

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND FIFTEENTH LEGISLATURE

SECOND SPECIAL SESSION

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SECOND REGULAR SESSION

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PUBLIC LAWS
OF THE
STATE OF MAINE

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SECOND REGULAR SESSION

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1991

munity confinement that may be imposed on a prisoner at any time include:

A. Any condition that may be imposed as a condition of probation pursuant to Title 17-A, section 1204; and

B. Any condition that would be appropriate for the prisoner and the supervised community confinement program. The conditions imposed may be as stringent or restrictive as, but not more stringent or restrictive than, those that may be constitutionally imposed if the prisoner were actually housed at a maximum security institution.

5. Copy of rules. Copies of rules must be provided to prisoners as follows.

A. The commissioner shall provide to any prisoner permitted to participate in the supervised community confinement program under this section a copy of the rules applicable to the program.

B. The prisoner shall attest to the receipt of the copy of the rules.

6. Prohibited acts. Prohibited acts under this section are governed as follows.

A. A person 18 years of age or older is guilty of interference with supervised community confinement if that person intentionally or knowingly obstructs, intimidates or otherwise abets any prisoner participating in the supervised community confinement program under this section and intentionally contributes or causes the prisoner to violate any term of supervised community confinement program participation, after having been warned by the commissioner to end the offending activity.

B. Interference with supervised community confinement is a Class D crime.

7. Investigation of compliance. The commissioner, at any time and in any manner the commissioner determines appropriate, may investigate compliance with the conditions imposed. The means of investigation may include, but are not limited to, the following:

A. Personal contact with the prisoner at the prisoner's residence, place of employment or any other place;

B. Direct inquiry of the prisoner's employer, school or any other person or entity;

C. Criminal, court and police agency investigations; and

D. Credit and other financial inquiries.

8. Funding. Funds generated pursuant to this section must be deposited into the Supervised Community Confinement Account established by the department, which may not lapse. Funds from this account must be used to pay for the costs of the supervised community confinement program.

Sec. 5. 34-A MRSA §3061, sub-§1, as amended by PL 1991, c. 314, §53, is further amended to read:

1. Transfer. The commissioner may transfer any client from one correctional or detention facility or program, including prerelease centers, work release centers, halfway houses, supervised community confinement or specialized treatment facilities, to another, except that no juvenile may be transferred to another facility or program for adult offenders.

Sec. 6. 34-A MRSA §5404, sub-§2, ¶B, as amended by PL 1987, c. 315, §2, is further amended to read:

B. Arrest and return to a correctional facility persons released from the correctional facility under section 3035 or transferred from the facility under section 3036-A; and

Sec. 7. 34-A MRSA §5404, sub-§3, ¶B, as amended by PL 1989, c. 127, §14, is further amended to read:

B. Supervise persons released from a correctional facility under section 3035, if the chief administrative officer of the facility requests the supervision and the director agrees to the supervision and supervise persons transferred to supervised community confinement under section 3036-A if the commissioner directs; and

Sec. 8. Costs not funded. Notwithstanding the Maine Revised Statutes, Title 30-A, section 5684, any requirements of this Act that result in additional costs to local or county government are not state mandates subject to that section and the State is not required to fund those costs.

See title page for effective date.

CHAPTER 846

H.P. 1716 - L.D. 2401

An Act Concerning Technical Changes to the Tax Laws

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, delay in making technical corrections to the tax laws would interfere with administration of those laws; and

Whereas, legislative action is immediately necessary to ensure continued and efficient administration of the tax laws; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. 36 MRSA §153, sub-§1, as enacted by PL 1981, c. 364, §10, is amended to read:

1. Mail. If any document or payment required or permitted by this Title to be filed or paid is transmitted by the United States Postal Service to the person with whom or to whom the filing or payment is to be made, the date of the United States Postal Service postmark stamped on the envelope ~~shall be~~ is deemed to be the date of filing or payment if that document or payment was deposited in the mail, postage prepaid and properly addressed to the person with whom or to whom the filing or payment is to be made. If the document or payment is not received by that person or if the postmark date is illegible, omitted or claimed to be erroneous, the document or payment ~~shall be~~ is deemed to have been filed or paid on the mailing date if the sender ~~established~~ establishes by competent evidence that the document or payment was deposited with the United States Postal Service, postage prepaid and properly addressed, and, in the case of nonreceipt, files a duplicate document or makes payment, as the case may be, within 15 days after his receipt of written notification by the addressee of the addressee's nonreceipt of the document or payment. A record authenticated by the United States Postal Service of mailing by registered mail, certified mail or certificate of mailing constitutes competent evidence of deposit with the United States Postal Service. The State Tax Assessor may, by rule, extend the application of this subsection to the postmarks of agencies other than the United States Postal Service.

Sec. 2. 36 MRSA §174, sub-§4 is enacted to read:

4. Stay of running of period of limitation. The running of the period of limitation for commencement of a civil action for the recovery of any tax pursuant to this section is stayed for the period of time, plus 120 days, during which the tax collection action is stayed by the bankruptcy proceeding under the United States Bankruptcy Code.

Sec. 3. 36 MRSA §176-A, sub-§16, as enacted by PL 1989, c. 880, Pt. E, §3, is amended to read:

16. Time for collection of taxes. Taxes must be collected by levy within 6 10 years after the assessment of the tax, or prior to the expiration of any period of collection agreed upon in writing by the assessor and the taxpayer ~~before the expiration of the 6-year period.~~ The period agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon. Any levy action ordered by the assessor before the expiration of the ~~6-year~~ 10-year period continues beyond the expiration of the ~~6-year~~ 10-year period for a period of 6 months from the date such levy is first made or until the liability out of which such levy arose is satisfied or becomes unenforceable, whichever occurs first. When any question relative to the taxes is pending before any agency or court at the end of the ~~6-year~~ 10-year period, the assessor's right to collect any tax due by levy continues until 6 years after the final determination of the question. When ~~any~~ a taxpayer files for protection under the United States Bankruptcy Code, the assessor's right to collect any tax due by levy continues until 6 years after the date of discharge or dismissal of the bankruptcy proceeding.

Sec. 4. 36 MRSA §177, sub-§5, as enacted by PL 1987, c. 772, §5, is amended to read:

5. Stay of running of period of limitation. The running of the period of ~~limitations~~ limitation for assessment ~~or collection~~ of trust fund taxes against a responsible officer, director, member, agent or employee of a person who has collected those taxes ~~shall be~~ is stayed for the period of time, plus 120 days, during which an assessment against that person is subject to administrative or judicial review or remains outstanding because that person is the subject of bankruptcy proceedings under the United States Bankruptcy Code, ~~Title 11~~.

Sec. 5. 36 MRSA §177, sub-§6 is enacted to read:

6. Sale of business; purchaser liable for tax. If a person liable for any trust fund taxes incurred in the course of operating a business sells the business or stock of goods or quits the business, the person shall make a final return and payment within 15 days after the date of selling or quitting the business. The successor, successors or assignees, if any, shall withhold a sufficient amount of the purchase money to cover the amount of those taxes, along with applicable interest and penalties, until such time as the former owner produces a receipt from the State Tax Assessor showing that the taxes have been paid, or a certificate from the State Tax Assessor stating that no trust fund taxes, interest or penalties are due. A purchaser who fails to withhold purchase money is personally liable for the payment of the taxes, penalties and

interest accrued and unpaid on account of the operation of the business by the former owner, owners or assignors.

Sec. 6. 36 MRSA §186, first ¶, as amended by PL 1989, c. 502, Pt. A, §§164 and 165, is further amended to read:

Any person who fails to pay any tax imposed under this Title, except taxes imposed pursuant to chapter 105, on or before the last date prescribed for payment ~~shall be~~ is liable for interest on the tax, calculated from that date ~~and compounded monthly~~. The State Tax Assessor shall establish annually, by rule, the rate of interest, which ~~shall may~~ not exceed the highest conventional rate of interest charged for commercial unsecured loans by Maine banking institutions on the first business day of October preceding the calendar year. For purposes of this section, the last date prescribed for payment of tax ~~shall must~~ be determined without regard to any extension of time permitted for filing a return. A tax ~~which that~~ is upheld on administrative or judicial review ~~shall bear~~ bears interest from the date on which payment would have been due in the absence of review. Any tax, interest or penalty imposed by this Title ~~which that~~ has been erroneously refunded and ~~which~~ is recoverable by the State Tax Assessor ~~shall bear~~ bears interest at the above rate from the date of payment of the refund. Interest ~~shall accrue~~ accrues automatically, without being assessed by the State Tax Assessor, and ~~shall be~~ is recoverable by the State Tax Assessor in the same manner as if it were a tax assessed under this Title. If the failure to pay a tax when required is explained to the satisfaction of the State Tax Assessor, the State Tax Assessor may abate or waive the payment of all or any part of that interest.

Sec. 7. 36 MRSA §457, sub-§5-A, ¶A, as enacted by PL 1991, c. 121, Pt. B, §2 and affected by §18, is amended to read:

A. The State Tax Assessor shall make a gross tax assessment and a net tax assessment on May 15th of each year. The gross tax assessment equals the just value multiplied by the tax rate. ~~The next net~~ tax assessment equals the gross assessment reduced by the amount of the prepayment of estimated tax made for that tax year.

Sec. 8. 36 MRSA §613, as enacted by PL 1983, c. 866, Pt. B, §§2 and 3, is repealed.

Sec. 9. 36 MRSA §942, 5th ¶, as amended by PL 1983, c. 407, §3, is further amended to read:

The costs to be paid by the taxpayer ~~shall be~~ are the sum of the fees for recording and discharge of the lien as established by Title 33, section 751, ~~subsection 10~~, plus \$13, plus the fee established by section 943 for sending a notice 30 to 45 days prior to the foreclosing date of the tax lien mortgage if that notice is actually sent and all certified mail, return receipt requested, fees. Upon

redemption, the municipality shall prepare and record a discharge of the tax lien mortgage.

Sec. 10. 36 MRSA §942-A, sub-§4, ¶¶B and C, as enacted by PL 1987, c. 358, §4, are amended to read:

B. ~~Five dollars~~ The fees established by Title 33, section 751 for the register of deeds for recording one aggregate tax lien certificate;

C. ~~Five dollars~~ The fees established by Title 33, section 751 for the register of deeds for recording one aggregate discharge of the tax lien mortgage;

Sec. 11. 36 MRSA §942-A, sub-§5, ¶¶B and C, as enacted by PL 1987, c. 358, §4, are amended to read:

B. ~~Five dollars~~ The fees established by Title 33, section 751 for the register of deeds for recording one aggregate tax lien certificate;

C. ~~Five dollars~~ The fees established by Title 33, section 751 for the register of deeds for recording the discharge of the tax lien mortgage on the first 4 time-share units and \$0.25 for each additional time-share unit;

Sec. 12. 36 MRSA §1281, as amended by PL 1989, c. 857, §77, is further amended to read:

§1281. Payment of taxes; delinquent taxes; publication; certificate filed in registry

Taxes on real estate mentioned in section 1602, including supplementary taxes assessed under section 1331, are delinquent on the 15th day of January next following the date of assessment. Annually, on or before February 1st, the State Tax Assessor shall send by mail to the last known address of each owner of such real estate upon which taxes remain unpaid a notice in writing, containing a description of the real estate assessed and the amount of unpaid taxes and interest, and alleging that a lien is claimed on that real estate for payment of those taxes, interests and costs, with a demand that payment be made by the next February 21st. If the owners of any such real estate are unknown, instead of sending the notices by mail, the assessor shall cause the information required in this section on that real estate to be advertised in the state paper and in a newspaper, if any, of general circulation in the county in which the real estate lies. Such a statement or advertisement is sufficient legal notice of delinquent taxes. If those taxes and interest to date of payment and costs are not paid by February 21st, the State Tax Assessor shall record by March 15th, in the registry of deeds of the county or registry district where the real estate lies, a certificate signed by the assessor, setting forth the name or names of the owners according to the last state valuation, or the valuation established in accordance with section 1331;

the description of the real estate assessed as contained in the last state valuation, or the valuation established in accordance with section 1331; the amount of unpaid taxes and interest; the amount of costs; and a statement that demand for payment of those taxes has been made, and that those taxes, interest and costs remain unpaid. The costs charged by the register of deeds for the filing may not exceed \$5 the fees established by Title 33, section 751.

Sec. 13. 36 MRSA §1282, 5th ¶, as amended by PL 1981, c. 698, §182, is further amended to read:

In the event that such tax, interest and costs, together with \$5 the fees established by Title 33, section 751 for recording the discharge, ~~shall be~~ are paid within the period of redemption, the State Tax Assessor shall discharge that mortgage in the same manner as is now provided for the discharge of real estate mortgages and shall record that discharge in the appropriate registry of deeds.

Sec. 14. 36 MRSA §1482, sub-§1, ¶A-1, as repealed and replaced by PL 1977, c. 324, §2, is repealed.

Sec. 15. 36 MRSA §1482, sub-§1, ¶C, as amended by PL 1985, c. 735, §§5 and 7, is further amended to read:

C. For the privilege of operating a motor vehicle ~~upon or camper trailer on~~ the public ways, each motor vehicle, other than a stock race car, ~~or each camper trailer~~ to be so operated ~~shall be~~ is subject to ~~such~~ excise tax as follows: A sum equal to 24 mills on each dollar of the maker's list price for the first or current year of model, 17 1/2 mills for the 2nd year, 13 1/2 mills for the 3rd year, 10 mills for the 4th year, 6 1/2 mills for the 5th year and 4 mills for the 6th and succeeding years. The minimum tax is \$5 for a motor vehicle other than a bicycle with motor attached ~~shall be \$5, \$2.50 for a bicycle with motor attached, \$2.50~~ \$15 for a camper trailer other than a tent trailer and \$5 for a tent trailer. The excise tax on a stock race car ~~shall be~~ is \$5.

~~(2)~~ (1) On new registrations of automobiles, trucks and truck tractors, the excise tax payment ~~shall~~ must be made prior to registration and ~~shall be~~ is for a one-year period from the date of registration.

~~(4)~~ (2) Vehicles ~~which are being~~ registered under the International Registration Plan ~~shall be~~ are subject to an excise tax determined on a monthly proration basis if their registration period is less than 12 months.

Sec. 16. 36 MRSA §1482, sub-§2, ¶B, as amended by PL 1979, c. 666, §37, is further amended to read:

B. The excise tax levied in this section on automobiles, camper trailers, trucks and truck tractors ~~shall be~~ is, during the last 4 months of a registration year, 1/2 the sum named in subsection 1, paragraph C.

Sec. 17. 36 MRSA §1752, sub-§3-B, as enacted by PL 1991, c. 591, Pt. WW, §2 and affected by §4, is amended to read:

3-B. Grocery staples. "Grocery staples" means food products ordinarily consumed for human nourishment and includes, but is not limited to, cereals and grain products, including bread and rolls and unflavored matzo; milk and milk products; oleomargarine; meat and meat products; fish and seafood products; poultry; eggs and egg products; vegetables and vegetable products, including pickles; fruit and fruit products, including fruit juices and fruit sauces; naturally flavored powdered or liquid drink mixes or drinks; spices, condiments, including jams, jellies and peanut butter, salt and sugar; coffee and tea; and unroasted nuts.

"Grocery staples" does not include spirituous, malt or vinous liquors; soft drinks, iced tea, sodas or beverages such as are ordinarily dispensed at bars or soda fountains or in connection with bars or soda fountains; medicines, tonics, vitamins and preparations in liquid, powdered, granular, tablet, capsule, lozenge or pill form, sold as dietary supplements or adjuncts, except when sold on the prescription of a physician; water, including mineral bottled and carbonated waters and ice; dietary substitutes; snack food; and prepared food.

Sec. 18. 36 MRSA §1760, sub-§6, ¶B, as amended by PL 1989, c. 878, Pt. A, §105, is further amended to read:

B. To patients of hospitals licensed by the State for the care of human beings and other institutions licensed by the State for the hospitalization or nursing care of human beings, or institutions, agencies, hospitals, boarding homes and boarding houses licensed by the Department of Human Services under Title 22, Subtitle 6; and Title 22, section 1781; ~~and~~

Sec. 19. 36 MRSA §1760, sub-§6, ¶C, as repealed and replaced by PL 1979, c. 513, §2, is amended to read:

C. By hospitals, schools, long-term care facilities, food contractors and restaurants to incorporated nonprofit area agencies on aging for the purpose of providing meals to the elderly; and

Sec. 20. 36 MRSA §1760, sub-§6, ¶D is enacted to read:

D. To residents of incorporated nonprofit church-affiliated congregational housing facilities for the elderly.

erly in which at least 75% of the units are available for leasing to eligible lower-income residents.

Sec. 21. 36 MRSA §1760, sub-§23, as amended by PL 1985, c. 691, §11, is further amended to read:

23. Motor vehicles. Motor vehicles, except all-terrain vehicles as defined in Title 12, section 7851 and snowmobiles as defined in Title 12, section 7821, purchased by a nonresident and intended to be driven or transported outside the State immediately upon delivery by the seller. If such a motor vehicle is registered for use in Maine within 12 months of the date of purchase, the person seeking registration shall be is liable for use tax on the basis of the original purchase price;

Sec. 22. 36 MRSA §1760, sub-§25-A is enacted to read:

25-A. Snowmobiles and all-terrain vehicles. All-terrain vehicles as defined in Title 12, section 7851 and snowmobiles as defined in Title 12, section 7821 purchased by a nonresident and intended to be driven or transported outside the State immediately upon delivery by the seller. The purchaser is exempt from use tax, unless the snowmobile or all-terrain vehicle is present in the State for more than 30 days during the 12-month period following the date of purchase or is registered in the State without being registered in another state within 12 months of the date of purchase;

Sec. 23. 36 MRSA §1762, as amended by PL 1985, c. 535, §4, is repealed.

Sec. 24. 36 MRSA §1812, sub-§2, as amended by PL 1989, c. 588, Pt. B, §4, is further amended to read:

2. Several items. When several purchases are made together and at the same time, the tax shall must be computed on the total amount of the several items, except that purchases taxed at 5%, 7% and 10% shall different rates must be separately totaled.

Sec. 25. 36 MRSA §1861, as amended by PL 1987, c. 497, §41, is further amended to read:

§1861. Imposition

A tax is imposed, at the respective rate provided in section 1811, on the storage, use or other consumption in this State of tangible personal property or a service the sale of which, ~~if it had occurred in this State,~~ would be subject to tax under section 1764 or 1811. Every person so storing, using or otherwise consuming is liable for the tax until he the person has paid the tax or has taken a receipt from his the seller, as duly authorized by the State Tax Assessor, showing that the seller has collected the sales or use tax, in which case the seller shall be is liable for it. Retailers registered under section 1754 or 1756 shall collect the tax and make remittance to the State Tax Assessor. The amount of the tax payable by

the purchaser ~~shall be is~~ that provided in the case of sales taxes by section 1812. When tangible personal property purchased for resale is withdrawn from inventory by the retailer for ~~his the~~ retailer's own use, use tax liability accrues at the date of withdrawal.

Sec. 26. 36 MRSA §1952-B, as enacted by PL 1987, c. 647, §4, is amended to read:

§1952-B. Manufactured housing

The tax imposed by chapters 211 to 225 on the sale or use of any type of manufactured housing, as defined in Title 30 ~~30-A~~, section 4965 ~~4358~~, subsection 1, ~~shall paragraph A~~, except ~~where~~ when the dealer has collected the tax in full, must be paid by the purchaser to the State Tax Assessor. The State Tax Assessor shall provide a tax receipt to the purchaser, which, upon request by the municipal officials, assessors of a plantation or the Maine Land Use Regulation Commission, shall must be made available by the purchaser to certify that the tax imposed by chapters 211 to 225 has been paid, pursuant to Title 30 ~~30-A~~, section 4965 ~~4358~~, subsection 3 4 or Title 30 ~~30-A~~, section 5622 ~~7060~~, subsection 1, paragraph C.

A valid bill of sale from a dealer showing that the tax has been collected in full ~~shall serve~~ serves to certify that the tax imposed by chapters 211 to 225 has been paid, pursuant to Title 30 ~~30-A~~, section 4965 ~~4358~~, subsection 3 4, or Title 30 ~~30-A~~, section 5622 ~~7060~~, subsection 1, paragraph C, in lieu of a tax receipt provided by the State Tax Assessor.

Sec. 27. 36 MRSA §2521-A, first ¶, as amended by PL 1991, c. 591, Pt. PPP, §1 and affected by §5, is further amended to read:

Every insurance company, association or attorney-in-fact of a reciprocal insurer subject to tax as imposed by this chapter shall on or before the last day of each April, the 25th day of each June and the last day of each October file with the State Tax Assessor on forms prescribed by the State Tax Assessor a return for the quarter ending the last day of the preceding month, except for the month of June, which is for the quarter ending June 30th. These returns may be on an estimated basis, provided that each April and June installment equals at least 35% of the total tax paid for the preceding calendar year or 35% of the total tax to be paid for the current calendar year. The remaining installments must equal 15% of the total tax to be paid for the preceding calendar year or 15% of the total tax to be paid for the current year. An authorized company official shall affirm which elective is selected. Such elective can not be changed during the current calendar year. The final return must be filed on or before March 15th covering the prior calendar year.

Sec. 28. 36 MRSA §2521-C, first ¶, as enacted by PL 1991, c. 591, Pt. PPP, §3 and affected by §§4 and 5, is amended to read:

Every insurance company, association or attorney-in-fact of a reciprocal insurer subject to tax as imposed by this chapter shall on or before the last day of each April, the 25th day of each June and the last day of each October file with the State Tax Assessor on forms prescribed by the State Tax Assessor a return for the quarter ending the last day of the preceding month, except for the month of June, which is for the quarter ending June 30th. These returns may be on an estimated basis, provided that each installment equals at least 25% of the total tax paid for the preceding calendar year or 25% of the total tax to be paid for the current calendar year. An authorized company official shall affirm which elective is selected. Such elective can not be changed during the current calendar year. The final return must be filed on or before March 15th covering the prior calendar year.

Sec. 29. 36 MRSA §2526, sub-§4, as enacted by PL 1989, c. 927, §1, is amended to read:

4. Limitation; carry-over; carry-back. The amount of the credit that may be used by a taxpayer for a taxable year may not exceed 50% of the amount of tax otherwise due under this Part for that year. A credit may not be used to reduce taxes in any tax year starting before January 1, 1993. Any unused credit may be carried over to the following year or years for a period not to exceed 15 years or may be carried back for a period not to exceed 3 years.

Sec. 30. 36 MRSA §2526, sub-§5, as repealed and replaced by PL 1991, c. 591, Pt. R, §9 and affected by §19, is amended to read:

5. Application. This section applies to equipment purchased and placed into use during the period from January 1, 1990 to June 30, 1991 or in any tax year beginning on or after January 1, 1993.

Sec. 31. 36 MRSA §2903, sub-§1, ¶A, as enacted by PL 1991, c. 592, Pt. D, §2 and affected by §14, is repealed and the following enacted in its place:

A. The excise tax on internal combustion engine fuel used or sold within this State, including sales to the State or a political subdivision of the State, is 19¢ per gallon, except that the rate is 3.4¢ per gallon on internal combustion engine fuel, as defined in section 2902, bought or used for the purpose of propelling jet or turbojet engine aircraft.

Sec. 32. 36 MRSA §2903, sub-§1, ¶C, as enacted by PL 1991, c. 592, Pt. D, §2 and affected by §14, is amended to read:

C. This subsection does not apply to internal combustion engine fuel:

(1) Sold wholly for exportation from this State;

(2) Brought into this State in the ordinary standardized equipment fuel tank attached to and a part of a motor vehicle and used in the operation of that vehicle in this State;

(3) Sold in bulk to any political subdivision of this State;

(4) Bought or used by any person to propel jet or turbojet engine aircraft in international flight;

(5) Brought into this State in the fuel tanks of an aircraft; or

(6) On which the collection of the tax imposed by this section is precluded by federal law or regulation.

Sec. 33. 36 MRSA §2903, sub-§1-A, as enacted by PL 1987, c. 793, Pt. B, §1; amended by PL 1991, c. 546, §25 and affected by §42; and repealed and replaced by c. 592, Pt. D, §3 and affected by §15, is repealed and the following enacted in its place:

1-A. Excise tax imposed. Except as provided in subsection 2, an excise tax is imposed on internal combustion engine fuel as follows.

A. The excise tax on internal combustion engine fuel used or sold within this State, including sales to the State or a political subdivision of the State, is 17¢ per gallon, except that the rate is 3.4¢ per gallon on internal combustion engine fuel, as defined in section 2902, bought or used for the purpose of propelling jet or turbojet engine aircraft.

B. Internal combustion engine fuel may be taxed only once under this section. The distributor that first receives the fuel in this State is primarily responsible for paying the tax except when the fuel is sold and delivered to a licensed exporter wholly for exportation from the State or to another distributor in the State, in which case the purchasing distributor is primarily responsible for paying the tax.

C. This subsection does not apply to internal combustion engine fuel:

(1) Sold wholly for exportation from this State;

(2) Brought into this State in the ordinary standardized equipment fuel tank attached to and a part of a motor vehicle and used in the operation of that vehicle in this State;

(3) Sold in bulk to any political subdivision of this State;

(4) Bought or used by any person to propel jet or turbojet engine aircraft in international flight;

(5) Brought into this State in the fuel tanks of an aircraft; or

(6) On which the collection of the tax imposed by this section is precluded by federal law or regulation.

This subsection takes effect July 1, 1993.

Sec. 34. 36 MRSA §2906, first ¶, as amended by PL 1991, c. 546, §26 and affected by §43 and amended by c. 592, Pt. D, §4, is repealed and the following enacted in its place:

Every distributor, importer or exporter holding a valid certificate as such shall render on or before the 21st day of each month a report to the State Tax Assessor stating the number of gallons of internal combustion engine fuel received, sold and used in the State by that distributor, importer or exporter during the preceding calendar month on forms furnished by the State Tax Assessor. The report must also contain any other pertinent information the State Tax Assessor prescribes and the State Tax Assessor may make any other reasonable rules regarding the administration and enforcement of the Gasoline Tax Act as are considered necessary or expedient, copies of which must be sent to certificate holders. The State Tax Assessor or a duly authorized agent must have access during reasonable business hours to the books, invoices and vouchers of certificate holders that may show the fuel handled by the certificate holders. At the time of the filing of the report, each distributor and importer shall pay to the State Tax Assessor a tax at the rate set forth in section 2903 on each gallon reported as sold, distributed or used. An allowance of not more than 1% from the amount of fuel received by the distributor, plus 1% on all transfers in vessels, tank cars or full tank truck loads by a distributor in the regular course of the distributor's business from one of the distributor's places of business to another within the State, may be granted by the State Tax Assessor to cover losses sustained by the distributor through shrinkage, evaporation or handling. The total allowance for these losses may not exceed 2% of the receipts by the distributor and no further deduction may be allowed unless the State Tax Assessor is satisfied upon definite proof submitted to the State Tax Assessor that a further deduction should be allowed for a loss sustained through fire, accident or some unavoidable calamity.

Sec. 35. 36 MRSA §4074, as amended by PL 1981, c. 706, §29, is further amended by adding at the end a new paragraph to read:

If any overpayment of tax imposed by this chapter is refunded within 3 months after the date last prescribed,

or permitted by extension of time, for filing the return of that tax or within 3 months after the return is filed or within 3 months after a return requesting a refund of the overpayment is filed, whichever is later, no interest may be paid by the State Tax Assessor.

Sec. 36. 36 MRSA §5219-D, sub-§4, as enacted by PL 1989, c. 927, §6, is amended to read:

4. Limitation; carry-over; carry-back. The amount of the credit that may be used by a taxpayer for a taxable year may not exceed 50% of the amount of tax otherwise due under this Part for that year. A credit may not be used to reduce taxes in any tax year starting before January 1, 1993. Any unused credit may be carried over to the following year or years for a period not to exceed 15 years or may be carried back for a period not to exceed 3 years.

Sec. 37. 36 MRSA §5219-D, sub-§5, as repealed and replaced by PL 1991, c. 591, Pt. R, §11 and affected by §19, is amended to read:

5. Application. This section applies to equipment purchased and placed into use during the period from January 1, 1990 to June 30, 1991 or in any tax year beginning on or after January 1, 1993.

Sec. 38. 36 MRSA §6260, sub-§2, as enacted by PL 1989, c. 534, Pt. C, §1, is amended to read:

2. Deferred property taxes due. The amounts of deferred property taxes, including accrued interest, for all years ~~shall be~~ are due and payable to the bureau April ~~15th~~ 30th of the year following the calendar year in which the circumstance occurs, except as provided in subsection 3 and section 6261;

Sec. 39. Application. That section of this Act that enacts the Maine Revised Statutes, Title 36, section 177, subsection 6, and that section of this Act that repeals Title 36, section 1762 do not apply to any sale occurring after the effective date of this Act pursuant to a written binding contract in effect before that date.

Sec. 40. Retroactivity. The sections of this Act that amend the Maine Revised Statutes, Title 36, section 2903, subsection 1 take effect retroactively to April 1, 1989.

Sec. 41. Effective date. That section of this Act that amends the Maine Revised Statutes, Title 36, section 2521-C takes effect January 1, 1994.

Emergency clause. In view of the emergency cited in the preamble, this Act takes effect when approved unless otherwise indicated.

Effective April 9, 1992, unless otherwise indicated.