credit or
2 refund allowed upon an audit of the taxpayer may not exceed the amount that would be
3 allowable under this section if a claim had been filed by the taxpayer on the date the
4 credit or refund is allowed upon the audit.

5 **§2521-E. Interest on overpayment**

6 **1. General.** Interest at the rate determined pursuant to section 186 must be paid on
7 any refund of an overpayment of the tax imposed by this chapter from the date the return
8 requesting a refund of the overpayment was filed or the date the payment was made,
9 whichever is later.

10 **2. Date of return or payment.** For purposes of this section:

11 A. A return that is filed before the last day prescribed for the filing of a return is
12 deemed to be filed on that last day, determined without regard to any extension of
13 time granted the taxpayer; and

14 B. A tax that is paid by the taxpayer before the last day prescribed for its payment or
15 paid by the taxpayer as estimated tax for a taxable year is deemed to have been paid
16 on the last day prescribed for its payment.

17 **3. Exceptions.** Notwithstanding subsection 1, interest may not be paid by the
18 assessor on an overpayment of the tax imposed by this chapter that is refunded within 60
19 days after the last date prescribed, or permitted by extension of time, for filing the return
20 of that tax or within 60 days after the date the return requesting a refund of the
21 overpayment was filed, whichever is later.

22 **PART C**

23 **Sec. C-1. 36 MRSA §5122, sub-§2, ¶E,** as amended by PL 1999, c. 414, §40
24 and affected by §57 and amended by PL 2007, c. 58, §3, is further amended to read:

25 E. Pick-up contributions paid to the taxpayer by the Maine Public Employees
26 Retirement System or distributed as the result of a rollover, whether or not included
27 in federal adjusted gross income, that have been previously taxed under this Part. For
28 tax years beginning on or after January 1, 2018, in the case of a distribution as a
29 result of a rollover, the modification allowed under this paragraph may be subtracted
30 fully or in part during the tax year of the rollover. Any amount not subtracted in the
31 tax year of the rollover may be subtracted within the 2 tax years immediately
32 following the year of the rollover, except that the total amount subtracted over the
33 3-year period may not exceed the pick-up contributions that have been previously
34 taxed under this Part during that 3-year period;

35 **Sec. C-2. 36 MRSA §5219-PP, sub-§4,** as enacted by PL 2017, c. 211, Pt. D,
36 §10, is amended to read:

37 **4. Limitations; carry-forward.** The credit under this section must be taken in the
38 taxable year in which ~~the qualified expenditures were incurred~~ the certification required
39 by subsection 3 is made by the Maine State Housing Authority, except that the credit
40 claimed for any taxable year beginning on or after January 1, 2018 may not include

1 qualified expenditures for which a credit has been claimed for a tax year beginning in
2 2017. The credit allowed under this section may not reduce the tax otherwise due under
3 this Part to less than zero. Any unused portion of the credit may be carried forward to the
4 following year or years for a period not to exceed 4 years.

5 **Sec. C-3. Application.** That section of this Part that amends the Maine Revised
6 Statutes, Title 36, section 5219-PP, subsection 4 applies to tax years beginning on or after
7 January 1, 2018.

8 **PART D**

9 **Sec. D-1. 36 MRSA §191, sub-§2, ¶DDD,** as enacted by PL 2017, c. 284, Pt.
10 UUUU, §16, is reallocated to 36 MRSA §191, sub-§2, ¶EEE.

11 **Sec. D-2. 36 MRSA §191, sub-§2, ¶DDD,** as enacted by PL 2017, c. 297, §1, is
12 repealed and the following enacted in its place:

13 DDD. The disclosure to the joint standing committee of the Legislature having
14 jurisdiction over taxation matters pursuant to section 5219-QQ, subsection 4,
15 paragraph B of the revenue loss due to refundable credits attributable to each
16 taxpayer claiming the tax credit for major business headquarters expansions provided
17 under that section, regardless of the number of persons eligible for the credit. For
18 purposes of this paragraph, "revenue loss" has the same meaning as in section
19 5219-QQ, subsection 4, paragraph B.

20 **Sec. D-3. 36 MRSA §5219-QQ, sub-§2, ¶E,** as enacted by PL 2017, c. 297, §2,
21 is amended to read:

22 E. The commissioner must revoke a certificate of approval if the certified applicant
23 or a person to whom a certificate of approval has been transferred pursuant to
24 paragraph D fails to make a qualified investment within 5 years of the date of the
25 certificate of approval. The commissioner shall revoke a certificate of approval or a
26 certificate of completion if the applicant or transferee ceases operations of the
27 headquarters in the State or the certificate of approval or certificate of completion is
28 transferred to another person without approval from the commissioner pursuant to
29 paragraph D. A certified applicant whose certificate of completion is revoked within
30 5 years after the date issued shall ~~within 60 days following revocation of the~~
31 ~~certificate~~ return to the State an amount equal to the total credits claimed for all tax
32 years under this section. A certified applicant whose certificate of completion is
33 revoked during the period from 6 years after through 10 years after the date the
34 certificate was issued shall ~~within 60 days following revocation of the certificate~~
35 return to the State an amount equal to the total credits claimed under this section for
36 the period from 6 years after through 10 years after the date the certificate was issued.
37 The amount to be returned to the State under this paragraph is, for purposes of this
38 Title, a tax subject to the collection and enforcement provisions contained in Part 1,
39 including the application of applicable interest and penalties. The amount to be
40 returned to the State must be added to the tax imposed on the taxpayer under this Part
41 for the taxable year during which the certificate is revoked.

1 **Sec. D-4. 36 MRSA §5219-QQ, sub-§§3 and 4**, as enacted by PL 2017, c. 297,
2 §2, are amended to read:

3 **3. Refundable credit allowed.** A qualified certified applicant who has received a
4 certificate of completion is allowed a credit as provided in this subsection.

5 A. Subject to the limitations under paragraph B, beginning with the tax year during
6 which the certificate of completion is issued or the tax year beginning in 2020,
7 whichever is later, and for each of the following 19 tax years, a certified applicant is
8 allowed a credit against the tax due under this Part for the taxable year in an amount
9 equal to 2% of the certified applicant's qualified investment. The credit allowed
10 under this paragraph is refundable.

11 B. The credit under this subsection is limited as follows:

12 (1) A credit is not allowed for any tax year during which the taxpayer does not
13 meet or exceed the following employment targets as measured on the last day of
14 the tax year.

15 (a) For each of the first 10 tax years for which the credit is claimed, there
16 must be a total of at least 80 additional full-time employees based in the State
17 whose jobs were added since the first day of the first tax year for which the
18 credit was claimed multiplied by the number of years for which the credit has
19 been claimed, including the tax year for which the credit is currently being
20 claimed.

21 (b) For each tax year after the 10th tax year for which the credit is claimed,
22 the taxpayer must employ a total of at least 800 additional full-time
23 employees based in the State whose jobs were added since the first day of the
24 first tax year for which the credit was claimed.

25 Jobs for additional full-time employees that are counted for determining
26 eligibility for the credit under one certificate of completion may not be counted
27 for determining eligibility for the credit under a separate certificate of
28 completion. For purposes of this paragraph, "additional full-time employees"
29 does not include employees who are shifted to a certified applicant's headquarters
30 in the State from an affiliated business in the State. The commissioner shall
31 determine whether a shifting of employees has occurred. For purposes of this
32 paragraph, "affiliated business" has the same meaning as in section 6753,
33 subsection 1-A.

34 (2) Cumulative credits under this subsection may not exceed \$16,000,000 under
35 any one certificate.

36 **4. Reporting required.** A certified applicant ~~and~~, the commissioner and the State
37 Tax Assessor are required to make reports pursuant to this subsection.

38 A. On or before March 1st of each year, a certified applicant shall file a report with
39 the commissioner for the tax year ending during the immediately preceding calendar
40 year, referred to in this ~~paragraph~~ subsection as "the report year," containing the
41 following information:

1 (1) The number of full-time employees based in this State of the certified
2 applicant on the last day of the tax year ending during the calendar year
3 immediately preceding the report year; and

4 (2) The incremental amount of qualified investment made in the report year.

5 The commissioner may prescribe forms for the annual report described in this
6 paragraph. The commissioner shall provide copies of the report to the State Tax
7 Assessor and to the joint standing committee of the Legislature having jurisdiction
8 over taxation matters at the time the report is received.

9 ~~B. By April 1st December 31st of each year, the commissioner shall report to the~~
10 ~~joint standing committee of the Legislature having jurisdiction over taxation matters~~
11 ~~aggregate data on employment levels and qualified investment amounts of certified~~
12 ~~applicants for each year, and the State Tax Assessor shall report to the joint standing~~
13 ~~committee of the Legislature having jurisdiction over taxation matters the revenue~~
14 ~~loss during the previous calendar report year, including the loss due to refundable~~
15 ~~credits, as a result of this section for each taxpayer claiming the credit and, if~~
16 ~~necessary, shall include updated revenue loss amounts for any previous tax year. For~~
17 ~~purposes of this paragraph, "revenue loss" means the credit claimed by the taxpayer~~
18 ~~and allowed pursuant to this section, consisting of the amount of the credit used to~~
19 ~~reduce the tax liability of the taxpayer and the amount of the credit refunded to the~~
20 ~~taxpayer.~~

21 Notwithstanding any other provision of law to the contrary, the reports provided under
22 this subsection are public records as defined in Title 1, section 402, subsection 3.

23 **Sec. D-5. 36 MRSA §5219-QQ, sub-§5** is enacted to read:

24 **5. Rules.** The commissioner and the State Tax Assessor may adopt routine technical
25 rules pursuant to Title 5, chapter 375, subchapter 2-A for implementation of the credit
26 under this section, including, but not limited to, rules for determining and certifying
27 eligibility. The commissioner may also by rule establish fees for obligations under this
28 section. Any fees collected pursuant to this section must be deposited into a special
29 revenue account administered by the commissioner, and those fees may be used only to
30 defray the actual costs of administering the credit under this section.

31 PART E

32 **Sec. E-1. 23 MRSA §4210-B, sub-§7-A**, as amended by PL 2011, c. 649, Pt. E,
33 §2, is further amended to read:

34 **7-A. Sales tax revenue.** Beginning July 1, 2012 and every July 1st thereafter, the
35 State Controller shall transfer to the Multimodal Transportation Fund an amount, as
36 certified by the State Tax Assessor, that is equivalent to 100% of the revenue from the tax
37 imposed on the value of rental of a pickup truck or van with a gross weight of less than
38 26,000 pounds rented from a person primarily engaged in the business of renting
39 automobiles and the value of rental for a period of less than one year of an automobile
40 pursuant to Title 36, section 1811 for the first 6 months of the prior fiscal year after the
41 reduction for the transfer to the Local Government Fund as described by Title 30-A,
42 section 5681, subsection 5. Beginning on October 1, 2012 and every October 1st

1 thereafter, the State Controller shall transfer to the Multimodal Transportation Fund an
2 amount, as certified by the State Tax Assessor, that is equivalent to 100% of the revenue
3 from the tax imposed on the value of rental of a pickup truck or van with a gross weight
4 of less than 26,000 pounds rented from a person primarily engaged in the business of
5 renting automobiles and the value of rental for a period of less than one year of an
6 automobile pursuant to Title 36, section 1811 for the last 6 months of the prior fiscal year
7 after the reduction for the transfer to the Local Government Fund as described by Title
8 30-A, section 5681, subsection 5. The tax amount must be based on actual sales for that
9 fiscal year and may not consider any accruals that may be required by law.

10 PART F

11 **Sec. F-1. 36 MRSA §1282**, as amended by PL 1991, c. 846, §13, is further
12 amended by adding after the 5th paragraph a new paragraph to read:

13 A discharge of a tax lien mortgage given after the right of redemption has expired
14 that has been recorded by the State Tax Assessor in the registry of deeds has the force and
15 effect of a discharge given and recorded before the right of redemption has expired,
16 unless the State has conveyed any interest based upon the title acquired from the affected
17 lien. This paragraph applies to discharges of tax lien mortgages given after October 1,
18 1935.

19 **Sec. F-2. 36 MRSA §1283, 2nd ¶**, as amended by PL 1999, c. 414, §14 and PL
20 2011, c. 657, Pt. W, §6, is further amended to read:

21 ~~The State Tax Assessor, whenever~~ Whenever the State acquires title to real estate
22 under this subchapter, except real estate that is a permanent residence, as defined in
23 section 681, the State Tax Assessor shall cause an inventory to be made of all the real
24 estate. The inventory must contain a description of the real estate, amount of accrued
25 taxes by years and any other information necessary in the administration and supervision
26 of the real estate. A copy of the inventory must be furnished to the Commissioner of
27 Agriculture, Conservation and Forestry and the Commissioner of Inland Fisheries and
28 Wildlife prior to the convening of the Legislature. The assessor shall report annually to
29 the Legislature not later than 15 days after it convenes. The report must contain a copy of
30 the inventory of real estate then owned by the State and such recommendations as to the
31 disposition of this real estate the assessor, the Commissioner of Agriculture, Conservation
32 and Forestry and the Commissioner of Inland Fisheries and Wildlife may wish to make.
33 Whenever the State acquires title to real estate that is a permanent residence, as defined in
34 section 681, the State Tax Assessor may cause an inventory to be made of that real estate;
35 that inventory must comply with the requirements of this paragraph.

36 **Sec. F-3. 36 MRSA §1283, 3rd ¶**, as amended by PL 1967, c. 271, §8, is further
37 amended to read:

38 The State Tax Assessor shall, after authorization by the Legislature, sell and convey
39 any such real estate; but shall in all cases of sales, except sales to the former owners of
40 the real estate, give public notice of the proposal to sell such real estate and shall ask for
41 competitive bids and shall sell to the highest bidder, with the right of rejecting all bids.
42 ~~No sales~~ Sales of such real estate or any stumpage ~~thereon shall~~ on that real estate may

1 not be made by the State Tax Assessor except by authorization of the Legislature.
2 Notwithstanding any provisions of this chapter to the contrary, if the State Tax Assessor
3 has not yet conveyed such real estate, the State Tax Assessor may convey the real estate
4 to the prior owner under the authorization of this section if the tax, interest and costs are
5 satisfied by way of full payment, compromise or abatement.

6 **Sec. F-4. Retroactivity.** This Part applies retroactively to October 1, 1935.

7 **PART G**

8 **Sec. G-1. 36 MRSA §191, sub-§2, ¶SS,** as amended by PL 2011, c. 548, §11, is
9 further amended to read:

10 SS. The disclosure of information to the Finance Authority of Maine necessary for
11 the administration of the new markets capital investment credit in ~~sections~~ section
12 2533 and 5219-HH and to the ~~Commissioner of Administrative and Financial~~
13 ~~Services~~ as necessary for the execution of the memorandum of agreement pursuant to
14 ~~section 5219-HH, subsection 3;~~

15 **Sec. G-2. 36 MRSA §5219-HH, sub-§3,** as enacted by PL 2011, c. 548, §33 and
16 affected by §35, is repealed.

17 **SUMMARY**

18 This bill does the following:

19 Part A expands the provision for sellers required to register to collect and report sales
20 taxes to include online real property rental platforms and those engaged in the facilitation
21 of the rental of living quarters. Definitions for "room remarketer," "transient rental
22 platform" and "facilitation of the rental of living quarters" are added. The definition of
23 "sale price" is amended to include as consideration receipts by room remarketers and
24 transient rental platform operators. The definition of "taxable service" is amended to
25 include facilitation of the rental of living quarters in a hotel, rooming house or tourist or
26 trailer camp. It restructures and reorganizes the section of law specifying the rate of sales
27 tax. The clarification regarding the registration requirements for the rental of living
28 quarters takes effect 90 days after adjournment of the Second Regular Session of the
29 128th Legislature. The changes apply to sales occurring on or after October 1, 2018;

30 Part B:

31 1. Limits insurance premium tax refunds to the amount of tax paid within the 3-year
32 period immediately preceding the filing of a refund claim or audit. The provision is
33 similar to that provided with respect to income tax refund claims; and

34 2. Prohibits the payment of interest on an overpayment of insurance premiums tax if
35 the overpayment is refunded by the State Tax Assessor within 60 days of the taxpayer's
36 filing of the claim with Maine Revenue Services. The provision is similar to that
37 provided with respect to income tax refund claims;

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37

Part C:

1. Allows the subtraction of pick-up contributions distributed to the taxpayer by the Maine Public Employees Retirement System in the form of a rollover from taxable income within 3 years beginning with the year of the rollover. The change applies to tax years beginning on or after January 1, 2018; and

2. Makes the credit for homestead modifications available in the tax year during which the certification of eligibility is made. Current law ties the credit to the year during which the qualified expenditures are paid, but the credit may be claimed only once the Maine State Housing Authority certifies to the State Tax Assessor that the expenditures incurred qualify for the credit. The change applies to tax years beginning on or after January 1, 2018;

Part D makes the following changes to the tax credit for major business headquarters expansions. It:

1. Clarifies that the information regarding revenue loss attributable to the tax credit reported by the State Tax Assessor to the joint standing committee of the Legislature having jurisdiction over taxation matters is not confidential taxpayer information. It also corrects a numbering conflict created when 2 public laws enacted the Maine Revised Statutes, Title 36, section 191, subsection 2, paragraph DDD;

2. Clarifies that a revocation of a certificate of approval or a certificate of completion due to ceasing operations of the headquarters also applies to a certificate held by a transferee;

3. Clarifies that the credit is available only to a certified applicant who has received a certificate of completion;

4. Clarifies that the required job threshold calculation includes the tax year for which the credit is currently being claimed, in addition to the tax years for which the credit has been claimed;

5. Clarifies that the amount recovered by the State when a certificate is revoked is a tax due in the taxable year during which the certificate is revoked and is subject to the collection and enforcement provisions contained in Title 36, Part 1, including the application of applicable interest and penalties;

6. Provides that, when determining the number of employees for eligibility for the credit, employees who are shifted to a qualified applicant's headquarters from an affiliated business in the State are not counted;

7. Removes the requirement that the Commissioner of Economic and Community Development report to the joint standing committee of the Legislature having jurisdiction over taxation matters aggregate data on employment levels and qualified investment amounts of certified applicants for each year;

1 8. Delays the State Tax Assessor's yearly reporting requirement until December 31st
2 and clarifies that the report is for the tax year ending during the immediately preceding
3 calendar year;

4 9. Defines the term "revenue loss" for the purposes of the State Tax Assessor's yearly
5 reporting requirement and the confidentiality exception applying to the report; and

6 10. Adds rule-making authority for the commissioner and the State Tax Assessor;

7 Part E clarifies that the amount of sales tax revenue transferred to the Multimodal
8 Transportation Fund is calculated after a reduction for the amount transferred to the Local
9 Government Fund is made;

10 Part F aligns certain parts of the Unorganized Territory Educational and Services Tax
11 lien foreclosure process with the municipal tax lien foreclosure process retroactively to
12 October 1, 1935. It:

13 1. Authorizes the State Tax Assessor to issue a discharge of a tax lien mortgage on
14 real estate after the prior owner's right of redemption has expired, unless the State has
15 conveyed any interest based upon the title acquired from the affected lien;

16 2. Allows the State Tax Assessor to not perform certain inventory and reporting
17 procedures with respect to real estate that is a permanent residence that has been acquired
18 by the State through the tax lien foreclosure process; and

19 3. Authorizes the State Tax Assessor to convey real estate acquired by the State
20 through the tax lien foreclosure process to the prior owner without further legislative
21 authorization if the tax due on the real estate has been satisfied; and

22 Part G makes a technical clarification by repealing the provision regarding the new
23 markets capital investment credit requiring the Commissioner of Administrative and
24 Financial Services to enter into a memorandum of agreement. The memorandum is a
25 nonbinding document with no substantive legal effect.