MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document **No. 152**

H. P. 118 House of Representatives, January 7, 1981

Submitted by the Department of Finance and Administration pursuant to Joint Rule 24.

Referred to the Committee on Taxation. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mrs. Post of Owls Head.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

AN ACT Providing for Administrative Changes in the Tax Laws.

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

Sec. 1. 10 MRSA § 952, sub-§ 6, first sentence, as enacted by PL 1977, c. 531, § 1, is amended to read:

It shall not declare or pay any dividends to its shareholders during its first 5 years of operation and thereafter any dividends shall be paid only on common stock whose holders are not using the credit for investment in the Maine Capital Corporation allowed under Title 36, ~~sections 5129, 5167 or 5202~~ **section 5216.**

Sec. 2. 36 MRSA c. 1, as amended, is repealed.

Sec. 3. 36 MRSA cc. 3 and 4, as amended, are repealed.

Sec. 4. 36 MRSA § 111, sub-§ 5, as enacted by PL 1979, c. 378, § 2, is repealed and the following enacted in its place:

5. Tax. "Tax" means the total amount required to be paid, withheld and paid over, or collected and paid over with respect to estimated or actual tax liability under this Title, including any interest or civil penalty relating thereto.

Sec. 5. 36 MRSA § 111, sub-§ 7 is enacted to read:

7. Taxpayer. "Taxpayer" means any person required to file a return under

date of that repeal. The procedures relating to the reporting, collecting or refunding of taxes in effect at the date of the repeal shall remain in full force and effect until the liabilities incurred pursuant to the Act or resolve, or part thereof, are satisfied.

Sec. 17. 36 MRSA § 191, sub-§ 2, ¶H, as enacted by PL 1977, c. 668, § 2 is amended to read:

H. The disclosure by the State Tax Assessor of the fact that a ~~business or individual~~ **person** is or is not registered ~~as a seller~~ under ~~section 1754 or section 1756~~ **this Title** or disclosure of both the fact that a registration under ~~either section~~ **this Title** has been revoked ~~in accordance with section 1757 or section 1923~~ and the reasons for revocation; and

Sec. 18. 36 MRSA § 192 is enacted to read:

§ 192. Miscellaneous

1. Expenses. The reasonable and necessary traveling expenses of the State Tax Assessor and of his employees while actually engaged in the performance of their duties, certified upon vouchers approved by the State Tax Assessor, shall be paid by the Treasurer of State upon warrant of the State Controller.

2. Facsimile signature. A facsimile of the signature of the State Tax Assessor imprinted by or at his direction upon any license, registration certificate, notice of assessment or statutory demand notice issued by him under authority of this Title shall have the same validity as his written signature.

3. Small payments. No payment of less than $1 may be made pursuant to this Title, except in the case of an overpayment of tax when a specific written request is made by the taxpayer.

Sec. 19. 36 MRSA § 204 is repealed.

Sec. 19-A. 36 MRSA § 578, sub-§ 1, 3rd ¶, 2nd sentence, as enacted by PL 1977, c. 720, § 3, is amended to read:

A municipality **actually levying and collecting municipal property taxes and** within whose boundaries this acreage lies shall receive annual payments from moneys so appropriated by the Legislature provided it submits an annual return in accordance with ~~the provisions of~~ section 383; and it achieves the appropriate minimum assessment ratio described in section 327.

Sec. 20. 36 MRSA § 655, sub-§ 1, ¶P, sub-¶ (3), as enacted by PL 1977, c. 456, is repealed and the following enacted in its place:

(3) Watercraft.

Sec. 21. 36 MRSA § 844, first sentence, as last amended by PL 1979, c. 666, § 22, is further amended to read:

Except where the municipality has adopted a board of assessment review or has

3. Carry-forward. Credits not taken in accordance with the timetable in subsection 1 because of the limitation in subsection 2 may be claimed in any of the 4 taxable years following the year of limitation, provided that the limitation of subsection 2 shall also apply to the carry-forward years.

4. Recapture. If the taxpayer disposes of the stock in The Maine Capital Corporation within 6 years after the date on which the taxpayer acquired that stock in a transaction which gives rise to gain or loss for federal income tax purposes, the tax imposed under this Part for the taxable year in which the disposition occurs shall be increased by an amount equal to the amount allowed as a credit in the year of disposition and all prior years. Any unused credit attributable to the disposed of stock is disallowed.

Sec. 67. 36 MRSA § 5253, 2nd sentence, as amended by PL 1977, c. 477, § 20, is repealed and the following enacted in its place:

The State Tax Assessor may, by rule, require or permit the filing of returns and paying over of taxes withheld on other than a quarterly basis.

Sec. 68. 36 MRSA § 5253, 3rd, 4th and 5th sentences, as enacted by P&SL 1969, c. 514, Sec. F, are repealed.

Sec. 69. 36 MRSA § 5310, as enacted by P&SL 1969, c. 154, Sec. F, is repealed.

Sec. 70. 36 MRSA § 5317, as last amended by PL 1979, c. 541, Pt. B, § 52, is repealed and the following enacted in its place:

§ 5317. Priority

Claims of the State for sums due under this Part shall have preference in any distribution of the assets of the taxpayer, whether in bankruptcy, insolvency or otherwise.

Sec. 71. 36 MRSA § 5318, as enacted by P&SL 1969, c. 154, Sec. F, is repealed.

Sec. 72. 36 MRSA § 5340, as enacted by P&SL 1969, c. 154, Sec. F, and as amended, is repealed.

Sec. 73. 36 MRSA § 5342, as enacted by P&SL 1969, c. 154, Sec. F, is repealed.

STATEMENT OF FACT

This bill provides several "housekeeping" changes designed to facilitate the administration of the laws relating to state taxation. The purpose of each section is detailed below.

Section 1 corrects a reference in Title 10 to conform with amendments effected by sections 63 through 65 and section 68.

Section 2 repeals chapter 1, all existing provisions of which are relocated by sections 9, 10, 11, 12, 16 and 18.