Amend the bill by striking out all of section 27 (page 11, lines 38 and 39 in L.D.) and inserting the following:

'**Sec. 27. 36 MRSA §4071, sub-§1,** as amended by PL 2005, c. 622, §22 and affected by §33, is further amended to read:

1. Final federal determination. A~~Except as provided in subsection 1-A, a~~ final federal determination as to any of the following issues also determines the same issue for purposes of the tax under this chapter:

A. The inclusion in the federal gross estate of any item of property or interest in property;

B. The allowance of any item claimed as a deduction from the federal gross estate; or

E. For estates of decedents dying before January 1, 2003, the amount of the federal credit.

Sec. 28. 36 MRSA §4071, sub-§1-A is enacted to read:

1-A. State determination of certain estates. For deaths occurring on or after July 1, 2008 but before January 1, 2010, the State Tax Assessor is not bound by a final federal determination under subsection 1 if the assessor determines the issue for purposes of tax under this chapter within 2 years of the date the return was filed or the date the return is due, whichever is later.'

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

SUMMARY

This amendment restores language in current law that requires the State Tax Assessor to follow final federal determinations for certain estate tax issues, but limits that requirement by providing that for deaths occurring on or after July 1, 2008 but before January 1, 2010 the State Tax Assessor is not bound by a final federal determination if the assessor determines the issue for purposes of tax under the Maine Revised Statutes, Title 36, chapter 575 within 2 years of the date that the return was filed or the date the return is due, whichever is later.