Maine Revised Statutes

Title 36: TAXATION

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Chapter 7: UNIFORM ADMINISTRATIVE PROVISIONS

§111. DEFINITIONS

As used in this Title, unless the context otherwise indicates, the following terms have the following meanings. [1981, c. 698, §174 (AMD).]

1. **Assessor.** "Assessor" means the State Tax Assessor, except that, in Part 2, Property Taxes, it means the State Tax Assessor with respect to the unorganized territory and the respective municipal assessors or chief assessors of primary assessing areas with respect to the organized areas.

[1979, c. 378, §2 (NEW) .]

1-A. **Code.** "Code" means the United States Internal Revenue Code of 1986 and amendments to that Code as of December 31, 2013.

[2013, c. 472, §1 (AMD); 2013, c. 472, §2 (AFF) .]

1-B. **Bureau.** "Bureau" means the Bureau of Revenue Services, which may be referred to as "Maine Revenue Services."

[1997, c. 668, §7 (AMD) .]

1-C. **Board.** For purposes of sections 151 and 151-D and section 191, subsection 2, paragraphs C, XX and YY, "board" means the Maine Board of Tax Appeals as established in Title 5, section 12004-B, subsection 10.

[2013, c. 331, Pt. C, §1 (AMD); 2013, c. 331, Pt. C, §41 (AFF) .]

2. **Notice.** "Notice" means written notification served personally, sent by certified mail or sent by first-class mail to the last known address of the person for whom the notification is intended. A person's last known address is the person's address as reported on the person's most recently filed Maine tax return or as otherwise specified by the person in written correspondence on file with the bureau, unless the bureau determines that a different address is the most current address for the person, in which case the bureau must use that address. Notice by first-class mail is deemed to be received 3 days after the mailing, excluding Sundays and legal holidays. If the State Tax Assessor is required by a provision of this Title to give notice by certified mail and attempts to do so but the mailing is returned with the notation "unclaimed" or "refused" or a similar notation, the assessor may then give notice by sending the notification by first-class mail. In the case of a joint income tax return, notice may be a single joint notice except that, if the assessor is notified by either spouse that separate residences have been established, the assessor must mail a joint notice to each spouse. If the person for whom notification is intended is deceased or under a legal disability, and the assessor knows of the existence of a fiduciary relationship with respect to that person, notice must be sent by first-class mail to the last known address of the fiduciary.

[2011, c. 380, Pt. J, §1 (RPR) .]

3. **Person.** "Person" means an individual, firm, partnership, association, society, club, corporation, financial institution, estate, trust, business trust, receiver, assignee or any other group or combination acting as a unit, the State or Federal Government or any political subdivision or agency of either government.

[1997, c. 404, §1 (AMD); 1997, c. 404, §10 (AFF) .]

4. **Return.** "Return" means any document, digital file or electronic data transmission containing information required by this Title to be reported to the State Tax Assessor.

[2003, c. 588, §1 (AMD) .]

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, any credit or reimbursement allowed or paid pursuant to this Title that is recoverable by the assessor and any amount assessed by the assessor pursuant to this Title, including any interest or penalties provided by law. For purposes of this chapter, "tax" also means any fee, fine, penalty or other debt owed to the State provided for by law if that fee, fine, penalty or other debt is subject to collection by the assessor pursuant to statute or transferred to the bureau for collection pursuant to section 112-A.

[2009, c. 625, §2 (AMD) .]

6. **Tax Assessor.**

[2007, c. 627, §3 (RP) .]

7. **Taxpayer.** "Taxpayer" means any person required to file a return under this Title or to pay, withhold and pay over or collect and pay over any tax imposed by this Title. For the purposes of sections 171, 175-A and 176-A, "taxpayer" also means any person obligated to the State for the payment of a fee, fine, penalty or other obligation to the State provided for by law, if this obligation is subject to collection by the assessor pursuant to an agreement entered into by the bureau and another agency of the State. "Taxpayer" also means any pass-through entity doing business in the State or having a Maine resident member, including an S corporation, general partnership, limited partnership, limited liability partnership, limited liability company or similar entity, that is not taxed as a C corporation for federal tax purposes.

[2011, c. 655, Pt. QQ, §1 (AMD); 2011, c. 655, Pt. QQ, §8 (AFF) .]

SECTION HISTORY
1979, c. 378, §2 (NEW). 1981, c. 364, §§5,6 (AMD). 1981, c. 698, §§174,175 (AMD). 1985, c. 535, §1 (AMD). 1987, c. 504, §2 (AMD). 1987, c. 626, §1 (AMD). 1989, c. 242, §§1,2 (AMD). 1989, c. 635, §§1,2 (AMD). 1991, c. 33, §1 (AMD). 1991, c. 33, §2 (AFF). 1991, c. 754, §1 (AMD). 1991, c. 754, §2 (AFF). 1993, c. 107, §1 (AMD). 1993, c. 107, §2 (AFF). 1993, c. 504, §1 (AMD). 1993, c. 504, §2 (AFF). 1995, c. 118, §1 (AMD). 1995, c. 118, §2 (AFF). 1995, c. 538, §1 (AMD). 1995, c. 538, §2 (AFF). 1997, c. 127, §1 (AMD). 1997, c. 404, §1 (AMD). 1997, c. 404, §10 (AFF). 1997, c. 526, §§4-6 (AMD). 1997, c. 596, §1 (AMD). 1997, c. 596, §2 (AFF). 1997, c. 668, §§7,8 (AMD). 1999, c. 520, §1 (AMD). 1999, c. 520, §5 (AFF). 1999, c. 548, §1 (AMD). 1999, c. 548, §2 (AFF). 1999, c. 708, §4 (AMD). 2001, c. 396, §1 (AMD). 2001, c. 441, §1 (AMD). 2001, c. 441, §2 (AFF). 2001, c. 559, §GG1 (AMD). 2001, c. 559, §GG26 (AFF). 2003, c. 255, §1 (AMD). 2003, c. 255, §2 (AFF). 2003, c. 479, §1 (AMD). 2003, c. 479, §8 (AFF). 2003, c. 588, §1 (AMD). 2003, c. 705, §1 (AMD). 2003, c. 705, §14 (AFF). 2005, c. 12, §P1 (AMD). 2005, c. 12, §P10 (AFF). 2005, c. 332, §3 (AMD). 2005, c. 486, §1 (AMD). 2005, c. 486, §2 (AFF). 2007, c. 240, Pt. CCC, §1 (AMD). 2007, c. 240, Pt. CCC, §4 (AFF). 2007, c. 539, Pt. CCC, §1 (AMD). 2007, c. 539, Pt. CCC, §19 (AFF). 2007, c. 539, Pt. OO, §2 (AMD). 2007, c. 627, §3 (AMD). 2009, c. 213, Pt. BBBB, §1 (AMD). 2009, c. 213, Pt. BBBB, §17 (AFF). 2009, c. 434, §4 (AMD). 2009, c. 596, §1 (AMD). 2009, c. 596, §2 (AFF). 2009, c. 625, §2 (AMD). 2011, c. 1, Pt. P, §1 (AMD). 2011, c. 1, Pt. P, §2 (AFF). 2011, c. 380, Pt. J, §1 (AMD). 2011, c. 530, §1 (AMD). 2011, c. 530, §2 (AFF). 2011, c. 655, Pt. QQ, §1 (AMD). 2011, c. 655, Pt. QQ, §8 (AFF). 2011, c. 694, §2 (AMD). 2013, c. 331, Pt. C, §1 (AMD). 2013, c. 331, Pt. C, §41 (AFF). 2013, c. 368, Pt. TT, §1 (AMD). 2013, c. 368, Pt. TT, §20 (AFF). 2013, c. 472, §1 (AMD). 2013, c. 472, §2 (AFF).

§112. STATE TAX ASSESSOR

1. **General powers and duties.** The assessor shall administer and enforce the tax laws enacted under this Title and under Title 29-A, and may adopt rules and require such information to be reported as necessary. The assessor may investigate, enforce and prosecute activities defined as crimes in this Title and in Title 17-A, sections 358, 751 and 903. The assessor shall provide, at the time of issuance, to one or more entities that publish a monthly state tax service all rules, bulletins, taxpayer notices or alerts, notices of rulemaking, any other taxpayer information issued by the assessor, and all substantive amendments or modifications of the same, for publication by that entity or entities. When a significant change has occurred in bureau policy or

practice or in the interpretation by the bureau of any law, rule or instruction bulletin, the assessor shall, within 60 days of the change, provide to the same publishing entity or entities written notice, suitable for publication, of the change.

[1999, c. 127, Pt. A, §47 (RPR) .]

2. **Organization.** The assessor may employ deputies, assistants and employees as necessary, subject to the Civil Service Law unless otherwise provided, and distribute the duties given to the assessor or to the bureau among those persons or divisions in that bureau the assessor considers necessary for economy and efficiency in administration. An officer within each division of the bureau must be designated by the assessor as director of that division. The assessor, for enforcement and administrative purposes, may divide the State into a reasonable number of districts in which branch offices may be maintained.

The Office of Tax Policy, referred to in this paragraph as "the office," is established within the bureau. The head of the office is the Associate Commissioner for Tax Policy, who reports directly to, and serves at the pleasure of, the Commissioner of Administrative and Financial Services and who must have an advanced degree in economics, statistics, accounting, business, law or public policy. The office is responsible for: providing economic and legal policy analysis on tax issues; oversight of tax legislation review; providing revenue forecasting analysis to the Revenue Forecasting Committee under Title 5, section 1710-E; the preparation of tax expenditure reports; the establishment of policy criteria reflected in bureau rules and advisory rulings; and related public relations.

[2011, c. 655, Pt. I, §7 (AMD); 2011, c. 655, Pt. I, §11 (AFF) .]

3. **Examination of witnesses.** The assessor may summon and examine under oath any person whose testimony is considered necessary to the proper discharge of the assessor's duties and may require the production of all books or other documents in the custody or control of that person that relate to any matter that the assessor has authority to investigate or determine. This examination may be conducted by an agent designated by the assessor and is considered an "official proceeding" within the meaning of that term in Title 17-A, section 451. The assessor or that agent may administer all oaths required under this Title and may, in the assessor's discretion, reduce any examination under oath to writing. Any person summoned under this section is entitled to receive at the same time a copy of the Taxpayer Bill of Rights statement required to be prepared under subsection 7-A.

Any justice of the Superior Court and, with respect to the taxes imposed under Part 6, any judge of probate, upon application of the assessor, may compel the attendance of witnesses and the giving of testimony before the assessor in the same manner, to the same extent and subject to the same penalties as if before the court over which that justice or judge presides.

[1997, c. 526, §7 (AMD) .]

4. **Examination of records and premises.** Whenever necessary to the administration of this Title, the assessor may make, or cause to be made by an employee, an examination or investigation of the place of business, books and other documents and any other relevant personal property of any person who the assessor has reason to believe is liable for any tax imposed by this Title.

At the conclusion of an audit, the assessor or an agent shall conduct an audit conference with the taxpayer and shall give the taxpayer a written summary of the audit findings, including the legal basis for the audit findings and adjustments, along with copies of relevant bureau audit workpapers.

[2003, c. 668, §7 (AMD); 2003, c. 668, §12 (AFF) .]

5. **Contract authority.** The assessor is authorized to contract with persons on an independent contract basis for the furnishing of technical services to assist the assessor in the administration of this Title.

[1997, c. 526, §7 (AMD) .]

5-A. **Agreements with other governments.** The assessor may enter into agreements with other governments for assistance in the administration and enforcement of this Title if the disclosure of information to duly authorized officers of those governments is permitted by section 191, subsection 2, paragraph D.

[2009, c. 496, §1 (AMD) .]

6. **Agent for collection.** The assessor is authorized to name any of the assessor's employees as agents to collect any tax imposed under this Title.

[1997, c. 526, §7 (AMD) .]

7. **Evaluation of tax systems.** The assessor and the Office of Tax Policy shall investigate and examine the systems and methods of taxation of other states and make careful and constant inquiry into the practical operation and effect of the laws of this State, in comparison with the laws of other states, with the view of ascertaining wherein the tax laws of this State are defective, inefficient, inoperative or inequitable.

[2011, c. 655, Pt. I, §8 (AMD); 2011, c. 655, Pt. I, §11 (AFF) .]

7-A. **Taxpayer Bill of Rights.** The assessor shall prepare a statement describing in simple and nontechnical terms the rights of a taxpayer and the obligations of the bureau during an audit. The statement must also explain the procedures by which a taxpayer may appeal any adverse decision of the assessor, including reconsideration under section 151, appeals to the Maine Board of Tax Appeals and judicial appeals. This statement must be distributed by the bureau to any taxpayer contacted with respect to the determination or collection of any tax, excluding the normal mailing of tax forms. This paragraph does not apply to criminal tax investigations conducted by the assessor or by the Attorney General.

[2013, c. 331, Pt. C, §2 (AMD); 2013, c. 331, Pt. C, §41 (AFF) .]

8. **Additional duties.** In addition to the duties specified in this Title, the assessor has the following duties:

A. Collection of the tax on fire insurance companies imposed by Title 25, section 2399; [2011, c. 548, §10 (AMD).]

B. [2009, c. 434, §5 (RP).]

C. Administration of the spruce budworm excise tax in accordance with Title 12, section 8427; [2011, c. 548, §10 (AMD).]

D. Administration of the premium imposed on motor vehicle oil under Title 10, section 1020; and [2011, c. 548, §10 (AMD).]

E. Administration of reports and payments required under Title 32, section 1866-E. [2011, c. 548, §10 (NEW).]

[2011, c. 548, §10 (AMD) .]

9. **Services provided to another agency of State.** The assessor may undertake, by written agreement with another agency of the State, to provide or assist with revenue collection services for that agency.

[2007, c. 539, Pt. OO, §3 (AMD) .]

9-A. **Review of telecommunications taxation.**

[2001, c. 652, §3 (RP) .]

10. **Title.** The State Tax Assessor may be referred to as the "executive director" or the "director."

[1997, c. 668, §9 (NEW) .]

11. **Report to the Legislature.**

[2001, c. 652, §4 (RP) .]

12. **State Tax Assessor to calculate conformity factor.**

[2001, c. 714, Pt. AA, §1 (RP) .]

13. **Set-off agreements.** The assessor may enter into agreements with other taxing jurisdictions to provide for collection of tax debts by means of setoffs as provided in this subsection.

A. The assessor may enter into an agreement with the Federal Government pursuant to the Code, Section 6402(e) to set off against tax refunds payable by the Federal Government and pay to this State taxes owed to this State. [2009, c. 361, §5 (NEW).]

B. The assessor may enter into an agreement with another state or an agency of another state to set off against tax refunds payable by the other state and pay to this State taxes owed to this State. [2009, c. 361, §5 (NEW).]

C. In conjunction with an agreement authorized under paragraph B, the assessor may enter into an agreement that allows the other state to set off against tax refunds payable by this State taxes owed to the other state. The assessor may enter into an agreement authorized by this paragraph only if the other state allows this State to set off against tax refunds owed by the other state taxes owed to this State on substantially similar terms. [2009, c. 361, §5 (NEW).]

D. The assessor may enter into an agreement authorized by paragraph C only if the agreement provides that the other state may not set off against tax refunds payable by this State unless the other state has notified the taxpayer of the taxes due and has given the taxpayer an opportunity for review or appeal of the tax debt. The other state must certify to the assessor that it has notified the taxpayer of the taxes due and has given the taxpayer an opportunity for review or appeal of the tax debt before the setoff is exercised. [2009, c. 361, §5 (NEW).]

E. For purposes of this subsection, "tax" includes monetary restitution ordered to be paid to the bureau as part of a sentence imposed for a violation of this Title or Title 17-A. [2009, c. 361, §5 (NEW).]

[2009, c. 361, §5 (NEW) .]

SECTION HISTORY
1981, c. 364, §7 (NEW). 1983, c. 480, §A39 (AMD). 1985, c. 785, §B168 (AMD). 1989, c. 848, §§1,2 (AMD). 1991, c. 873, §§1,2 (AMD). 1995, c. 281, §1 (AMD). 1995, c. 639, §1 (AMD). 1997, c. 459, §4 (AMD). 1997, c. 495, §§3,4 (AMD). 1997, c. 526, §7 (AMD). 1997, c. 668, §9 (AMD). 1999, c. 127, §§A47-49 (AMD). 1999, c. 169, §1 (AMD). 1999, c. 488, §1 (AMD). 2001, c. 396, §2 (AMD). 2001, c. 439, §L5 (AMD). 2001, c. 559, §GG2 (AMD). 2001, c. 559, §GG26 (AFF). 2001, c. 652, §§3,4 (AMD). 2001, c. 714, §AA1 (AMD). 2003, c. 668, §7 (AMD). 2003, c. 668, §12 (AFF). 2007, c. 539, Pt. OO, §3 (AMD). 2009, c. 361, §5 (AMD). 2009, c. 434, §§5-7 (AMD). 2009, c. 496, §§1, 2 (AMD). 2011, c. 211, §17 (AMD). 2011, c. 548, §10 (AMD). 2011, c. 655, Pt. I, §§7, 8 (AMD). 2011, c. 655, Pt. I, §11 (AFF). 2013, c. 331, Pt. C, §2 (AMD). 2013, c. 331, Pt. C, §41 (AFF).

§112-A. AGREEMENTS FOR TRANSFER FROM ANOTHER STATE AGENCY OF DEBT FOR COLLECTION

1. **Generally.** Any agency of the State may transfer to the bureau solely for the purposes of collection any fee, fine, penalty or other debt owed to the State provided for by law if the debt is final without further right of administrative or judicial review and if the transfer of the debt is made pursuant to a written agreement entered into by the bureau and that agency.

[2007, c. 539, Pt. OO, §4 (NEW) .]

2. **Transfer of collected proceeds.** After the deduction of the assessor's collection fee authorized by subsection 3, the assessor shall remit collections of the transferred debt to the creditor agency.

[2007, c. 539, Pt. OO, §4 (NEW) .]

3. **Collection fee.** A collection fee calculated pursuant to section 114 for service costs of the assessor in undertaking the collection of transferred debt may be charged to the creditor agency. The fee may be deducted from collected amounts transferred to the creditor agency and deposited in the Bureau of Revenue Services Fund, Internal Services Fund account authorized by section 114. If a creditor agency is either entitled to federal matching funds against all debts collected or required by federal regulations to specially handle debts collected, the assessor shall transfer to that creditor agency the gross proceeds from collections of the transferred debt, and that agency shall promptly reimburse the collection fee to the assessor for deposit in the Bureau of Revenue Services Fund, Internal Services Fund account.

[2007, c. 539, Pt. OO, §4 (NEW) .]

4. **Accounting.** The creditor agency shall credit the account of the debtor with the full amount of the collected debt, including the collection fee retained by, or reimbursed to, the assessor, except that the collection fee may not be credited to the account of an individual required to make restitution as provided in Title 17-A, section 1152, subsection 2-A.

[2007, c. 539, Pt. OO, §4 (NEW) .]

5. **Priority.** The assessor may proceed with collection of any tax, including transferred debt deemed a tax debt pursuant to section 111, subsection 5, in any order of priority among such tax obligations.

[2007, c. 539, Pt. OO, §4 (NEW) .]

SECTION HISTORY
2007, c. 539, Pt. OO, §4 (NEW).

§113. AUDIT AND COLLECTION EXPENSES

1. **Contract audit and collection programs.** The State Controller may transfer from the General Fund and the Highway Fund amounts authorized by the State Tax Assessor equal to the expenses of those contract audit and collection programs for which the fees are contingent on the amount collected. These amounts transferred must be deposited into a dedicated, nonlapsing account to be used solely for the purpose of paying these expenses. Interest earned on balances in the account accrue to the account. The assessor shall notify the State Controller of the amounts to be transferred pursuant to this section. The assessor shall annually report to the joint standing committees of the Legislature having jurisdiction over taxation matters and appropriations and financial affairs the amounts collected and the costs incurred of programs administered pursuant to this section.

[1999, c. 708, §5 (NEW) .]

2. **Credit card fees.** The State Tax Assessor may subtract from revenues received credit card fees incurred by the assessor in connection with the following:

A. The collection of delinquent taxes imposed by this Title; and [2007, c. 438, §4 (AMD).]

B. The collection of property taxes in the unorganized territory. [2007, c. 438, §5 (AMD).]

C. [2007, c. 438, §6 (RP).]

[2007, c. 438, §§4-6 (AMD) .]

3. **Federal offset fees.** The State Tax Assessor may subtract from revenues received fees imposed upon the State by the United States Department of the Treasury for offsetting state income tax obligations against federal income tax refunds pursuant to Section 6402(e) of the Code.

[1999, c. 708, §5 (NEW) .]

4. **Recording fees.** The State Controller may transfer from the General Fund amounts authorized by the State Tax Assessor equal to the fees imposed upon the State by a register of deeds pursuant to Title 33, section 751. These amounts transferred must be deposited into a dedicated, nonlapsing account to be used solely for the purpose of paying those fees. Interest earned on balances in the account accrue to the account. The assessor shall notify the State Controller of the amounts to be transferred pursuant to this subsection.

[2005, c. 622, §2 (NEW); 2005, c. 622, §35 (AFF) .]

5. **Financial institution computer data match costs.** The State Tax Assessor may subtract from revenues received fees authorized under section 176-B for payment to financial institutions for the actual costs incurred in matching taxpayer information against account records, the cost of holding financial institutions harmless for good faith actions under section 176-B and for costs related to the implementation and operation of the financial institution computer data match program provided in section 176-B.

[2009, c. 213, Pt. AAAA, §7 (NEW) .]

SECTION HISTORY
1989, c. 880, §B1 (NEW). 1995, c. 281, §2 (AMD). 1999, c. 16, §E4 (AFF). 1999, c. 16, §E1 (RPR). 1999, c. 708, §5 (RPR). 2005, c. 622, §2 (AMD). 2005, c. 622, §35 (AFF). 2007, c. 438, §§4-6 (AMD). 2009, c. 213, Pt. AAAA, §7 (AMD).

§114. INTERNAL SERVICES PROVIDED BY THE BUREAU

1. **Internal Services Fund account established.** The bureau shall establish, through the Office of the State Controller, the Bureau of Revenue Services Fund, Internal Services Fund account. The funds deposited in this account include, but are not limited to, appropriations transferred to the account, funds transferred to the account from within the Department of Administrative and Financial Services, funds received from state departments and agencies using the collection services and imaging and scanning services provided by the bureau and earnings by the fund from the Treasurer of State's investment cash pool.

[1997, c. 643, Pt. F, §2 (NEW); 2003, c. 600, §4 (REV) .]

2. **Rate schedule.** The bureau may levy charges according to a rate schedule recommended by the assessor and approved by the Commissioner of Administrative and Financial Services against all departments using the services of the bureau.

[1997, c. 643, Pt. F, §2 (NEW) .]

3. **Calculation of charges.** Service charges for collections and imaging and scanning services must be calculated to provide for equipment replacement costs, operating costs, necessary capital investment, personal services and necessary working capital for the Bureau of Revenue Services Fund, Internal Services Fund account.

[1997, c. 643, Pt. F, §2 (NEW) .]

4. **Staff.** The assessor shall appoint staff, as approved by the Legislature and subject to the Civil Service Law, necessary to carry out the purposes of this section.

[1997, c. 643, Pt. F, §2 (NEW) .]

5. **Departments and agencies to budget funds.** Each department or agency using the services of the bureau must budget adequate funds to pay for the collection services and imaging and scanning services provided by the bureau.

[1997, c. 643, Pt. F, §2 (NEW) .]

SECTION HISTORY
1995, c. 281, §3 (NEW). 1997, c. 526, §8 (AMD). 1997, c. 643, §F2 (RPR). 2003, c. 600, §4 (REV).

§115. PAYMENT BY CREDIT CARD

The State Tax Assessor may establish procedures permitting payment of taxes by the use of credit cards. The assessor may contract with one or more entities for the purpose of enabling the assessor to accept and process credit card transactions only if under any such contract the State does not incur any charges or fees from accepting payment by credit card, the State does not have any liability to the credit card company or processor from nonpayment of credit card charges by the taxpayer, any fee associated with payment of taxes by credit card is disclosed to the taxpayer prior to commencement of the transaction and directly charged to the taxpayer and collected by the processor, all credit card payments are electronically transmitted to the State by the processor immediately upon approval of the credit transaction and the processor retains all responsibility for approving or rejecting all proposed credit card payments. [2005, c. 622, §3 (NEW).]

SECTION HISTORY
2005, c. 622, §3 (NEW).

§135. RECORD-KEEPING REQUIREMENTS

1. **Taxpayers.** Persons subject to tax under this Title shall maintain such records as the State Tax Assessor determines necessary for the reasonable administration of this Title. Records pertaining to taxes imposed by chapters 371, 575 and 577 and by Part 8 must be retained as long as is required by applicable federal law and regulation. Records pertaining to the special fuel tax user returns filed pursuant to section 3209, subsection 2 and the International Fuel Tax Agreement pursuant to section 3209, subsection 1-B must be retained for 4 years. Records pertaining to all other taxes imposed by this Title must be retained for a period of at least 6 years. The records must be kept in such a manner as to ensure their security and accessibility for inspection by the assessor or any designated agent engaged in the administration of this Title.

[2011, c. 380, Pt. M, §1 (AMD) .]

2. **Bureau of Revenue Services.** Returns filed under this Title or microfilm reproductions or digital images of those returns must be preserved for 3 years and thereafter until the State Tax Assessor orders their destruction.

[2003, c. 588, §2 (AMD) .]

SECTION HISTORY
1979, c. 378, §3 (NEW). 1995, c. 281, §4 (AMD). 1997, c. 526, §14 (AMD). 2001, c. 396, §3 (AMD). 2003, c. 588, §2 (AMD). 2007, c. 438, §7 (AMD). 2011, c. 380, Pt. M, §1 (AMD).

§141. ASSESSMENT

1. **General provisions.** Except as otherwise provided by this Title, an amount of tax that a person declares on a return filed with the State Tax Assessor to be due to the State is deemed to be assessed at the time the return is filed and is payable on or before the date prescribed for filing the return, determined without regard to an extension of time granted for filing the return. When a return is filed, the assessor shall examine it and may conduct audits or investigations to determine the correct tax liability. If the assessor determines that the amount of tax shown on the return is less than the correct amount, the assessor shall assess the tax due the State and provide notice to the taxpayer of the assessment. Except as provided in subsection 2, an assessment may not be made after 3 years from the date the return was filed or 3 years from the date the return was required to be filed, whichever is later. The assessor may make a supplemental assessment within the assessment period prescribed by this section for the same period, periods or partial periods previously assessed if the assessor determines that a previous assessment understates the tax due or otherwise is imperfect or incomplete in any material respect.

[2011, c. 380, Pt. J, §2 (AMD) .]

2. **Exceptions.** The following are exceptions to the 3-year time limit specified in subsection 1.

A. An assessment may be made within 6 years from the date the return was filed if the tax liability shown on the return, after adjustments necessary to correct any mathematical errors apparent on the face of the return, is less than 1/2 of the tax liability determined by the assessor. In determining whether the 50% threshold provided by this paragraph is satisfied, the assessor may not consider any portion of the understated tax liability for which the taxpayer has substantial authority supporting its position. [2011, c. 380, Pt. J, §3 (AMD).]

B. An assessment may be made at any time with respect to a time period for which a fraudulent return has been filed. [1979, c. 378, §4 (NEW).]

C. An assessment may be made at any time with respect to a period for which a return has become due but has not been filed. If a person who has failed to file a return does not provide to the assessor, within 60 days of receipt of notice, information that the assessor considers necessary to determine the person's tax liability for that period, the assessor may assess an estimated tax liability based upon the best information otherwise available. In any proceeding for the collection of tax for that period, that estimate is prima facie evidence of the tax liability. The 60-day period provided by this paragraph must be extended for an additional 60 days if the taxpayer requests an extension in writing prior to the expiration of the original 60-day period. [2011, c. 1, Pt. BB, §1 (AMD); 2011, c. 1, Pt. BB, §3 (AFF).]

D. [2007, c. 627, §4 (RP).]

E. The time limitations for assessment specified in this section may be extended to any later date to which the assessor and taxpayer agree in writing. [2011, c. 380, Pt. J, §3 (AMD).]

[2011, c. 1, Pt. BB, §1 (AMD); 2011, c. 1, Pt. BB, §3 (AFF); 2011, c. 380, Pt. J, §3 (AMD) .]

3. **Abatement.**

[1985, c. 691, §1 (RP) .]

SECTION HISTORY
1979, c. 378, §4 (NEW). 1981, c. 364, §8 (AMD). 1985, c. 691, §1 (AMD). 2001, c. 396, §4 (AMD). 2003, c. 451, §HH1 (AMD). 2003, c. 451, §HH2 (AFF). 2007, c. 627, §4 (AMD). 2009, c. 496, §3 (AMD). 2011, c. 1, Pt. BB, §1 (AMD). 2011, c. 1, Pt. BB, §3 (AFF). 2011, c. 380, Pt. J, §§2, 3 (AMD).

§142. CANCELLATION AND ABATEMENT

The State Tax Assessor may, within 3 years from the date of assessment or whenever a written request has been submitted by a taxpayer within 3 years of the date of assessment, cancel any tax that has been levied illegally. In addition, if justice requires, the assessor may, with the approval of the Governor or the Governor's designee, abate, within 3 years from the date of assessment or whenever a written request has been submitted by a taxpayer within 3 years of the date of assessment, all or any part of any tax assessed by the assessor. The decision of the assessor pursuant to this section not to abate all or any part of any tax assessed under this Title is not subject to review under section 151. [1999, c. 708, §6 (RPR).]

SECTION HISTORY
1985, c. 691, §2 (NEW). 1997, c. 504, §2 (AMD). 1999, c. 414, §6 (AMD). 1999, c. 521, §A1 (AMD). 1999, c. 708, §6 (RPR).

§143. COMPROMISE OF TAX LIABILITY

The State Tax Assessor may compromise a tax liability arising under this Title upon the grounds of doubt as to liability or doubt as to collectibility, or both. Upon acceptance by the assessor of an offer in compromise, the liability of the taxpayer in question is conclusively settled and neither the taxpayer nor the assessor may reopen the case except by reason of falsification or concealment of assets by the taxpayer, fraud or mutual mistake of a material fact. The decision of the assessor to reject an offer in compromise is not subject to review under section 151. The assessor's authority to compromise a tax liability pursuant to this section is separate from and in addition to the assessor's authority to cancel or abate a tax liability pursuant to section 142. [2011, c. 439, §1 (AMD); 2011, c. 439, §12 (AFF).]

The submission of an offer in compromise does not automatically operate to stay the collection of a tax liability, but the assessor may stay collection action if the interests of the State are not jeopardized by that action. [1993, c. 486, §1 (NEW).]

The assessor may adopt rules regarding the procedures to be followed for the submission and consideration of offers in compromise. [1993, c. 486, §1 (NEW).]

SECTION HISTORY
1993, c. 486, §1 (NEW). 1999, c. 708, §7 (AMD). 2011, c. 439, §1 (AMD). 2011, c. 439, §12 (AFF).

§144. APPLICATION FOR REFUND

1. **Generally.** A taxpayer may request a credit or refund of any tax that is imposed by this Title or administered by the State Tax Assessor within 3 years from the date the return was filed or 3 years from the date the tax was paid, whichever period expires later. Every claim for refund must be submitted to the

assessor in writing and must state the specific grounds upon which the claim is founded and the tax period for which the refund is claimed. A claim for refund is deemed to be a request for reconsideration of an assessment under section 151.

[2013, c. 331, Pt. C, §3 (AMD); 2013, c. 331, Pt. C, §41 (AFF) .]

2. Exceptions.

A. Subsection 1 does not apply in the case of premiums imposed pursuant to Title 10, section 1020, subsection 6-A, sales and use taxes imposed by Part 3, estate taxes imposed by chapter 575 or 577, income taxes imposed by Part 8 and any other tax imposed by this Title for which a specific statutory refund provision exists. [2011, c. 211, §18 (AMD); 2011, c. 380, Pt. M, §2 (AMD).]

B. For any claim by an individual for credit or a refund of any tax imposed under this Title, the assessor may toll the applicable statute of limitations for a period of up to 3 years on the grounds of mental incapacity of the claimant. The period may be tolled only if the mental incapacity existed at a time when the claim could have been timely filed. The limitations period resumes running when the mental incapacity no longer exists. For the purposes of this paragraph, the term "mental incapacity" means the overall inability to function in society that prevents an individual from protecting the individual's legal rights. [1997, c. 668, §10 (NEW).]

[2011, c. 380, Pt. M, §2 (AMD) .]

SECTION HISTORY
1995, c. 281, §5 (NEW). 1997, c. 668, §10 (AMD). 1999, c. 708, §8 (AMD). 2001, c. 396, §5 (AMD). 2011, c. 1, Pt. DD, §1 (AMD). 2011, c. 1, Pt. DD, §4 (AFF). 2011, c. 211, §18 (AMD). 2011, c. 380, Pt. M, §2 (AMD). 2013, c. 331, Pt. C, §3 (AMD). 2013, c. 331, Pt. C, §41 (AFF).

§145. DECLARATION OF JEOPARDY

If the State Tax Assessor determines that the collection of any tax will be jeopardized by delay, the assessor, upon giving notice of this determination to the person liable for the tax by personal service or certified mail, may demand an immediate return with respect to any period or immediate payment of any tax declared to be in jeopardy, or both, and may terminate the current reporting period and demand an immediate return and payment with respect to that period. Notwithstanding any other provision of law, taxes declared to be in jeopardy are payable immediately, and the assessor may proceed immediately to collect those taxes by any collection method authorized by this Title. The person liable for the tax may stay collection by requesting reconsideration of the declaration of jeopardy in accordance with section 151 and depositing with the assessor within 30 days from receipt of notice of the determination of jeopardy a bond or other security in the amount of the liability with respect to which the stay of collection is sought. A determination of jeopardy by the assessor is presumed to be correct, and the burden of showing otherwise is on the taxpayer. [2011, c. 380, Pt. J, §4 (AMD).]

SECTION HISTORY
2007, c. 627, §5 (NEW). 2011, c. 380, Pt. J, §4 (AMD).

§151. REVIEW OF DECISIONS OF STATE TAX ASSESSOR

1. Petition for reconsideration. A person who is subject to an assessment by the State Tax Assessor or entitled by law to receive notice of a determination of the assessor and who is aggrieved as a result of that action may request in writing, within 60 days after receipt of notice of the assessment or the determination, reconsideration by the assessor of the assessment or the determination. If a person receives notice of an

assessment and does not file a petition for reconsideration within the specified time period, a review is not available in Superior Court or before the board regardless of whether the taxpayer subsequently makes payment and requests a refund.

[2011, c. 694, §3 (RPR) .]

2. **Reconsideration by division.** If a petition for reconsideration is filed within the specified time period, the assessor shall reconsider the assessment or the determination as provided in this subsection.

A. Upon receipt by the assessor, all petitions for reconsideration must be forwarded for review and response to the division in the bureau from which the determination issued. [2011, c. 694, §3 (RPR).]

B. Within 90 days of receipt of the petition for reconsideration by the responding division, the division shall approve or deny, in whole or in part, the relief requested. Prior to rendering its decision and during the 90 days, the division may attempt to resolve issues with the petitioner through informal discussion and settlement negotiations with the objective of narrowing the issues for an appeals conference or court review, and may concede or settle individual issues based on the facts and the law, including the hazards of litigation. By mutual consent of the division and the petitioner, the 90 days may be extended for good cause, such as to allow further factual investigation or litigation of an issue by that or another taxpayer pending in court. [2011, c. 694, §3 (RPR).]

C. If the matter between the division and the petitioner is not resolved within the 90-day period, and any extension thereof, the petitioner may consider the petition for reconsideration denied. The petitioner may not consider the petition for reconsideration denied after either the reconsidered decision has been received by the petitioner or the expiration of 9 years following the filing of the petition for reconsideration, whichever occurs first. A petition for reconsideration considered denied pursuant to this paragraph constitutes final agency action. A petitioner elects to consider the petition for reconsideration denied pursuant to this paragraph by:

(1) For a small claim request, filing a petition for review in Superior Court. For purposes of this subparagraph, "small claim request" has the same meaning as in paragraph E; or

(2) For all other requests:

(a) Filing a statement of appeal with the board; or

(b) Filing a petition for review in Superior Court. [2011, c. 694, §3 (RPR).]

D. A reconsideration by the division is not an adjudicatory proceeding within the meaning of that term in the Maine Administrative Procedure Act. [2011, c. 694, §3 (RPR).]

E. A reconsidered decision rendered on any request other than a small claim request constitutes the assessor's final determination, subject to review either by the board or directly by the Superior Court. A reconsidered decision rendered on a small claim request constitutes the assessor's final determination and final agency action and is subject to de novo review by the Superior Court. For purposes of this paragraph, "small claim request" means a petition for reconsideration when the amount of tax or refund request in controversy is less than $1,000. [2013, c. 45, §4 (AMD).]

F. A person who wishes to appeal a reconsidered decision under this section:

(1) To the board must file a written statement of appeal with the board within 60 days after receipt of the reconsidered decision; or

(2) Directly to the Superior Court must file a petition for review in the Superior Court within 60 days after receipt of the reconsidered decision.

If a person does not file a request for review with the board or the Superior Court within the time period specified in this paragraph, the reconsidered decision becomes final and no further review is available. [2011, c. 694, §3 (NEW).]

G. Upon receipt of a statement of appeal or petition for review filed by a person pursuant to paragraph F, the board or Superior Court shall conduct a de novo hearing and make a de novo determination of the merits of the case. The board or Superior Court shall enter those orders and decrees as the case may require. The burden of proof is on the person, except as otherwise provided by law. [2011, c. 694, §3 (NEW).]

[2013, c. 45, §4 (AMD) .]

SECTION HISTORY
1977, c. 694, §676 (NEW). 1979, c. 378, §5 (AMD). 1981, c. 364, §9 (AMD). 1989, c. 848, §3 (AMD). 1989, c. 871, §2 (AMD). 1991, c. 824, §B10 (AMD). 1991, c. 873, §3 (RPR). 1993, c. 395, §32 (AFF). 1993, c. 395, §2 (RPR). 1997, c. 668, §11 (AMD). 1999, c. 414, §7 (AMD). 2001, c. 583, §1 (AMD). 2003, c. 242, §1 (AMD). 2011, c. 380, Pt. J, §5 (AMD). 2011, c. 439, §12 (AFF). 2011, c. 439, §2 (RPR). 2011, c. 694, §3 (RPR). 2013, c. 45, §4 (AMD).

§151-A. ADDITIONAL SAFEGUARDS

1. **Recording of interviews.** The State Tax Assessor, upon advance request, shall allow a taxpayer to make an audio recording of any in-person interview concerning the determination and collection of any tax. The recording must be made at the taxpayer's own expense and with that person's own equipment.

The State Tax Assessor may record the interview if the State Tax Assessor:

A. Informs the taxpayer of the recording prior to the interview; and [1989, c. 848, §4 (NEW).]

B. Upon request of the taxpayer, provides the taxpayer with a transcript or copy of the recording, but only if the taxpayer provides reimbursement for the cost of the transcription and reproduction of the transcript or copy. [1989, c. 848, §4 (NEW).]

[1989, c. 848, §4 (NEW) .]

2. **Representative of taxpayer.** The taxpayer may bring to any interview with the State Tax Assessor or to any proceeding pursuant to section 151-D any attorney, certified public accountant, enrolled agent, enrolled actuary or any other person permitted to represent the taxpayer. If the taxpayer does not bring anyone to the interview or proceeding but clearly states at any time during the interview or proceeding that the taxpayer wishes to consult with an attorney, certified public accountant, enrolled agent, enrolled actuary or any other person permitted to represent the taxpayer, the State Tax Assessor shall suspend the interview or the board shall suspend the proceeding. The suspension must occur even if the taxpayer has answered one or more questions before that point in the interview or proceeding. The interview must be rescheduled to be held within 10 working days.

[2013, c. 331, Pt. C, §4 (AMD); 2013, c. 331, Pt. C, §41 (AFF) .]

SECTION HISTORY
1989, c. 848, §4 (NEW). 2013, c. 45, §5 (AMD). 2013, c. 331, Pt. C, §4 (AMD). 2013, c. 331, Pt. C, §41 (AFF).

§151-B. INDEPENDENT APPEALS OFFICE

(REPEALED)

SECTION HISTORY
2011, c. 439, §3 (NEW). 2011, c. 439, §12 (AFF). 2011, c. 694, §4 (RP).

§151-C. TAXPAYER ADVOCATE

1. **Appointment.** The Commissioner of Administrative and Financial Services shall hire the taxpayer advocate as an employee of the bureau. The taxpayer advocate need not be an attorney.

[2011, c. 694, §5 (AMD) .]

2. **Duties and responsibilities.** The duties and responsibilities of the taxpayer advocate are to:

A. Assist taxpayers in resolving problems with the bureau; [2011, c. 439, §4 (NEW); 2011, c. 439, §12 (AFF).]

B. Identify areas in which taxpayers have problems in dealings with the bureau; [2011, c. 439, §4 (NEW); 2011, c. 439, §12 (AFF).]

C. Propose changes in the administrative practices of the bureau to mitigate problems identified under paragraph B; and [2011, c. 439, §4 (NEW); 2011, c. 439, §12 (AFF).]

D. Identify legislative changes that may be appropriate to mitigate problems identified under paragraph B. [2011, c. 439, §4 (NEW); 2011, c. 439, §12 (AFF).]

[2011, c. 439, §4 (NEW); 2011, c. 439, §12 (AFF) .]

3. **Annual report.** Beginning in 2012, the taxpayer advocate shall prepare and submit by August 1st an annual report of activities of the taxpayer advocate to the Governor, the assessor and the joint standing committee of the Legislature having jurisdiction over taxation matters.

[2011, c. 439, §4 (NEW); 2011, c. 439, §12 (AFF) .]

4. **Investigation.** The taxpayer advocate may investigate complaints affecting taxpayers generally or any particular taxpayer or group of taxpayers and, when appropriate, make recommendations to the assessor with respect to these complaints. The assessor shall provide a formal response to all recommendations submitted to the assessor by the taxpayer advocate within 3 months after submission to the assessor.

[2011, c. 439, §4 (NEW); 2011, c. 439, §12 (AFF) .]

5. **Response.** The assessor shall establish procedures to provide for a formal response to all recommendations submitted to the assessor by the taxpayer advocate.

[2011, c. 439, §4 (NEW); 2011, c. 439, §12 (AFF) .]

SECTION HISTORY
2011, c. 439, §4 (NEW). 2011, c. 439, §12 (AFF). 2011, c. 694, §5 (AMD).

§151-D. MAINE BOARD OF TAX APPEALS

1. **Board established.** The Maine Board of Tax Appeals, established in Title 5, section 12004-B, subsection 10, is established as an independent board within the Department of Administrative and Financial Services and is not subject to the supervision or control of the bureau. The purpose of the board is to provide taxpayers with a fair system of resolving controversies with the bureau and to ensure due process.

[2011, c. 694, §6 (NEW) .]

2. **Members; appointment.** The board consists of 3 members appointed by the Governor, subject to review by the joint standing committee of the Legislature having jurisdiction over taxation matters and confirmation by the Legislature. No more than 2 members of the board may be members of the same political party. The Governor shall designate one board member to serve as chair. The Governor may remove any member of the board for cause.

[2011, c. 694, §6 (NEW) .]

3. **Qualifications.** The members of the board must be residents of this State and must be selected on the basis of their knowledge of and experience in taxation. A member of the board may not hold any elective office or any public office involving assessment of taxes or administration of any of the tax laws of this State. At least one member must be an attorney. No more than 2 members may be attorneys.

[2011, c. 694, §6 (NEW) .]

4. **Terms.** Members of the board are appointed for terms of 3 years. A member may not serve more than 2 consecutive terms, plus any initial term of less than 3 years. A vacancy must be filled by the Governor for the unexpired term subject to review by the joint standing committee of the Legislature having jurisdiction over taxation matters and confirmation by the Legislature during the next legislative session.

[2011, c. 694, §6 (NEW) .]

5. **Quorum.** Two members of the board constitute a quorum. A vacancy in the board does not impair the power of the remaining members to exercise all the powers of the board.

[2011, c. 694, §6 (NEW) .]

6. **Compensation.** A member of the board is entitled to a per diem of $100. Board members receive reimbursement for their actual, necessary cash expenses while on official business of the board.

[2011, c. 694, §6 (NEW) .]

7. **Powers and duties.** The board has all powers as are necessary to carry out its functions. The board may be represented by legal counsel. The board may delegate any duties as necessary.

[2011, c. 694, §6 (NEW) .]

8. **Appeals office.** The board shall establish and maintain an office, referred to in this section as "the appeals office," in the City of Augusta to assist the board in carrying out the purposes of this section. The board may meet and conduct business at any place within the State.

[2011, c. 694, §6 (NEW) .]

9. **Chief Appeals Officer; appeals office.** The Commissioner of Administrative and Financial Services shall appoint the Chief Appeals Officer to assist the board and manage the appeals office. The Chief Appeals Officer must be a citizen of the United States and have substantial knowledge of tax law. The Chief Appeals Officer is an unclassified employee at salary range 33. The Chief Appeals Officer serves at the pleasure of the commissioner. The Chief Appeals Officer shall:

A. Subject to policies and procedures established by the board, manage the work of the appeals office and hire personnel, including subordinate appeals officers and other professional, technical and support personnel; [2011, c. 694, §6 (NEW).]

B. Assist the board in the development and implementation of rules, policies and procedures to carry out the provisions of this section and section 151 and comply with all applicable laws; [2011, c. 694, §6 (NEW).]

C. Prepare a proposed biennial budget for the board, including supplemental budget requests as necessary, for submission to and approval by the Commissioner of Administrative and Financial Services; [2011, c. 694, §6 (NEW).]

D. Attend all board meetings and maintain proper records of all transactions of the board; and [2011, c. 694, §6 (NEW).]

E. Perform other duties as the board and the Commissioner of Administrative and Financial Services may assign. [2011, c. 694, §6 (NEW).]

[2011, c. 694, §6 (NEW) .]

10. **Appeals procedures.** Appeals of tax matters arising under this chapter are conducted in accordance with this subsection.

A. If requested by a petitioner within 20 days of filing a statement of appeal, the appeals office shall hold an appeals conference to receive additional information and to hear arguments regarding the protested assessment or determination. The board shall set a rate of no more than $150 as a processing fee for each petition that proceeds to an appeals conference. These fees must be credited to a special revenue account to be used to defray expenses in carrying out this section. Any balance of these fees in the special revenue account does not lapse but is carried forward as a continuing account to be expended for the same purposes in the following years. [2013, c. 331, Pt. B, §1 (AMD).]

B. The appeals office shall provide a petitioner with at least 10 working days' notice of the date, time and place of an appeals conference. The appeals conference may be held with fewer than 10 working days' notice if a mutually convenient date, time and place can be arranged. [2011, c. 694, §6 (NEW).]

C. An appeals officer shall preside over an appeals conference. The appeals officer has the authority to administer oaths, take testimony, hold hearings, summon witnesses and subpoena records, files and documents the appeals officer considers necessary for carrying out the responsibilities of the board. [2011, c. 694, §6 (NEW).]

D. If a petitioner does not timely request an appeals conference, the appeals officer shall determine the matter based on written submissions by the petitioner and the division within the bureau making the original determination. [2013, c. 331, Pt. B, §2 (AMD).]

E. Both a petitioner and the assessor may submit to the appeals officer, whether or not an appeals conference has been requested, written testimony in the form of an affidavit, documentary evidence and written legal argument and written factual argument. In addition, if an appeals conference is held, both the petitioner and the assessor may present oral testimony and oral legal argument. The appeals officer need not observe the rules of evidence observed by courts, but shall observe the rules of privilege recognized by law. If the appeals officer considers it appropriate, the appeals officer may encourage the petitioner and the assessor to resolve disputed issues through settlement or stipulation. The appeals officer may limit the issues to be heard or vary any procedure adopted for the conduct of the appeals conference if the parties agree to that limitation. [2011, c. 694, §6 (NEW).]

F. Except when otherwise provided by law, a petitioner has the burden of proving, by a preponderance of the evidence, that the assessor has erred in applying or interpreting the relevant law. [2011, c. 694, §6 (NEW).]

G. The appeals officer shall exercise independent judgment. The appeals officer may not have any ex parte communications with or on behalf of any party, including the petitioner, the assessor or any other employee of the Department of Administrative and Financial Services except those employees in the appeals office; however, the appeals officer may have ex parte communication limited to questions that involve ministerial or administrative matters that do not address the substance of the issues or position taken by the petitioner or the assessor. [2011, c. 694, §6 (NEW).]

H. The appeals officer shall prepare a recommended final decision on the appeal for consideration by the board based upon the evidence and argument presented to the appeals officer by parties to the proceeding. The decision must be in written form and must state findings of fact and conclusions of law. The appeals officer shall deliver copies of the recommended final decision to the board. [2011, c. 694, §6 (NEW).]

I. The board shall consider the recommended final decision on a timely basis. The board may not have any ex parte communication with or on behalf of any party, including the petitioner, the assessor or any other employee of the Department of Administrative and Financial Services except those employees in the appeals office; however, the board may have ex parte communication limited to questions that involve ministerial or administrative matters that do not address the substance of the issue or position taken by the petitioner or assessor. After considering the recommended final decision, the board may:

(1) Adopt the recommended final decision as delivered by the appeals officer;

(2) Modify the recommended final decision;

(3) Send the recommended final decision back to the same appeals officer, if possible, for the taking of further evidence, for additional consideration of issues, for reconsideration of the application of law or rules or for such other proceedings or considerations as the board may specify; or

(4) Reject the recommended final decision in whole or in part and decide the appeal itself on the basis of the existing record.

A determination by the board is not an adjudicatory proceeding within the meaning of that term in the Maine Administrative Procedure Act. The decision, as adopted, modified or rejected by the board or appeals officer pursuant to this paragraph is the final administrative decision on the appeal and is subject to de novo review by the Superior Court. Either the taxpayer or the assessor may appeal the decision to the Superior Court and may raise on appeal in the Superior Court any facts, arguments or issues that relate to the final administrative decision, regardless of whether the facts, arguments or issues were raised during the proceeding being appealed, if the facts, arguments or issues are not barred by any other provision of law. The court shall make its own determination as to all questions of fact or law, regardless of whether the questions of fact or law were raised before the division within the bureau making the original determination or before the board. The burden of proof is on the taxpayer.

A person who wishes to appeal a decision adopted under this paragraph to the Superior Court must file a petition for review within 60 days after receipt of the board's decision. If a person does not file a request for review with the Superior Court within the time period specified in this paragraph, the decision becomes final and no further review is available. [2011, c. 694, §6 (NEW).]

Subject to any applicable requirements of the Maine Administrative Procedure Act, the board shall adopt rules to accomplish the purposes of this section. Those rules may define terms, prescribe forms and make suitable order of procedure to ensure the speedy, efficient, just and inexpensive disposition of all proceedings under this section. Rules adopted pursuant to this subsection are routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A.

Beginning in 2014 and annually thereafter, the board shall prepare and submit a report by January 1st on the activities of the board to the Governor, the assessor and the joint standing committee of the Legislature having jurisdiction over taxation matters.

[2013, c. 331, Pt. B, §§1, 2 (AMD) .]

SECTION HISTORY
2011, c. 694, §6 (NEW). 2013, c. 331, Pt. B, §§1, 2 (AMD).

§152. PAYMENT OF CONTESTED TAXES

A taxpayer may pay any tax, make any deposit or file any bond at any time without forfeiting any right to apply for a refund or an abatement or to seek review of the validity of the tax. No such tax, bond or deposit need be paid, filed or made under protest or under duress to entitle the taxpayer to apply for a refund or an abatement or to seek review of the validity of the tax. [1981, c. 364, §10 (NEW).]

SECTION HISTORY
1981, c. 364, §10 (NEW).

§153. TIME OF FILING OR PAYING

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 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 is deemed to have been filed or paid on the mailing date if the sender 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 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 such mailing. Any reference in this section to the United States Postal Service is deemed to include a reference to any delivery service designated by the United States Secretary of the Treasury pursuant to section 7502(f)(2) of the Code, and any reference in this section to a postmark of the United States Postal Service is deemed to include a reference to any date recorded or marked as described in section 7502(f)(2)(C) of the Code by any such designated delivery service.

[2001, c. 583, §2 (AMD) .]

2. **Weekends and holidays.** When the last day, including any extension of time, prescribed under this Title for the performance of an act falls on Saturday, Sunday or a legal holiday in this State, the performance of that act is timely if it occurs on the next succeeding day which is not a Saturday, Sunday or legal holiday in this State.

[1981, c. 364, §10 (NEW) .]

SECTION HISTORY
1981, c. 364, §10 (NEW). 1991, c. 846, §1 (AMD). 2001, c. 583, §2 (AMD).

§171. DEMAND LETTER

1. **Taxes imposed by this Title.** If any tax imposed by this Title is not paid on or before its due date and no further administrative or judicial review of the assessment is available under section 151, the assessor, within 3 years after administrative and judicial review have been exhausted, may give the taxpayer notice of the amount to be paid, specifically designating the tax, interest and penalty due, and demand payment of that amount within 10 days of that taxpayer's receipt of notice. The notice must be given by personal service or sent by certified mail. The notice must include a warning that, upon failure of that taxpayer to pay as demanded, the assessor may proceed to collect the amount due by any collection method authorized by this Title. The notice must also describe the procedures applicable to the levy and sale of property under section 176-A, the alternatives available to the taxpayer that could forestall levy on property, including installment

agreements, and the provisions of this Title relating to redemption of property and the release of the lien on property created by virtue of the levy. If the taxpayer has filed a petition for relief under the United States Bankruptcy Code, the running of the 3-year period of limitation imposed by this section is stayed until the bankruptcy case is closed or a discharge is granted, whichever occurs first.

[2011, c. 380, Pt. J, §6 (AMD) .]

2. **Other debts owed to State.** In the case of a fee, fine, penalty or other obligation first owed to the State on or after January 1, 1988 and authorized to be collected by the bureau, the assessor, within 3 years after the obligation is first placed with the bureau for collection, may give the taxpayer notice of the amount to be paid, including any interest and penalties provided by law, and demand payment of that amount within 10 days of that taxpayer's receipt of notice. The notice must be given by personal service or sent by certified mail. The notice must include a warning that, upon failure of that taxpayer to pay as demanded, the assessor may proceed to collect the amount due by any collection method authorized by section 175-A or 176-A. The notice must describe the procedures applicable to the levy and sale of property under section 176-A, the alternatives available to the taxpayer that could forestall levy on property, including installment agreements, and the provisions of this Title relating to redemption of property and the release of the lien on property created by virtue of the levy.

[2011, c. 380, Pt. J, §6 (AMD) .]

SECTION HISTORY
1985, c. 691, §3 (NEW). 1995, c. 281, §6 (AMD). 1997, c. 526, §9 (RPR). 1997, c. 668, §12 (AMD). 2001, c. 583, §3 (AMD). 2011, c. 380, Pt. J, §6 (AMD).

§172. DENIAL, SUSPENSION OR REVOCATION OF LICENSE

If any tax liability imposed under this Title that has become final, other than a liability for a tax imposed under Part 2, remains unpaid in an amount exceeding $1,000 for a period greater than 60 days after the taxpayer has received notice of that finality by personal service or certified mail, and the taxpayer fails to cooperate with the bureau in establishing and remaining in compliance with a reasonable plan for liquidating that liability, the State Tax Assessor shall certify the liability and lack of cooperation: [2011, c. 380, Pt. J, §7 (AMD).]

1. **Liquor licensee.** If the taxpayer is a liquor licensee, to the Department of Administrative and Financial Services, which shall construe that liability and lack of cooperation to be a ground for denying, suspending or revoking the taxpayer's liquor license in accordance with Title 28-A, section 707 and chapter 33; or

[2013, c. 368, Pt. V, §57 (AMD) .]

2. **Motor vehicle dealer.** If the taxpayer is a licensed motor vehicle dealer, to the Secretary of State, who shall construe that liability and lack of cooperation to be a ground for denying, suspending or revoking the taxpayer's motor vehicle dealer license in accordance with Title 29-A, section 903.

[1995, c. 65, Pt. A, §137 (AMD); 1995, c. 65, Pt. A, §153 (AFF); 1995, c. 65, Pt. C, §15 (AFF) .]

SECTION HISTORY
1981, c. 364, §11 (NEW). 1987, c. 45, §B6 (AMD). 1995, c. 65, §A137 (AMD). 1995, c. 65, §§A153,C15 (AFF). 1997, c. 373, §171 (AMD). 2003, c. 451, §T15 (AMD). 2011, c. 380, Pt. J, §7 (AMD). 2013, c. 368, Pt. V, §57 (AMD).

§173. COLLECTION BY WARRANT

1. **Request and issuance of warrant.** If the taxpayer does not make payment as demanded pursuant to section 171, the State Tax Assessor may file in the office of the clerk of the Superior Court of any county a certificate addressed to the clerk of that court specifying the amount of tax, interest and penalty which was demanded, the name and address of the taxpayer as it appears on the records of the State Tax Assessor, the facts whereby the amount has become due, and the notice given and requesting that a warrant be issued against the taxpayer in the amount of the tax, penalty and interest set forth in the certificate and with costs. If the State Tax Assessor reasonably believes that the taxpayer may abscond within the 10-day period provided by section 171, he may, without giving notice to or making demand upon the taxpayer, request immediate issuance of a warrant. Immediately upon the filing of the certificate, the clerk of the Superior Court shall issue a warrant in favor of the State against the taxpayer in the amount of tax, interest and penalty set forth in the certificate and with costs.

[1985, c. 691, §4 (NEW) .]

2. **Effect of warrant.** The warrant shall have the force and effect of an execution issued upon a judgment in a civil action for taxes and may be served in the county where the taxpayer may be found by the sheriff of that county or his deputies or by any agent of the State Tax Assessor authorized under section 112, subsection 6 to collect any tax imposed by this Title. In the execution of the warrant and collection of taxes pursuant to this Title, including supplementary disclosure proceedings for that purpose under Title 14, chapter 502, an agent of the State Tax Assessor shall have the powers of a sheriff and shall be entitled to collect from the debtor the same fees and charges permitted to a sheriff. Any such fees and charges collected by that agent shall be remitted promptly to the State.

[1985, c. 691, §4 (NEW) .]

Warrants are returnable within 5 years of issuance. New warrants may be issued for collection of sums remaining unsatisfied, upon the filing of the certificate described in subsection 1, within 2 years from the return day of the last preceding warrant. [1989, c. 880, Pt. C, §1 (AMD).]

SECTION HISTORY
1985, c. 691, §4 (NEW). 1989, c. 880, §C1 (AMD).

§174. COLLECTION BY CIVIL ACTION

1. **Generally.** If a taxpayer fails to pay a tax imposed by this Title on or before the due date of that tax, the State Tax Assessor, through the Attorney General, may commence a civil action within 6 years after receipt by the taxpayer of the demand notice required by section 171 in a court of competent jurisdiction in this State in the name of the State for the recovery of that tax. In this action, the certificate of the assessor showing the amount of the delinquency is prima facie evidence of the levy of the tax, of the delinquency and of the compliance by the assessor with this Title in relation to the assessment of the tax.

[2001, c. 583, §4 (AMD) .]

2. **Other jurisdictions.** The Attorney General may bring civil actions in the courts of other states in the name of this State or any of its tax-collecting agencies to collect taxes legally due this State or those agencies.

[1981, c. 364, §12 (NEW) .]

3. **Comity.** The courts of this State shall recognize and enforce liabilities for taxes lawfully imposed by another state to the same extent that the laws of that other state permit the enforcement in its courts of tax liabilities arising under this Title. The duly authorized officer of any such state may sue for the collection of

such a tax in the courts of this State. A certificate by the Secretary of State of such other state that an officer suing for the collection of such a tax is duly authorized to collect the tax shall be conclusive proof of that authority.

[1981, c. 364, §12 (NEW) .]

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.

[1991, c. 846, §2 (NEW) .]

SECTION HISTORY
1981, c. 364, §12 (NEW). 1991, c. 846, §2 (AMD). 1995, c. 639, §2 (AMD). 2001, c. 583, §4 (AMD).

§175. APPLICANTS FOR LICENSE OR RENEWAL OF LICENSE

1. **Information provided to State Tax Assessor.** Every department, board, commission, division, authority, district or other agency of the State issuing or renewing a license or other certificate of authority to conduct a profession, trade or business shall annually, on or before April 1st, provide to the State Tax Assessor, in such form as the assessor may prescribe, a list of all licenses or certificates of authority issued or renewed by that agency during the preceding calendar year. The list provided to the State Tax Assessor must contain the name, address, Social Security or federal identification number of the licensees and such other identifying information as the State Tax Assessor may adopt by rule. Notwithstanding other provisions of law, all persons seeking a license or certificate of authority or a renewal shall provide and the responsible agency shall collect the information required by the State Tax Assessor under this section. Failure by persons to provide a licensing or certifying agency that information results in an automatic denial of any request for a license or certificate of authority or a renewal.

[1991, c. 820, §1 (AMD) .]

2. **Failure to file or pay taxes; determination to prevent renewal, reissuance or other extension of license or certificate.** If the assessor determines that a person who holds a license or certificate of authority issued by this State to conduct a profession, trade or business has failed to file a return at the time required under this Title or to pay a tax liability due under this Title that has been demanded, other than taxes due pursuant to Part 2, and the person continues to fail to file or pay after at least 2 specific written notices, each giving 30 days to respond, have been sent by first-class mail, then the assessor shall notify the person by certified mail or personal service that continued failure to file the required tax return or to pay the overdue tax liability may result in loss of the person's license or certificate of authority. If the person continues for a period in excess of 30 days from notice of possible denial of renewal or reissuance of a license or certificate of authority to fail to file or show reason why the person is not required to file or if the person continues not to pay, the assessor shall notify the person by certified mail or personal service of the assessor's determination to prevent renewal, reissuance or extension of the license or certificate of authority by the issuing agency. A review of this determination is available by requesting reconsideration as provided in section 151. Either by failure to proceed to the next step of appeal or by exhaustion of the steps of appeal, the determination to prevent renewal or reissuance of the license or certificate of authority becomes final unless otherwise determined on appeal. In any event, the license or certificate of authority remains in effect until all appeals have been taken to their final conclusion.

[2013, c. 331, Pt. C, §5 (AMD); 2013, c. 331, Pt. C, §41 (AFF) .]

3. **Refusal to renew, reissue or otherwise extend license or certificate.** Notwithstanding any other provision of law, any issuing agency that is notified by the State Tax Assessor of the assessor's final determination to prevent renewal or reissuance of a license or certificate of authority under subsection 2 shall refuse to reissue, renew or otherwise extend the license or certificate of authority. Notwithstanding Title 5, sections 10003 and 10005, an action by an issuing agency pursuant to this subsection is not subject to the requirements of Title 5, chapter 375, subchapters IV and VI, and no hearing by the issuing agency or in District Court is required. A refusal by an agency to reissue, renew or otherwise extend the license or certificate of authority is deemed a final determination within the meaning of Title 5, section 10002.

[1991, c. 820, §3 (RPR); 1999, c. 547, Pt. B, §78 (AMD); 1999, c. 547, Pt. B, §80 (AFF) .]

4. **Subsequent reissuance, renewal or other extension of license or certificate.** The agency may reissue, renew or otherwise extend the license or certificate of authority in accordance with the agency's statutes and rules after the agency receives a certificate issued by the State Tax Assessor that the person is in good standing with respect to all returns due or with respect to any tax due as of the date of issuance of the certificate. An agency may waive any applicable requirement for reissuance, renewal or other extension if it determines that the imposition of that requirement places an undue burden on the person and that a waiver of the requirement is consistent with the public interest.

[1991, c. 820, §4 (NEW) .]

5. **Financial institutions excluded.** This section does not apply to any registration, permit, order or approval issued pursuant to Title 9-B.

[1991, c. 820, §4 (NEW) .]

6. **Certificate of good standing.** The assessor must issue a certificate of good standing to the person conditioned upon the person's agreement to complete obligations under this Title. If the person fails to complete obligations under this Title in accordance with that agreement, the assessor may notify the person and the issuing agency of the assessor's determination to revoke the license or certificate of authority. A review of this determination is available by requesting reconsideration as provided in section 151. Either by failure to proceed to the next step of appeal or by exhaustion of the steps of appeal, the determination to revoke the license or certificate of authority becomes final unless otherwise determined on appeal. The issuing agency, on receipt of notice that the determination to revoke the license or certificate of authority has become final, shall revoke the license or certificate of authority within 30 days. The assessor and the licensee may agree to nonbinding mediation for an agreement to complete obligations under this Title.

[2013, c. 331, Pt. C, §6 (AMD); 2013, c. 331, Pt. C, §41 (AFF) .]

SECTION HISTORY
1985, c. 678, (NEW). 1985, c. 691, §5 (NEW). 1987, c. 402, §A178 (RPR). 1989, c. 880, §C2 (AMD). 1991, c. 820, §§1-4 (AMD). 1993, c. 377, §§1,2 (AMD). 1999, c. 547, §B78 (AMD). 1999, c. 547, §B80 (AFF). 2009, c. 496, §§4, 5 (AMD). 2011, c. 380, Pt. J, §8 (AMD). 2013, c. 331, Pt. C, §§5, 6 (AMD). 2013, c. 331, Pt. C, §41 (AFF).

§175-A. TAX LIEN

1. **Filing.** If any tax imposed by this Title or imposed by any other provision of law and authorized to be collected by the bureau is not paid when due and no further administrative or judicial review of the assessment is available pursuant to law, the assessor may file in the registry of deeds of any county, with respect to real property, or in the office of the Secretary of State, with respect to property of a type a security interest in which may be perfected by a filing in such office under Title 11, Article 9-A, a notice of lien

specifying the amount of the tax, interest, penalty and costs due, the name and last known address of the person liable for the amount and, in the case of a tax imposed by this Title, the fact that the assessor has complied with all the provisions of this Title in the assessment of the tax. The lien arises at the time the assessment becomes final and constitutes a lien upon all property, whether real or personal, then owned or thereafter acquired by that person in the period before the expiration of the lien. The lien imposed by this section is not valid against any mortgagee, pledgee, purchaser, judgment creditor or holder of a properly recorded security interest until notice of the lien has been filed by the assessor, with respect to real property, in the registry of deeds of the county where such property is located and, with respect to personal property, in the office in which a financing statement for such personal property is normally filed. Notwithstanding this subsection, a tax lien upon personal property does not extend to those types of personal property not subject to perfection of a security interest by means of the filing in the office of the Secretary of State. The lien is prior to any mortgage or security interest recorded, filed or otherwise perfected after the notice, other than a purchase money security interest perfected in accordance with Title 11, Article 9-A. In the case of any mortgage or security interest properly recorded or filed prior to the notice of lien that secures future advances by the mortgagee or secured party, the lien is junior to all advances made within 45 days after filing of the notice of lien, or made without knowledge of the lien or pursuant to a commitment entered into without knowledge of the lien. Subject to the limitations in this section, the lien provided in this section has the same force, effect and priority as a judgment lien and continues for 10 years from the date of recording unless sooner released or otherwise discharged. The lien may, within the 10-year period, or within 10 years from the date of the last extension of the lien in the manner provided in this subsection, be extended by filing for record in the appropriate office a copy of the notice and, from the time of filing, that lien must be extended for 10 years unless sooner released or otherwise discharged.

[1999, c. 699, Pt. D, §26 (AMD); 1999, c. 699, Pt. D, §30 (AFF) .]

2. **Release.** The assessor shall issue to the taxpayer a certificate of release of the lien or release all or any portion of the property subject to any lien provided for in this Part or subordinate the lien to other liens if:

A. The assessor finds that the liability for the amount demanded, together with costs, has been satisfied or has become unenforceable by reason of lapse of time; [1997, c. 526, §10 (AMD).]

B. A bond is furnished to the assessor with surety approved by the assessor in a sum sufficient to equal the amount demanded, together with costs, and conditioned upon payment of any judgment rendered in proceedings regularly instituted by the assessor to enforce collection of the bond at law or of any amount agreed upon in writing by the assessor to constitute the full amount of the liability; [1997, c. 526, §10 (AMD).]

C. The assessor determines at any time that the interest of this State in the property has no value; or [1997, c. 526, §10 (AMD).]

D. The assessor determines that the taxes are sufficiently secured by a lien on other property of the taxpayer or that the release or subordination of the lien will not endanger or jeopardize the collection of the taxes. [1997, c. 526, §10 (AMD).]

[1997, c. 526, §10 (AMD) .]

3. **Enforcement.** The lien provided for by subsection 1 may be enforced at any time after the tax liability with respect to which the lien arose becomes collectible under section 173, subsection 1 by a civil action brought by the Attorney General in the name of the State in the Superior Court of the county in which the property is located to subject any property, of whatever nature, in which the taxpayer has any right, title or interest, to the payment of such tax or liability. The court shall, after the parties have been duly notified of the action, proceed to adjudicate all matters involved in the action and finally determine the merits of all claims to and liens upon the property and, in all cases where a claim or interest of the State therein is established, may

decree a sale of the property by the proper officer of the court and a distribution of the proceeds of such sale according to the findings of the court. If the property is sold to satisfy a lien held by the State, the State may bid at the sale such sum, not exceeding the amount of that lien plus expenses of sale, as the assessor directs.

[1997, c. 526, §10 (AMD) .]

4. **Recording fees part of tax liability.** Fees paid by the assessor to registrars of deeds for recording notices of lien pursuant to subsection 1 and notices of release of a lien pursuant to subsection 2 may be added to the tax liability that gave rise to the lien and, in the case of a tax imposed by this Title, may be collected by all the methods provided for in chapter 7. In the case of other obligations owed to the State and authorized to be collected by the bureau, the fees may be collected by any collection method authorized by this section or section 176-A.

[1997, c. 1, §28 (COR) .]

SECTION HISTORY
1987, c. 402, §A179 (NEW). 1993, c. 395, §§3-5 (AMD). 1995, c. 281, §7 (AMD). RR 1997, c. 1, §28 (COR). 1997, c. 526, §10 (AMD). 1999, c. 699, §D26 (AMD). 1999, c. 699, §D30 (AFF).

§176. LEVY

(REPEALED)

SECTION HISTORY
1985, c. 691, §5 (NEW). 1987, c. 497, §§2,3 (AMD). 1987, c. 772, §3 (AMD). 1989, c. 880, §E2 (RP).

§176-A. LEVY UPON PROPERTY

1. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Delinquent," when used to refer to a tax imposed by this Title, means a tax liability reported by a taxpayer or a tax assessed by the assessor that is not paid by its due date and to which no further administrative or judicial review is available pursuant to section 151. "Delinquent" may also refer to any other obligation owed to the State and authorized to be collected by the bureau or to a taxpayer liable for delinquent taxes. [1997, c. 526, §11 (AMD).]

B. "Levy" means an administrative power to collect delinquent taxes through the means prescribed by this section, or the exercise of that power. The power to levy includes the power of distraint by any lawful means, the power to sell the property and the power to release the levy when it is no longer necessary or appropriate to further the process of collecting delinquent taxes. Exercise of the levy power creates a lien and makes the assessor a judgment creditor.

Except with respect to intangible personal property, a levy extends only to property possessed and obligations existing at the time the levy is made. A levy with respect to intangible personal property has the effect set forth in subsection 2, paragraph E. [1989, c. 880, Pt. E, §3 (NEW).]

B-1. "Notice" means written notification served personally or sent by certified mail, except with respect to notice to a person who has consented in writing to some other means of notification. [2011, c. 380, Pt. J, §9 (NEW).]

C. "Property" means any right, title and interest held in property by a delinquent taxpayer, whether real or personal, tangible or intangible, located within this State. [1989, c. 880, Pt. E, §3 (NEW).]

D. [2011, c. 380, Pt. J, §10 (RP).]

[2011, c. 380, Pt. J, §§9, 10 (AMD) .]

2. **Levy upon property for payment of delinquent tax.** The procedure for the levy upon property for payment of delinquent tax is as follows.

A. [2001, c. 583, §5 (RP).]

B. If a person liable to pay any delinquent tax neglects or refuses to pay that tax within 10 days after receipt of notice pursuant to section 171, the State Tax Assessor may collect the tax and an additional amount sufficient to cover the expenses of the levy, by levy upon all property belonging to that person except as provided in subsection 5. If the assessor makes a determination of jeopardy pursuant to section 145, having given notice of that determination and made demand for immediate payment of that tax, the assessor may proceed immediately without regard to the 10-day period provided in section 171 to collect by levy the tax and an additional amount sufficient to cover the expenses of the levy. [2009, c. 434, §8 (AMD).]

C. If any property upon which levy has been made is not sufficient to satisfy the claim of the State, the assessor may, thereafter and as often as necessary, proceed to levy upon any other property of the person against whom the claim exists liable to levy until the amount due together with all expenses is fully paid. [2001, c. 583, §5 (AMD).]

D. The assessor shall promptly release a levy made pursuant to this section when the liability giving rise to the levy is satisfied or becomes unenforceable due to lapse of time and shall then promptly notify the person upon whom the levy is made that the levy has been released. [2001, c. 583, §5 (AMD).]

E. The effect of a levy on salary or wages payable to or received by a taxpayer is continuous from the date the levy is first made until the liability giving rise to the levy is satisfied. Except as otherwise provided by this paragraph, a levy on any other intangible personal property or rights to intangible personal property remains in effect until one year after the date that notice of levy under subsection 3, paragraph A is received by the person in possession of or liable to the taxpayer with respect to intangible personal property, including property that is first possessed or liabilities that arise after the date of receipt of the notice of levy. In the case of a levy upon property held by a financial institution described in subsection 3, paragraph A, the levy extends only to accounts in existence on the date the notice of levy is received by the financial institution, but includes deposits made or collected in those accounts after the notice of levy is received. A levy on intangible personal property or rights to intangible personal property, ownership of which is disputed on the date that notice the levy is received, remains in effect until one year after the dispute is resolved. [2011, c. 380, Pt. J, §11 (AMD).]

[2011, c. 380, Pt. J, §11 (AMD) .]

3. **Surrender of property or discharge of obligation; exceptions; personal liability; penalty.** A surrender of property or discharge of obligation is governed by this subsection.

A. Except as otherwise provided in paragraph B, any person who is in possession of, or obligated with respect to, property or rights to property subject to levy upon which a levy has been made shall, upon demand of the assessor, surrender the property or rights or discharge the obligation to the assessor within 21 days after receipt of the notice of levy, except that part of the property or rights that is, at the time of the demand, subject to an attachment or execution under judicial process. It is a defense to the liability imposed by this subsection that the person who fails to comply with the terms of a notice of levy or that person's bailor has a valid claim against the delinquent taxpayer that accrued prior to receipt of the notice of levy or a valid security interest or lien upon the property of the taxpayer that was perfected prior to receipt of the notice of levy; but this defense is available only to the extent of that claim, security interest or lien.

Any financial institution chartered under state or federal law, including, but not limited to, trust companies, savings banks, savings and loan associations, national banks and credit unions, shall surrender to the assessor any deposits, including any interest in the financial institution that would otherwise be required to be surrendered under this subsection only after 21 days after receipt of the notice of levy, but not later than 30 days after receipt of the notice of levy. Except as provided in subsection 5, paragraph D, with respect to a levy on salary or wages, any person in possession of, or obligated with respect to, property subject to a continuing levy against intangible personal property, which property is first possessed or which obligation first arises subsequent to receipt of a notice of levy by that person, shall, upon demand of the assessor, surrender the property or rights, or discharge the obligation to the assessor within 30 days after the property is first possessed or the obligation first arises. [2011, c. 380, Pt. J, §12 (AMD).]

B. A levy with respect to a life insurance or endowment contract is governed by this paragraph.

(1) A levy on an organization with respect to a life insurance or endowment contract issued by that organization, without necessity for the surrender of the contract document, constitutes a demand by the assessor for payment of the amount described in subparagraph (2) and the exercise of the right of the person against whom the tax is assessed to the advance of that amount. The organization shall pay over the amount no later than 90 days after receipt of the notice of levy. Notice must include a certification by the assessor that a copy of the notice has been mailed to the person against whom the tax is assessed at that person's last known address.

(2) A levy under this paragraph is deemed to be satisfied if the organization pays over to the assessor the amount that the organization could have advanced to the person against whom the tax is assessed on the date prescribed in subparagraph (1) for the satisfaction of the levy, increased by the amount of any advance, including contractual interest, made to the person on or after the date the organization received notice or otherwise had knowledge of the existence of the lien with respect to which the levy is made, other than an advance, including contractual interest, made automatically to maintain the contract in force under an agreement entered into before the organization received such notice or had such knowledge.

(3) The satisfaction of a levy under subparagraph (2) is without prejudice to any civil action for the enforcement of any lien imposed by section 175-A with respect to the contract. [2011, c. 380, Pt. J, §12 (AMD).]

C. Any person who fails or refuses to surrender any property or rights to property, subject to levy, upon demand by the assessor:

(1) Is liable in person and estate to the State in a sum equal to the value of the property not so surrendered, but not exceeding the amount of taxes for the collection of which the levy has been made, together with costs and interest at the rate determined pursuant to section 186 on the sum from the date of the levy. Any amount, other than costs, recovered under this paragraph must be credited against the tax liability for the collection of which the levy was made; and

(2) Without reasonable cause, is liable for a penalty equal to 50% of the amount recoverable under subparagraph (1). A part of the penalty may not be credited against the tax liability for the collection of which the levy was made.

The assessor may collect the liability established by this paragraph by assessment and collection in the manner described in this Part. [2011, c. 380, Pt. J, §12 (AMD).]

D. Any person in possession of, or obligated with respect to, property subject to levy upon which a levy has been made, who, upon demand by the assessor, surrenders that property or rights to that property, or discharges the obligation to the assessor, or who pays a liability under paragraph C, subparagraph (1) is discharged from any obligation or liability to the delinquent taxpayer with respect to the property arising

from the surrender or payment. In the case of a levy satisfied pursuant to paragraph B, the organization is discharged from any obligation or liability to any beneficiary arising from the surrender or payment. [1989, c. 880, Pt. E, §3 (NEW).]

[2011, c. 380, Pt. J, §12 (AMD) .]

4. **Books or records relating to property subject to levy.** If a levy has been made or is about to be made on any property, any person having custody or control of any books or records containing evidence or statements relating to the property subject to levy shall, upon demand of the assessor, exhibit those books and records to the assessor. Failure to comply with such an order is a Class E crime.

[1989, c. 880, Pt. E, §3 (NEW) .]

5. **Exempt property.** This subsection governs property exempt from levy.

A. The following property is exempt from levy:

(1) Items of wearing apparel and school books necessary for the taxpayer or the members of the taxpayer's family;

(2) If the taxpayer is the head of a family, the fuel, provisions, furniture and personal effects in the taxpayer's household, arms for personal use, livestock and poultry of the taxpayer, the total value of which does not exceed $1,500;

(3) Books and tools necessary for the trade, business or profession of the taxpayer, the value of which, in the aggregate, does not exceed $1,000;

(4) Any amount payable to the taxpayer with respect to the taxpayer's unemployment, including any portion payable with respect to dependents, under an unemployment compensation law of the United States or any state;

(5) Mail, addressed to any person, that has not been delivered to the addressee;

(6) Annuity or pension payments under the federal Railroad Retirement Act of 1974, 45 United States Code, Chapter 9, Subchapter IV, benefits under the federal Railroad Unemployment Insurance Act, 45 United States Code, Chapter 11, special pension payments received by a person whose name has been entered on the Army, Navy, Air Force and Coast Guard Medal of Honor Roll, 38 United States Code, Chapter 15, Subchapter IV and annuities based on retired or retainer pay under 10 United States Code, Chapter 73 (1982);

(7) If the taxpayer is required by judgment of a court of competent jurisdiction, entered prior to the date of levy, to contribute to the support of minor children, as much of the taxpayer's salary, wages or other income as is necessary to comply with that judgment;

(8) Any amount payable to or received by a taxpayer as wages or salary for personal services, during any period, to the extent that the total of the amounts payable to or received by the taxpayer during that period does not exceed the applicable exempt amount determined under paragraph D; and

(9) The principal residence of the taxpayer, unless the assessor has made a determination of jeopardy pursuant to section 145 or the assessor personally approves in writing the levy of that property. [2009, c. 434, §9 (AMD).]

B. The officer seizing property of the type described in paragraph A shall appraise and set aside to the owner the amount of the property declared to be exempt. If the taxpayer objects at the time of the seizure to the valuation fixed by the officer making the seizure, the assessor shall summon 3 disinterested individuals who shall make the valuation. [1989, c. 880, Pt. E, §3 (NEW).]

C. Notwithstanding any other law, no property or rights to property are exempt from levy other than the property specifically made exempt by paragraph A. [1989, c. 880, Pt. E, §3 (NEW).]

D. A levy upon salary and wages must specify the amount of percentage to be surrendered and delivered to the assessor by the taxpayer's employer for each pay period, consistent with the provisions of this paragraph. Salaries and wages are exempt from levy to the extent of 75% of the taxpayer's disposable earnings for any pay period, or an amount equal to the federal minimum hourly wage multiplied by 30, multiplied by the number of weeks in the pay period, whichever is less. A levy on salaries and wages is continuous from the date on which the notice of levy is received until the delinquency is discharged and applies to all pay periods commencing after that date. The assessor shall notify the taxpayer's employer as soon as practicable upon discharge of the delinquency that the levy has been discontinued. [2011, c. 380, Pt. J, §13 (AMD).]

[2011, c. 380, Pt. J, §13 (AMD) .]

6. **Seizure of property; notice; sale.** Seizure, notice of seizure and sale of seized property are governed by this subsection.

A. As soon as practicable after seizure of property, the assessor shall give notice to the owner of the property, or, in the case of personal property, the possessor of the property, or leave notice at the owner's or possessor's usual place of abode or business, if any, within the State. If the owner or possessor cannot be readily located, or has no dwelling or place of business within the State, the notice may be sent by first-class mail. In the case of real property, the notice must be filed in the registry of deeds in the county where the property is located. The notice must specify the sum demanded and contain:

(1) In the case of personal property, an account of the property seized; and

(2) In the case of real property, a description with reasonable certainty of the property seized.

In the case of levy on a motor vehicle that is the subject of a Certificate of Title issued by the Secretary of State, a copy of the notice must be filed with the Secretary of State, who shall note the levy in the records of ownership of the motor vehicle in question. In the case of levy on that type of personal property, a security interest in which may be perfected by filing in the office of the Secretary of State, a copy of the notice must be filed in the office of the Secretary of State, who shall file the notice of levy as a financing statement. [2011, c. 380, Pt. J, §14 (AMD).]

B. The assessor, as soon as practicable after the seizure of property, shall cause a notice to be published in a newspaper of general circulation within the county where the seizure is made, or, if there is no such newspaper, post the notice at the city or town hall nearest the place where the seizure is made and in at least 2 other public places. In the case of real property, the notice must be sent by certified mail to all persons holding an interest of record, including, without limitation, recorded leases and security interest of all types, in the property as reflected at the time the notice of levy is recorded by the indices of the registry of deeds in the county where the property is located. In the case of a motor vehicle subject to a certificate of title issued by the Secretary of State, notice must be sent by certified mail to all persons holding a security interest of record in the motor vehicle as set forth in the records of the Secretary of State. In the case of personal property that is the subject of a security interest perfected by filing in the office of the Secretary of State, notice must be sent by certified mail to all secured parties claiming an interest in the property seized as reflected at the time the notice of levy is recorded in the records maintained by the Secretary of State pursuant to Title 11. The notice must specify the property to be sold, subject to the liabilities of prior encumbrances, if any, and the time, place, manner and conditions of the sale. If levy is made without regard to the 10-day period provided in section 171, public notice of sale of the property seized may not be made within the 10-day period unless subsection 7 applies. It is a Class E crime to intentionally remove or deface the posted notice of sale prior to the scheduled sale date, unless the property has been redeemed or the sale is for some other reason canceled. The assessor or any law enforcement officer may enter onto the land if necessary to carry out the purposes of this section. [2011, c. 380, Pt. J, §15 (AMD).]

C. If any property liable to levy is not divisible to enable the assessor by sale of a part of the property to raise the whole amount of the tax and expenses, the whole property must be sold. [1989, c. 880, Pt. E, §3 (NEW).]

D. The time of sale may be not less than 10 days nor more than 40 days from the time of giving notice under paragraph B. The sale may be adjourned from time to time but adjournments may not be for a period to exceed a total of 30 days. Notice of any adjournments of the sale must be posted in the public places within the county where the notice prescribed in paragraph B was posted. [1989, c. 880, Pt. E, §3 (NEW).]

E. Before the sale, the assessor shall determine a minimum price for which the property must be sold. If no person offers the amount of the minimum price for the property, the property is declared to be purchased at that price for the State; otherwise the property is declared to be sold to the highest bidder. In determining the minimum price, the assessor shall take into account the expense of making the levy and sale.

(1) The assessor may by rule prescribe the manner and other conditions of the sale of property seized by levy or purchased by the sale.

(2) If payment in full is required at the time of acceptance of a bid and is not paid at that time, the assessor shall forthwith proceed to again sell the property in the manner provided in this subsection. If the conditions of the sale permit part of the payment to be deferred, and if a deferred part is not paid within the prescribed period:

(a) Suit may be instituted against the purchaser for the purchase price or the part of the price that has not been paid, together with interest from the date of the sale; or

(b) In the discretion of the assessor, the sale may be declared by the assessor to be void for failure to make full payment of the purchase price and the property may again be advertised and sold as provided in this subsection. In the event of a readvertisement and sale, any new purchaser receives the property, or rights to the property, free and clear of any claim or right to the former defaulting purchaser, of any nature whatsoever, and the amount paid on the bid price by the defaulting purchaser is forfeited.

(3) Only the right, title and interest of the delinquent taxpayer in and to the property seized may be offered for sale, and the interest must be offered subject to any prior outstanding mortgage, encumbrances, or other liens in favor of 3rd parties that are valid as against the delinquent taxpayer and are superior to the lien of the State. All seized properties must be offered for sale "as is" and "where is" and without recourse against the State. No guarantee or warranty, express or implied, may be made by the officer offering the property for sale, as to the validity of title, quality, quantity, weight, size or condition of any of the property or its fitness for any use or purpose. No claim may be considered for allowance or adjustment or for recision of the sale based upon failure of the property to conform with any representation, express or implied. [1989, c. 880, Pt. E, §3 (NEW).]

[2011, c. 380, Pt. J, §§14, 15 (AMD) .]

7. **Disposition of hard to keep property; notice to owner; public sale.** If the assessor determines that any property seized is liable to perish or become greatly reduced in price or value by keeping, or that the property cannot be kept without great expense, the assessor shall appraise the value of the property and, if the owner of the property can be readily found, shall give the owner notice of determination of the appraised value of the property. The property must be returned to the owner if within such time as may be specified in the notice the owner either pays to the assessor an amount equal to the appraised value, or gives bond in such form with such sureties, and in such amount as the assessor prescribes, to pay the appraised amount at such time as the assessor determines to be appropriate in the circumstances.

If the owner does not pay the amount or furnish bond in accordance with this section, the assessor shall, as soon as practicable, make public sale of the property in accordance with any rules prescribed by the assessor.

[1989, c. 880, Pt. E, §3 (NEW) .]

8. **Junior encumbrances; priority of encumbrances.** Priority of encumbrances is governed by this subsection.

A. A deed to real property executed pursuant to subsection 11 discharges the property from all liens and encumbrances over which the levy had priority. [1989, c. 880, Pt. E, §3 (NEW).]

B. The filing of the notice of levy provided in subsection 6, paragraph A perfects the lien of the State created under subsection 1, paragraph B with respect to the types of property covered by such a filing under subsection 6, paragraph A. A levy and lien not covered by the filing provisions of subsection 6, paragraph A is perfected by possession by the assessor or by demand upon a 3rd party holding the property under subsection 3, paragraphs A or B, whichever occurs first. The priority of the lien perfected by a filing under subsection 6, paragraph A is determined pursuant to section 175-A as if the notice of levy had been filed as a notice of lien. The lien of any other levy has priority over any interest that is perfected after the lien of the State is perfected by possession or demand. [1989, c. 880, Pt. E, §3 (NEW).]

[1989, c. 880, Pt. E, §3 (NEW) .]

9. **Redemption of property.** A right of redemption exists according to this subsection.

A. Any person whose property has been levied upon and any person having a valid lien upon such property has the right to pay the amount due, together with the expenses of the proceeding, if any, to the assessor at any time prior to the sale of the property. Upon payment, the assessor shall restore the property to the taxpayer, and all further proceedings in connection with the levy must cease from the time of that payment. [1989, c. 880, Pt. E, §3 (NEW).]

B. The owners of any property sold as provided in subsection 6, their heirs, executors or administrators, or any person having any interest in or lien on the sold property, or any person in their behalf, are permitted to redeem the property sold at any time within 90 days after the sale of the property. The property may be redeemed upon payment to the assessor, for the use of the purchaser, or the heirs or assigns of the purchaser, of the amount paid by the purchaser and interest on that amount at the rate of interest established pursuant to section 186, together with the expenses of the proceeding. [1993, c. 395, §4 (AMD).]

[1993, c. 395, §4 (AMD) .]

10. **Certificates of sale; execution of deeds.** The assessor shall give the purchaser of property, sold as provided in subsection 6, a certificate of sale upon payment in full of the purchase price. In the case of real property, the certificate must set forth the real property purchased, for whose taxes the property was sold, the name of the purchaser and the price paid for the property.

A. In the case of any real property sold as provided in subsection 6 and not redeemed in the manner and within the time provided in subsection 9, the assessor shall execute to the purchaser of the real property, upon surrender of the certificate of sale by the purchaser, a deed of the real property stating the facts set forth in the certificate. [1989, c. 880, Pt. E, §3 (NEW).]

B. If real property is declared purchased by the State at a sale pursuant to subsection 6, the assessor shall, at the proper time, execute a deed for the property, and without delay cause the deed to be duly recorded in the proper registry of deeds. [1989, c. 880, Pt. E, §3 (NEW).]

[1989, c. 880, Pt. E, §3 (NEW) .]

11. **Effect of certificates of sale and deeds.** Certificates of sale and deeds have the following effects.

A. In cases of sale of property, other than real property, pursuant to subsections 6 and 7, the certificate of sale:

(1) Is prima facie evidence of the right of the assessor to make the sale and conclusive evidence of the regularity of proceedings in making the sale;

(2) Transfers to the purchaser of all right, title and interest of the delinquent party in and to the property sold subject to the applicable redemption period and subject to all senior liens determined under subsection 8, paragraph B. In the case of personal property, the assessor shall provide a final validation stamp following the expiration of the redemption period if the property is not redeemed;

(3) If the property consists of stocks, constitutes notice, when received, to any corporation, company or association of the transfer, and gives authority to the corporation, company or association to record the transfer in the same manner as if the stocks were transferred or assigned by the party holding them in lieu of any original or prior certificate, which is void, whether or not the certificate is canceled;

(4) If the subject of sale is securities or other evidences of debt, constitutes a valid receipt to the person holding the securities or evidences of debt, against any person holding or claiming to hold possession of the securities or other evidences of debt; and

(5) If the property consists of a motor vehicle, constitutes notice, when received, to the Secretary of State, or to any public official charged with the registration of title to motor vehicles in any other state, of the transfer and gives authority to the Secretary of State or other official to record the transfer in the same manner as if the certificate of title to the motor vehicle were transferred or assigned by the party holding the certificate in lieu of any original or prior certificate, which is void, whether or not the certificate is canceled. [1989, c. 880, Pt. E, §3 (NEW).]

B. In the case of the sale of real property pursuant to subsection 6, the deed of sale given pursuant to subsection 10, paragraph A, is prima facie evidence of the facts stated in the deed. If the proceedings of the assessor are substantially in accordance with the law, the deed operates as a conveyance of all the right, title and interest the delinquent party had in the real property sold at the time the lien of the State attached to the property, subject to all senior liens determined under subsection 8, paragraph B. [1989, c. 880, Pt. E, §3 (NEW).]

C. A certificate of sale of personal property given or a deed to real property executed pursuant to this section discharges the property from all liens, encumbrances and title over which the lien of the State, with respect to which the levy was made, had priority. [1989, c. 880, Pt. E, §3 (NEW).]

[1989, c. 880, Pt. E, §3 (NEW) .]

12. **Records of sales and redemption of real property.** The assessor shall keep records of all sales of property under subsections 6 and 7 and of all redemptions of that property. Each record must include the tax for which the sale was made, the dates of seizure and sale, the name of the party assessed and all proceedings in making the sale, the amount of expenses, the names of the purchasers and the date of the deed. A copy of a record, or any part of a record, certified by the assessor is evidence in any court of the truth of the facts stated in that record.

[1989, c. 880, Pt. E, §3 (NEW) .]

13. **Expenses of levy and sale.** The assessor shall determine the expenses to be allowed in all cases of levy and sale. The assessor may pay the expenses from the revenue account intended to benefit by the receipts of the levy.

[1989, c. 880, Pt. E, §3 (NEW) .]

14. **Disposition of money realized under this section.** Any money realized by proceedings under this section by seizure, surrender under subsection 3, except pursuant to subsection 3, paragraph C, subparagraph (2), or sale of seized property, or by sale of property redeemed by the State must be applied in the following order of priority:

A. Against the expenses of the proceedings under this section; [1989, c. 880, Pt. E, §3 (NEW).]

B. The amount, if any, remaining after payment of senior claims and expenses is then applied against the liability for which the levy was made or the sale was conducted; and [1989, c. 880, Pt. E, §3 (NEW).]

C. Upon application and satisfactory proof in support of the application, credited or refunded by the assessor to the person or persons legally entitled to any remaining surplus proceeds. [1989, c. 880, Pt. E, §3 (NEW).]

[1989, c. 880, Pt. E, §3 (NEW) .]

15. **Actions permitted.** Any person, other than the taxpayer whose delinquency occasioned the levy:

A. Who claims an interest in property that has wrongfully been levied upon may apply to the assessor for a stay of proceedings under this section at any time before the property has been sold but within 5 days after receiving notice of levy. An action for a stay is governed by Title 5, section 11004; or [2011, c. 380, Pt. J, §16 (AMD).]

B. Who claims pecuniary loss because property was wrongfully levied upon and sold, may bring a civil action against the assessor in the Superior Court. A recovery in such an action may not exceed the proceeds of the sale. [1989, c. 880, Pt. E, §3 (NEW).]

Except as provided in this subsection, a suit contesting or restraining the collection of taxes pursuant to this section may not be maintained in any court of this State by any person. Any award must be paid from the revenue account to which the money was originally credited.

[2011, c. 380, Pt. J, §16 (AMD) .]

16. **Time for collection of taxes.** Taxes imposed by this Title must be collected by levy within 10 years after the assessment of the tax becomes final or before the expiration of the period of collection agreed upon in writing by the assessor and the taxpayer. Other obligations owed to the State and authorized to be collected by the bureau must be collected by levy within 10 years from the time the obligation arises. The period agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon. A levy action ordered by the assessor before the expiration of the 10-year period continues beyond the expiration of the 10-year period for a period of 6 months from the date the levy is first made or until the liability out of which the levy arose is satisfied or becomes unenforceable, whichever occurs first. The running of the 10-year period is stayed during the time that a consensual payment plan between the taxpayer and the assessor is in effect. When a taxpayer files for protection under the United States Bankruptcy Code, the assessor's right to collect the tax due by levy continues until 6 years after the date of discharge or dismissal of the bankruptcy proceeding or until 10 years after the assessment of the tax becomes final, whichever occurs later.

[1997, c. 526, §13 (AMD) .]

SECTION HISTORY
1989, c. 880, §E3 (NEW). 1991, c. 846, §3 (AMD). 1995, c. 639, §3 (AMD). 1997, c. 526, §§11-13 (AMD). 1999, c. 699, §D27 (AMD). 1999, c. 699, §D30 (AFF). 2001, c. 396, §§6,7 (AMD). 2001, c. 583, §§5,6 (AMD). 2005, c. 218, §6 (AMD). 2009, c. 434, §§8-10 (AMD). 2011, c. 380, Pt. J, §§9-16 (AMD).

§176-B. ACCESS TO FINANCIAL RECORDS OF INDIVIDUALS WHO OWE MAINE TAXES

1. **Definitions.** For the purposes of this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Customer" means any person who has an account, including, but not limited to, a deposit, loan, mortgage or credit card account, with any financial institution and for which the financial institution is obligated to maintain records. [2009, c. 213, Pt. AAAA, §8 (NEW).]

B. "Financial institution" means a trust company, savings bank, industrial bank, commercial bank, savings and loan association or credit union organized under the laws of this State or otherwise authorized to do business in this State. [2009, c. 213, Pt. AAAA, §8 (NEW).]

C. "Match" means an automated comparison by name and social security number or federal employer identification number of a list of taxpayers provided to a financial institution by the bureau and a list of customers of any financial institution. [2009, c. 213, Pt. AAAA, §8 (NEW).]

[2009, c. 213, Pt. AAAA, §8 (NEW) .]

2. **Computer data match.** Upon written request from the State Tax Assessor to a financial institution in this State with the technological capacity to perform a match, the financial institution shall perform a match using the list of taxpayer social security numbers or federal employer identification numbers provided by the bureau. The bureau is responsible for making its computer data compatible with the data of the financial institution with which a match is sought. The bureau's data, at a minimum, must include the name and social security number or federal employer identification number of and, when known, the amount of taxes owed by each taxpayer. The bureau may not request a financial institution to perform a match under this section more often than once every calendar quarter.

[2009, c. 213, Pt. AAAA, §8 (NEW) .]

3. **Compilation of match list.** After completing a match requested by the bureau under subsection 2, a financial institution shall compile for the bureau a list of those customers whose social security numbers or federal employer identification numbers match the list of social security numbers or federal employer identification numbers of taxpayers provided by the bureau. The list must contain the following information, if available to the financial institution through its matching procedure, for each account identified:

A. The taxpayer's name; [2009, c. 213, Pt. AAAA, §8 (NEW).]

B. The taxpayer's social security number or federal employer identification number; [2009, c. 213, Pt. AAAA, §8 (NEW).]

C. The financial institution account number; and [2009, c. 213, Pt. AAAA, §8 (NEW).]

D. The account type, account balance and any known encumbrances. [2009, c. 213, Pt. AAAA, §8 (NEW).]

[2009, c. 213, Pt. AAAA, §8 (NEW) .]

4. **Notice to bureau.** A financial institution that has compiled a match list under subsection 3 shall send the list to the bureau at the address designated by the bureau.

[2009, c. 213, Pt. AAAA, §8 (NEW) .]

5. **Notice to customer.** The financial institution may not provide notice in any form to a customer contained in a match list submitted to the bureau under subsection 4. Notwithstanding any other provision of law, failure to provide notice to a customer does not constitute a violation of the financial institution's duty of good faith to its customers.

[2009, c. 213, Pt. AAAA, §8 (NEW) .]

6. **Reasonable fee.** To cover the costs of carrying out the requirements of this section, a financial institution may assess a reasonable fee to the bureau not to exceed the actual costs incurred by the financial institution.

[2009, c. 213, Pt. AAAA, §8 (NEW) .]

7. **Confidentiality.** The list of taxpayers under subsection 3, with their social security numbers or federal employer identification numbers and the amount of the tax debt provided by the bureau to a financial institution, is confidential. The information may be used only for the purpose of carrying out the requirements of this section. Any person who willfully violates this subsection commits a Class E crime.

[2009, c. 213, Pt. AAAA, §8 (NEW) .]

8. **Immunity from liability; hold harmless.** A financial institution is immune from any liability for its good faith actions to comply with this section. The bureau shall defend and hold harmless, including compensation for attorney's fees, a financial institution that acts in good faith to carry out the requirements of this section.

[2009, c. 213, Pt. AAAA, §8 (NEW) .]

SECTION HISTORY
2009, c. 213, Pt. AAAA, §8 (NEW).

§177. TRUST FUND STATUS OF CERTAIN COLLECTIONS

1. **Generally.** All sales and use taxes collected by a person pursuant to Part 3, all taxes collected by a person under color of Part 3 that have not been properly returned or credited to the persons from whom they were collected, all taxes collected by or imposed on a person pursuant to chapter 451 or 459, all fees collected pursuant to chapter 719 and all taxes collected by a person pursuant to chapter 827 constitute a special fund in trust for the State Tax Assessor. The liability for the taxes or fees and the interest or penalty on taxes or fees is enforceable by assessment and collection, in the manner prescribed in this Part, against the person and against any officer, director, member, agent or employee of that person who, in that capacity, is responsible for the control or management of the funds or finances of that person or is responsible for the payment of that person's taxes. An assessment against a responsible individual pursuant to this section must be made within 6 years from the date on which the return on which the taxes were required to be reported was filed. An assessment pursuant to this section may be made at any time with respect to a time period for which a return has become due but has not been filed.

[1999, c. 708, §9 (AMD) .]

2. **Responsible individual.** Each person required to collect taxes that are designated by subsection 1 as trust funds shall inform the State Tax Assessor, at the time an audit of that person's trust fund obligation is performed by the assessor, of the name and position of the individual who generally is responsible for the control or management of that person's funds or finances and, if different, the individual who is specifically responsible for the collection and paying over of those trust funds.

[1999, c. 414, §8 (AMD) .]

3. **Notice to segregate.** Whenever the State Tax Assessor finds that the payment of the trust funds established under subsection 1 will be jeopardized by delay, neglect or misappropriation or whenever any person fails to make payment of taxes or file returns as required by Part 3, or by chapter 451, 459 or 827, the assessor may direct that person to segregate the trust funds from and not to commingle them with any other funds or assets of that person. All taxes that are collected after receipt of the notice of the segregation

requirement must be paid on account to the assessor until the taxes are due. The assessor shall establish in the segregation notice the manner in which the taxes are to be paid. The segregation requirement remains in effect until a notice of cancellation is given by the assessor.

[2007, c. 438, §8 (AMD) .]

4. **Revocation for nonsegregation.** If any person who is a retailer under Part 3 or a fuel supplier, retailer, distributor or importer subject to Part 5 fails to make the required payments on account to the State Tax Assessor, the assessor may revoke any registration certificate that has been issued to that person. The revocation is reviewable in accordance with section 151.

[2003, c. 705, §2 (AMD) .]

5. **Stay of running of period of limitation.** The running of the period of limitation for assessment of trust fund taxes against a responsible officer, director, member, agent or employee of a person that has collected those taxes is stayed for the period of time, plus 120 days, during which an assessment against that person is subject to administrative or judicial review.

[1999, c. 414, §8 (AMD) .]

6. **Sale or cessation 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 assessor stating that no trust fund taxes, interest or penalties are due. The liability of a purchaser is limited to the amount of the purchase price. A purchaser who fails to withhold a sufficient amount of the purchase price is jointly and severally 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 and the assessor may make an assessment against the purchaser at any time within 6 years from the date of the sale, transfer or assignment.

[2001, c. 583, §7 (AMD) .]

SECTION HISTORY
1985, c. 691, §5 (NEW). 1987, c. 497, §§4-6 (AMD). 1987, c. 772, §§4,5 (AMD). 1991, c. 546, §1 (AMD). 1991, c. 846, §§4,5 (AMD). 1991, c. 846, §39 (AFF). 1995, c. 639, §4 (AMD). 1999, c. 414, §8 (AMD). 1999, c. 708, §9 (AMD). 1999, c. 790, §A41 (AMD). 2001, c. 583, §7 (AMD). 2003, c. 705, §2 (AMD). 2007, c. 438, §8 (AMD).

§178. PRIORITY OF TAX

Whenever the estate of a deceased person liable for any tax is insufficient to pay all the debts owed by the decedent or whenever the estate and effects of an absconding, concealed or absent person liable for any tax are levied upon by process of law, the tax, together with interest attaching thereto, must be first settled. This section may not be construed to give the State a preference over any recorded lien that attached prior to the date when the tax became due. [2005, c. 218, §7 (NEW).]

SECTION HISTORY
2005, c. 218, §7 (NEW).

§182. INJUNCTIONS

1. **Generally.** The State Tax Assessor may, through the Attorney General, file an action in Superior Court applying for an order to enjoin from doing business any person who has:

A. Failed to register with the assessor when the person is required to register by any provision of Part 3, chapter 358 or Part 5 or by any rule adopted pursuant to this Title, as long as the assessor has provided written notice and the person continues to fail to register 15 days after receiving notice from the assessor of such failure; [2007, c. 437, §2 (AMD).]

B. Failed to file with the assessor any overdue return required by Part 3, chapter 358 or Part 5 within 15 days after receiving notice from the assessor of such failure; [2007, c. 437, §2 (AMD).]

C. Failed to pay any tax required by Part 3, chapter 358 or Part 5 when the tax is shown to be due on a return filed by that person, or that is otherwise conceded by that person to be due, or has been determined by the assessor to be due and that determination has become final; [2007, c. 437, §2 (AMD).]

D. Knowingly filed a false return required by Part 3, chapter 358 or Part 5; or [2007, c. 437, §2 (AMD).]

E. Failed to deduct and withhold, or truthfully account for or pay over or make returns of, income taxes in violation of the provisions of chapter 827. [2001, c. 583, §8 (NEW).]

[2007, c. 437, §2 (AMD) .]

2. **Payroll processors.**

[2003, c. 668, §12 (AFF); 2003, c. 668, §8 (RP) .]

3. **Venue; form and content of complaint.** The complaint may be filed in the Superior Court in any county where the defendant has a regular place of business or in Kennebec County if the defendant has no regular place of business. The complaint must set forth the name and the address of the defendant as stated in the defendant's last return filed with the assessor or, if no such return was filed, the defendant's last known address; the breach of the law or rule committed by the defendant; and the assessor's prayer for relief. The complaint need not be verified.

[2001, c. 583, §8 (NEW) .]

4. **Procedure.** The Superior Court shall fix a time and place for hearing and cause notice of the time and place of the hearing to be given to the defendant. The defendant shall serve upon the assessor a copy of any answer to the complaint at least 3 days before the day of the hearing. The Superior Court may enter and change such orders and decrees from time to time as the nature of the case may require and, if necessary, may appoint a receiver.

[2001, c. 583, §8 (NEW) .]

5. **Other remedies no defense.** The existence of other civil or criminal remedies is not a defense to a proceeding brought pursuant to this section.

[2001, c. 583, §8 (NEW) .]

SECTION HISTORY
2001, c. 583, §8 (NEW). 2003, c. 668, §8 (AMD). 2003, c. 668, §12 (AFF). 2007, c. 437, §2 (AMD).

§183. CRIMINAL OFFENSES; STATUTE OF LIMITATIONS

Notwithstanding Title 17-A, section 8, prosecution of any crime defined in this Title must be commenced within 6 years after it has been committed. [1987, c. 772, §6 (NEW).]

SECTION HISTORY
1987, c. 772, §6 (NEW).

§183-A. SUBSEQUENT OFFENSES

1. **Prior conviction; Class D crimes.** A person who commits a Class D crime under this Title who has a prior conviction for a Class B, Class C or Class D crime under this Title commits a Class C crime.

[2009, c. 361, §6 (NEW) .]

2. **Prior conviction; Class C crimes.** A person who commits a Class C crime under this Title who has a prior conviction for a Class B, Class C or Class D crime under this Title commits a Class B crime.

[2009, c. 361, §6 (NEW) .]

3. **Allegation of prior conviction when sentence enhanced.** Title 17-A, section 9-A governs the use of prior convictions when determining a sentence under this section.

[2009, c. 361, §6 (NEW) .]

SECTION HISTORY
2009, c. 361, §6 (NEW).

§184. CRIMINAL OFFENSES

1. **Failure to collect, account for or pay over tax.** A person who is required under this Title to collect, truthfully account for and pay over any tax imposed by this Title and who intentionally fails to collect or truthfully account for or pay over that tax at the time required by law or rule, in addition to any other penalties provided by law, commits a Class D crime.

[2003, c. 452, Pt. U, §1 (NEW); 2003, c. 452, Pt. X, §2 (AFF) .]

2. **Subsequent offense.**

[2009, c. 361, §7 (RP) .]

3. **"Person" defined.** For purposes of this section, the word "person" includes, in addition to its defined meaning in section 111, subsection 3, an officer, director, member, agent or employee of another person who, in that capacity, is responsible for the control or management of the funds and finances of that person or is responsible for either the collection or payment of that retailer's taxes.

[2003, c. 452, Pt. U, §1 (NEW); 2003, c. 452, Pt. X, §2 (AFF) .]

SECTION HISTORY
1985, c. 691, §6 (NEW). 1989, c. 880, §D1 (AMD). 2003, c. 452, §X2 (AFF). 2003, c. 452, §U1 (RPR). 2009, c. 361, §7 (AMD).

§184-A. INTENTIONAL EVASION OF TAX

1. **Tax amount of $2,000 or less.** A person who intentionally attempts in any manner to evade or defeat any tax in an amount of $2,000 or less imposed by this Title or the payment of the assessed tax, in addition to any other penalties provided by law, commits a Class D crime.

[2003, c. 452, Pt. U, §2 (AMD); 2003, c. 452, Pt. X, §2 (AFF) .]

1-A. **Tax amount of $2000 or less, subsequent offense.**

[2009, c. 361, §8 (RP) .]

2. **Tax amount over $2,000.** A person who intentionally attempts in any manner to evade or defeat any tax in an amount over $2,000 imposed by this Title or the payment of the assessed tax, in addition to any other penalties provided by law, commits a Class C crime.

[2003, c. 452, Pt. U, §2 (AMD); 2003, c. 452, Pt. X, §2 (AFF) .]

2-A. **Tax amount over $2,000, subsequent offense.**

[2009, c. 361, §9 (RP) .]

3. **Date of prior conviction.**

[2003, c. 452, Pt. U, §2 (RP); 2003, c. 452, Pt. X, §2 (AFF) .]

SECTION HISTORY
1997, c. 504, §3 (NEW). 2003, c. 452, §U2 (AMD). 2003, c. 452, §X2 (AFF). 2009, c. 361, §§8, 9 (AMD).

§185. SET-OFF

1. **Obligation owed to taxpayer.** The State or a department, agency or official acting in an official capacity may assign to the State Tax Assessor, in payment of any liquidated tax liability of a taxpayer under this Title, an obligation owed to that taxpayer by the State or that department, agency or official.

[2005, c. 12, Pt. NNNN, §1 (NEW) .]

2. **Liquidated tax liability.** Payments to a person pursuant to a contract with agencies and departments of the legislative, executive and judicial branches of State Government are automatically assigned to the State Tax Assessor if that person has a liquidated tax liability to the State under this Title, but only to the extent of the liquidated tax liability.

[2005, c. 12, Pt. NNNN, §1 (NEW) .]

3. **Setoff of lottery winnings against debts.** The State Tax Assessor shall periodically notify the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations, referred to in this subsection as "the bureau," of all persons who have a liquidated tax liability to the State under this Title. Prior to paying any lottery winnings that must be paid directly by the bureau, the bureau shall determine whether the lottery winner is on the list of persons who have a liquidated tax liability to the State under this Title. If the winner is on the list of persons who have a liquidated tax liability to the State under this Title, the bureau shall suspend payment of the winnings and provide notice to the winner

of its intention to set off the winnings against the tax debt. The bureau may assign the winnings due to the winner to the State Tax Assessor in payment of any liquidated tax liability of the winner under this Title. Any remaining winnings must be paid to the winner by the bureau.

[2007, c. 539, Pt. M, §1 (NEW) .]

4. **Restitution.** For purposes of this section, "liquidated tax liability" includes monetary restitution ordered to be paid to the bureau as part of a sentence imposed for a violation of this Title or Title 17-A.

[2009, c. 361, §10 (NEW) .]

SECTION HISTORY
1981, c. 364, §13 (NEW). 2005, c. 12, §NNNN1 (RPR). 2007, c. 539, Pt. M, §1 (AMD). 2009, c. 361, §10 (AMD).

§186. INTEREST

A person who fails to pay any tax, other than a tax imposed pursuant to chapter 105, on or before the last date prescribed for payment is liable for interest on the tax, calculated from that date and compounded monthly. The rate of interest for any calendar year equals the highest prime rate as published in the Wall Street Journal on the first day of September of the preceding calendar year or, if the first day of September falls on a weekend or holiday, on the next succeeding business day, rounded up to the next whole percent plus 3 percentage points. For purposes of this section, the last date prescribed for payment of tax must be determined without regard to any extension of time permitted for filing a return. A tax that is upheld on administrative or judicial review bears interest from the date on which payment would have been due in the absence of review. Any amount that has been erroneously refunded and is recoverable by the assessor bears interest at the rate determined pursuant to this section from the date of payment of the refund. A credit or reimbursement that has been allowed or paid pursuant to this Title and is recoverable by the assessor bears interest at the rate determined pursuant to this section from the date it was allowed or paid. Interest accrues automatically, without being assessed by the assessor, and is recoverable by the 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 assessor, the assessor may abate or waive the payment of all or any part of that interest. [2009, c. 625, §3 (AMD).]

Except as otherwise provided in this Title, and except for taxes imposed pursuant to chapter 105, interest at the rate determined pursuant to this section must be paid on overpayments of tax from the date the return listing the overpayment was filed or the date payment was made, whichever is later. [2009, c. 625, §3 (AMD).]

SECTION HISTORY
1977, c. 679, §1 (NEW). 1981, c. 22, §§1,2 (AMD). 1981, c. 180, §1 (AMD). 1981, c. 364, §14 (AMD). 1981, c. 706, §§3,4 (AMD). 1985, c. 333, §§1,3 (AMD). 1987, c. 772, §7 (AMD). 1989, c. 502, §§A164,A165 (AMD). 1991, c. 846, §6 (AMD). 1997, c. 668, §13 (AMD). 1999, c. 414, §9 (AMD). 2001, c. 583, §9 (AMD). 2001, c. 583, §24 (AFF). 2003, c. 673, §KK1 (AMD). 2003, c. 673, §KK3 (AFF). 2009, c. 625, §3 (AMD).

§186-A. ADDITIONAL INTEREST

Notwithstanding section 186, for the period from July 1, 2004 to December 31, 2004, the interest rate calculated pursuant to section 186 for calendar year 2004 is increased by one percentage point. [2003, c. 673, Pt. KK, §2 (NEW); 2003, c. 673, Pt. KK, §3 (AFF).]

SECTION HISTORY
2003, c. 673, §KK2 (NEW). 2003, c. 673, §KK3 (AFF).

§187. PENALTIES

(REPEALED)

SECTION HISTORY
1977, c. 679, §1 (NEW). 1981, c. 364, §§15,16 (AMD). 1985, c. 691, §7 (AMD). 1991, c. 546, §§2-6 (AMD). 1991, c. 873, §8 (AFF). 1991, c. 873, §4 (RP).

§187-A. PREPARER PENALTY

If any part of any understatement of liability with respect to any return or claim for refund is due to a willful attempt in any manner to understate the liability for a tax by a person who prepares those returns or claims for compensation, or whose employees do so, that person shall pay a penalty of $500 with respect to each return or claim. [1987, c. 772, §8 (NEW).]

SECTION HISTORY
1987, c. 772, §8 (NEW).

§187-B. PENALTIES

1. **Failure to file return.** A person who fails to make and file any return required under this Title at or before the time the return becomes due is liable for one of the following penalties if the person's tax liability shown on that return or otherwise determined to be due is greater than $25.

A. If the return is filed before or within 60 days after the taxpayer receives from the assessor a formal demand that the return be filed, or if the return is not filed but the tax due is assessed by the assessor before the taxpayer receives from the assessor a formal demand that the return be filed, the penalty is $25 or 10% of the tax due, whichever is greater. [2011, c. 644, §2 (AMD); 2011, c. 644, §33 (AFF).]

B. If the return is not filed within 60 days after the taxpayer receives from the assessor a formal demand that the return be filed, the penalty is $25 or 25% of the tax due, whichever is greater. The period provided by this paragraph must be extended for up to 90 days if the taxpayer requests an extension in writing prior to the expiration of the original 60-day period. [2011, c. 644, §3 (AMD); 2011, c. 644, §33 (AFF).]

C. If the return is not filed and the assessor makes a determination of jeopardy pursuant to section 145, the penalty is 25% of the tax due. [2011, c. 380, Pt. K, §1 (AMD); 2011, c. 380, Pt. K, §2 (AFF).]

This subsection does not apply to a return required pursuant to chapter 459 that is administered pursuant to the International Fuel Tax Agreement.

[2011, c. 644, §§2, 3 (AMD); 2011, c. 644, §33 (AFF) .]

1-A. **Failure to file information return.**

[2013, c. 424, Pt. A, §22 (RP) .]

2. **Failure to pay.** The following penalties apply.

A. Any person who fails to pay, on or before the due date, any amount shown as tax on any return required under this Title is liable for a penalty of 1% of the unpaid tax for each month or fraction of a month during which the failure continues, to a maximum in the aggregate of 25% of the unpaid tax. [1999, c. 708, §10 (AMD).]

A-1. Any person who fails to make and file any return required under this Title at or before the time the return becomes due against whom the assessor has made an assessment of tax pursuant to section 141 and who has not paid the tax on or before the date specified in that assessment is liable for a penalty of 1% of the unpaid tax for each month or fraction of a month during which the tax remains unpaid, calculated retroactively from the original due date of the unfiled return, to a maximum in the aggregate of 25% of the unpaid tax. [1999, c. 708, §11 (NEW).]

B. Any person who fails to pay a tax assessment for which no further administrative or judicial review is available pursuant to section 151 and the Maine Administrative Procedure Act is liable for a penalty in the amount of 25% of the amount of the tax due if the payment of the tax is not made within 10 days of the person's receipt of notice of demand for payment as provided by this Title. This penalty must be explained in the notice of demand and is final when levied. [1995, c. 281, §8 (AMD).]

This subsection does not apply to taxes due pursuant to chapter 459 and administered pursuant to the terms of the International Fuel Tax Agreement.

[2001, c. 396, §9 (AMD) .]

3. **Negligence; fraud.**

[1991, c. 873, §5 (NEW); 1991, c. 873, §9 (AFF); T. 36, §187-B, sub-§3 (RP) .]

3-A. **Negligence; fraud.** A person who files a return under this Title that results in an underpayment of tax, any portion of which is attributable to negligence or intentional disregard of this Title or rules adopted pursuant to this Title, but is not attributable to fraud with intent to evade the tax, is liable for a penalty in the amount of $25 or 25% of that portion of the underpayment, whichever is greater. A person who files a return under this Title that results in an underpayment of tax, any portion of which is attributable to fraud with intent to evade the tax, is liable for a penalty in the amount of $75 or 75% of that portion of the underpayment, whichever is greater. For the purposes of this section, "negligence" means any failure to make a reasonable attempt to comply with the provisions of this Title.

[2007, c. 627, §7 (AMD) .]

4. **Substantial understatement.**

[1991, c. 873, §5 (NEW); 1991, c. 873, §9 (AFF); T. 36, §187-B, sub-§4 (RP) .]

4-A. **Substantial understatement.** A person who files a return under this Title that results in an underpayment of tax, any portion of which is attributable to a substantial understatement of tax, without negligence or intentional disregard of this Title or rules adopted pursuant to this Title and without fraud with intent to evade the tax, is liable for a penalty of $5 or 1% of that portion of the underpayment, whichever is greater, for each month or fraction of a month during which the failure to pay that portion of the underpayment continues, up to a maximum in the aggregate of $25 or 25% of the underpayment, whichever is greater.

There is a substantial understatement of tax if the amount of the understatement on the return or returns for the period covered by the assessment exceeds 10% of the total tax required to be shown on the return or returns for that period or $1,000, whichever is greater. For purposes of determining whether an understatement is substantial and calculating the amount of a substantial understatement that is subject to penalty under this subsection, the amount of an understatement is reduced by that portion of the understatement that is attributable to the tax treatment of any item by the taxpayer if there is or was substantial authority for that treatment.

[2007, c. 627, §8 (AMD) .]

4-B. **Excessive refund.** A person who files a claim for refund or reimbursement under Part 5 that is the basis for the receipt of a refund or reimbursement that substantially exceeds the amount to which the person is legally entitled is liable for a penalty of $5 or 1% of the excess amount, whichever is greater, for each month or fraction of a month during which the failure to repay that portion of the refund or reimbursement continues, to a maximum in the aggregate of $25 or 25% of the overpayment, whichever is greater. For purposes of this subsection, a refund or reimbursement substantially exceeds the amount to which the person is legally entitled if the amount of the refund or reimbursement exceeds the amount to which the person is legally entitled by more than 10% of the corrected amount or $1,000, whichever is greater. For purposes of this subsection, the amount by which a refund or reimbursement exceeds the amount to which the person is legally entitled and the excess amount that is subject to penalty under this subsection must be reduced by any portion of the excessive claim for which the person has substantial authority supporting its position.

[2007, c. 437, §4 (NEW) .]

5. **Insufficient funds.** Any person who makes payment of an amount due under this Title by means of a check or electronic funds transfer that is returned unpaid by the bank on which it is drawn because of insufficient funds or the closing or nonexistence of the account on which it is drawn is liable for a penalty of $20 or 1% of the payment amount, whichever is greater.

[1999, c. 708, §12 (AMD) .]

5-A. **Electronic funds transfers.** Any person required by the assessor to remit taxes by electronic funds transfer that fails to remit electronically is liable for a penalty of the lesser of 5% of the tax due or $5,000. For purposes of this section, a person fails to remit electronically when:

A. Two or more required payments in any consecutive 6-month period are either not made or are made by the person by means other than electronic funds transfer and the person has been notified in writing by the assessor of that person's noncompliance and of the fact that the penalty imposed by this section may be imposed; or [1997, c. 668, §15 (NEW).]

B. The person makes 2 or more required electronic payments in any consecutive 6-month period that do not comply with the specifications set forth in a rule issued by the assessor pursuant to section 193. [1999, c. 414, §10 (AMD).]

[1999, c. 414, §10 (AMD) .]

5-B. **Electronic data submission.** Any person required by the State Tax Assessor to file returns by electronic data submission that fails to file electronically is liable for a penalty of $50. For purposes of this subsection, a person fails to file electronically when:

A. Two or more required returns in any consecutive 6-month period either are not filed or are filed by the person by means other than electronic data submission and the person has been notified in writing by the State Tax Assessor of that person's noncompliance and of the fact that the penalty authorized by this subsection may be imposed; or [2005, c. 332, §4 (NEW); 2005, c. 332, §30 (AFF).]

B. The person files 2 or more required electronic returns in any consecutive 6-month period that do not comply with the specifications set forth in rules adopted by the State Tax Assessor pursuant to section 193. [2005, c. 332, §4 (NEW); 2005, c. 332, §30 (AFF).]

[2005, c. 332, §4 (NEW); 2005, c. 332, §30 (AFF) .]

6. **Penalties not exclusive.** Each penalty provided under this section is in addition to any interest and other penalties provided under this section and other law, except as otherwise provided in this section. Interest may not accrue on the penalty. This section does not apply to any filing or payment responsibility pursuant to Part 2 except that this section does apply to a filing or payment responsibility pursuant to the state

telecommunications excise tax imposed under section 457. The penalties imposed under subsections 1 and 2 accrue automatically, without being assessed by the State Tax Assessor. Each penalty imposed under this section is recoverable by the assessor in the same manner as if it were a tax assessed under this Title.

[2013, c. 331, Pt. C, §7 (AMD) .]

7. **Reasonable cause.** The assessor shall waive or abate or, in the case of those penalties that do not accrue automatically under subsection 6, refrain from imposing any penalty imposed by subsection 1, 2, 4-A, 4-B, 5-A or 5-B or by the terms of the International Fuel Tax Agreement if grounds constituting reasonable cause are established by the taxpayer or if the assessor determines that grounds constituting reasonable cause are otherwise apparent. Reasonable cause includes, but is not limited to, the following circumstances:

A. The failure to file or pay resulted directly from erroneous information provided by the Bureau of Revenue Services; [1991, c. 873, §5 (NEW); 1991, c. 873, §8, 9 (AFF); 1997, c. 526, §14 (AMD).]

B. The failure to file or pay resulted directly from the death or serious illness of the taxpayer or a member of the taxpayer's immediate family; [1991, c. 873, §5 (NEW); 1991, c. 873, §8, 9 (AFF).]

C. The failure to file or pay resulted directly from a natural disaster; [1991, c. 873, §5 (NEW); 1991, c. 873, §8, 9 (AFF).]

D. A return that was due monthly was filed and paid less than one month late and all of the taxpayer's returns and payments during the preceding 12 months were timely; [1995, c. 281, §9 (AMD).]

E. A return that was due other than monthly was filed and paid less than one month late and all of the taxpayer's returns and payments during the preceding 3 years were timely; [1995, c. 281, §9 (AMD).]

F. The taxpayer has supplied substantial authority justifying the failure to file or pay; or [1991, c. 873, §5 (NEW); 1991, c. 873, §8, 9 (AFF).]

G. The amount subject to a penalty imposed by subsection 1, 2, 4-A or 5-A is de minimis when considered in relation to the amount otherwise properly paid, the reason for the failure to file or pay and the taxpayer's compliance history. [2011, c. 380, Pt. L, §1 (AMD).]

Absent a determination by the assessor that grounds constituting reasonable cause are otherwise apparent, the burden of establishing grounds for waiver or abatement is on the taxpayer.

[2011, c. 655, Pt. QQ, §3 (AMD); 2011, c. 655, Pt. QQ, §8 (AFF) .]

For purposes of this section, the term "person" includes an individual, corporation or partnership or any officer or employee of a corporation, including a dissolved corporation, or a member or employee of a partnership who, as the officer, employee or member, is under a duty to perform the act in respect of which a violation occurs. [1993, c. 395, §6 (AMD).]

SECTION HISTORY
1991, c. 873, §§6, 7 (AMD). 1991, c. 873, §§8, 9 (AFF). 1991, c. 873, §5 (NEW). 1993, c. 395, §6 (AMD). 1995, c. 281, §§8, 9 (AMD). 1995, c. 395, §K1 (AMD). 1995, c. 639, §5 (AMD). 1995, c. 657, §7 (AMD). 1995, c. 657, §10 (AFF). 1997, c. 526, §14 (AMD). 1997, c. 668, §§14-16 (AMD). 1999, c. 414, §10 (AMD). 1999, c. 521, §§A2, 3 (AMD). 1999, c. 708, §§10-13 (AMD). 2001, c. 396, §§8-10 (AMD). 2005, c. 332, §§4, 5 (AMD). 2005, c. 332, §30 (AFF). 2007, c. 437, §§3-5 (AMD). 2007, c. 437, §22 (AFF). 2007, c. 438, §9 (AMD). 2007, c. 627, §§6-8 (AMD). 2007, c. 693, §6 (AMD). 2011, c. 380, Pt. K, §1 (AMD). 2011, c. 380, Pt. K, §2 (AFF). 2011, c. 380, Pt. L, §1 (AMD). 2011, c. 644, §§2-4

(AMD). 2011, c. 644, §33 (AFF). 2011, c. 655, Pt. QQ, §§2, 3 (AMD). 2011, c. 655, Pt. QQ, §8 (AFF). 2013, c. 331, Pt. C, §7 (AMD). 2013, c. 424, Pt. A, §22 (AMD).

§188. REMEDIES NOT EXCLUSIVE

Each remedy provided in this Title is not exclusive and is in addition to all other remedies prescribed in this Title for the enforcement and collection of any tax imposed by this Title. [1981, c. 364, §17 (NEW).]

SECTION HISTORY
1981, c. 364, §17 (NEW).

§189. TAXES AS ADDITIONAL

Unless otherwise specifically provided, any tax imposed under this Title shall be in addition to all other taxes legally imposed upon the subject of the tax by any other law of the State now or hereafter in force. [1981, c. 364, §17 (NEW).]

SECTION HISTORY
1981, c. 364, §17 (NEW).

§190. EFFECT OF REPEAL

The repeal of an Act or resolve, or part thereof, imposing a tax or taxes shall have no effect upon the reporting, collecting or refunding of taxes accrued to the 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. [1981, c. 364, §17 (NEW).]

SECTION HISTORY
1981, c. 364, §17 (NEW).

§191. CONFIDENTIALITY OF TAX RECORDS

1. **Basic prohibition.** It is unlawful for any public official or any employee or agent of the bureau to inspect willfully any return or examine information contained on any return, for any purpose other than the conduct of official duties. Except as otherwise provided by law, it is unlawful for any person who, pursuant to this Title, has been permitted to receive or view any portion of the original or a copy of any report, return or other information provided pursuant to this Title to divulge or make known in any manner any information set forth in any of those documents or obtained from examination or inspection under this Title of the premises or property of any taxpayer. This prohibition applies to both state tax information and federal tax information filed as part of a state tax return.

[1997, c. 668, §17 (AMD) .]

2. **Exemptions.** This section shall not be construed to prohibit:

A. The delivery to a taxpayer or his duly authorized representative of a certified copy of any return, report or other information filed by the taxpayer pursuant to this Title; [1977, c. 668, §2 (NEW).]

A-1. The disclosure to an authorized representative of the Maine Potato Board of information obtained by the assessor in the administration of chapter 710; [2013, c. 10, §1 (NEW).]

B. The publication of statistics so classified to prevent the identification of particular reports or returns and the items thereof; [1977, c. 668, §2 (NEW).]

C. The inspection by the Attorney General of information filed by any taxpayer who has requested review of any tax under this Title or against whom an action or proceeding for collection of tax has been instituted; or the production in court or to the board on behalf of the State Tax Assessor or any other party to an action or proceeding under this Title of so much and no more of the information as is pertinent to the action or proceeding; [2011, c. 694, §7 (AMD).]

D. The disclosure of information to duly authorized officers of the United States and of other states, districts and territories of the United States and of Canada and its provinces for use in administration and enforcement of this Title or of the tax laws of those jurisdictions. With respect to enforcement of the tax laws of other jurisdictions, the information may not be given to the duly authorized officer unless the officer's government permits a substantially similar disclosure of information to the taxing officials of this State and provides for the confidentiality of information in a manner substantially similar to the manner provided in this section; [2009, c. 496, §6 (AMD).]

E. The provision of information, pursuant to a contract for administrative services, to a person retained on an independent contract basis or the authorized employees of that person or the provision of information to state employees outside the Bureau of Revenue Services for the purpose of acquiring assistance in the administration of this Title and the return to employees of the Bureau of Revenue Services of the information provided and additional information generated as a product of the administrative services provided; [1977, c. 668, §2 (NEW); 1997, c. 526, §14 (AMD).]

F. The transmission of information among employees of the Bureau of Revenue Services for the purposes of enforcing and administering the tax laws of this State and the delivery by a register of deeds to the State Tax Assessor or delivery by the State Tax Assessor to the appropriate municipal assessor or to the Maine Land Use Planning Commission or the Department of Health and Human Services of "declarations of value" in accordance with section 4641-D. The State Tax Assessor may require entities requesting information pursuant to this paragraph other than municipal assessors to provide resources sufficient to cover the cost of providing the forms; [2011, c. 655, Pt. I, §9 (AMD); 2011, c. 655, Pt. I, §11 (AFF); 2011, c. 682, §38 (REV).]

G. The disclosure to the Attorney General of information related to a person who is the subject of a criminal investigation or prosecution, and the subsequent disclosure of that information by the Attorney General to a district attorney, an assistant district attorney or a state, county or local law enforcement agency that is participating in the criminal investigation or prosecution of that person. A request from the Attorney General for information related to a person who is the subject of a criminal investigation or prosecution must be submitted to the State Tax Assessor in writing and must include:

(1) The name and address of the person to whom the requested information relates;

(2) The taxable period or periods to which the requested information relates;

(3) The statutory authority under which the criminal investigation or prosecution is being conducted; and

(4) The specific reason the requested information is, or may be, relevant to the criminal investigation or prosecution.

The Attorney General or a district attorney, assistant district attorney or law enforcement agency to which the Attorney General has disclosed tax information related to a person who is the subject of a criminal investigation or prosecution shall retain physical control of that information until the conclusion of the criminal investigation or prosecution for which the information was requested, after which the information must be returned immediately to the assessor; [2011, c. 240, §2 (AMD).]

H. The disclosure by the State Tax Assessor of the fact that a person is or is not registered under this Title or disclosure of both the fact that a registration under this Title has been revoked and the reasons for revocation; [1981, c. 698, §176 (RPR).]

I. The disclosure of information acquired pursuant to Part 2; [1985, c. 764, §3 (AMD).]

J. The disclosure to a state agency seeking setoff of a liquidated debt against a tax refund pursuant to section 5276-A of information necessary to effectuate the intent of that section; [1987, c. 19, §1 (AMD); 1987, c. 210, §1 (AMD).]

K. The disclosure by a municipal assessor, or by the State Tax Assessor with regard to the unorganized territory, of information contained on a declaration of value filed pursuant to section 4641-D or the Internet publication by the State Tax Assessor of information, other than taxpayer identification numbers, obtained from declarations of value filed pursuant to section 4641-D; [2009, c. 361, §11 (AMD).]

L. The listing of gasoline distributors possessing a certificate under section 2904 and the number of taxable gallons sold by each gasoline distributor in this State each month; [2013, c. 25, §1 (AMD).]

M. The disclosure by employees of the Bureau of Revenue Services, in connection with their official duties relating to any examination, collection activity, civil or criminal tax investigation or any other offense under this Title, of return information to the limited extent that disclosure is necessary in obtaining information, which is not otherwise available, with respect to the correct determination of tax, liability for tax or the amount to be collected or with respect to the enforcement of this Title; [1987, c. 769, Pt. A, §147 (RPR); 1997, c. 526, §14 (AMD).]

N. The disclosure by the State Tax Assessor of computerized individual income tax data, without identification by taxpayer name, number or address, to a research agency of the Legislature; [1991, c. 820, §5 (AMD).]

O. The disclosure to an authorized representative of the Department of Health and Human Services of an individual's residence, employer, income and assets for child support enforcement purposes as required by the Social Security Act, 42 United States Code, Chapter 7, subchapter IV, Part D (1966), when a request containing the payor's social security number is made by the department; [2009, c. 434, §11 (AMD).]

P. The public disclosure by the State Tax Assessor of the name, last known business address and title of the professional license or certificate of any person whose license or certificate of authority to conduct a profession, trade or business in this State has not been renewed, reissued or otherwise extended by order of the assessor pursuant to section 175. This disclosure may be made only after no further administrative or judicial review of the order is available under section 151 or the Maine Administrative Procedure Act; [1995, c. 368, Pt. W, §6 (AMD); 1995, c. 419, §30 (AMD).]

Q. The listing of persons possessing certificates under section 3204 and the number of taxable gallons sold by each person possessing a certificate in this State each month; [2013, c. 25, §2 (AMD).]

R. The disclosure to the Department of Health and Human Services of information relating to the administration and collection of the taxes imposed by chapter 358, chapter 373, chapter 375 and chapter 377; [2005, c. 332, §6 (AMD).]

S. The disclosure to an authorized representative of the Department of Health and Human Services of the names and social security numbers of applicants for the Maine Residents Property Tax Relief Program for the purpose of identifying those who are not eligible for that program pursuant to section 6207, subsection 3. The Department of Health and Human Services may not disclose names or social security numbers to any person, agency or organization, other than the Bureau of Revenue Services, nor may those names and social security numbers be used for any purpose other than the purpose stated in this paragraph; [1995, c. 2, §89 (COR); 1997, c. 526, §14 (AMD); 2003, c. 689, Pt. B, §6 (REV).]

T. The disclosure to an authorized representative of the Department of Health and Human Services of information in the possession of the bureau identifying the location of an interest-bearing account in the name and social security number of a delinquent payor of child support as requested by the Department of Health and Human Services; [1995, c. 2, §90 (COR); 2003, c. 689, Pt. B, §6 (REV).]

U. The disclosure by employees of the Bureau of Revenue Services to designated representatives of the Secretary of State of information required by the Secretary of State for the administration of the special fuel tax imposed by chapter 459; [1997, c. 703, §2 (AMD).]

V. The disclosure by employees of the Bureau of Revenue Services, to designated representatives of the Department of Labor, of all information required by the State Tax Assessor and the Commissioner of Labor for the administration of the taxes imposed by Part 8 and by Title 26, chapter 13 and the Competitive Skills Scholarship Fund contribution imposed by Title 26, section 1166 and of all information required by the Director of the Bureau of Labor Standards within the Department of Labor for the enforcement of Title 26, section 872; [2009, c. 637, §13 (AMD).]

W. The disclosure by the State Tax Assessor to the State Auditor when necessary to the performance of the State Auditor's official duties; [1999, c. 708, §14 (AMD).]

X. [2001, c. 691, §6 (AFF); 2001, c. 691, §3 (RP).]

Y. The disclosure by the State Tax Assessor, upon request in writing of any individual against whom an assessment has been made pursuant to section 177, subsection 1, of the following information:

(1) Information regarding the underlying tax liability to the extent necessary to apprise the individual of the basis of the assessment;

(2) The name of any other individual against whom an assessment has been made for the same underlying tax debt; and

(3) The general nature of any steps taken by the assessor to collect the underlying tax debt from any other individuals and the amount collected; [2003, c. 390, §2 (AMD).]

Z. The disclosure to the Treasurer of State when necessary for the performance of the Treasurer of State's official duties as administrator under Title 33, chapter 41 of the following information:

(1) The current mailing address for a taxpayer for purposes of returning unclaimed or abandoned property to the rightful owner or heir; and

(2) The names and mailing addresses of all Maine corporate income tax filers in an electronic medium prescribed by the State Tax Assessor; [2003, c. 390, §3 (AMD).]

AA. The disclosure by employees of the bureau to designated representatives of the Finance Authority of Maine necessary for the administration of section 6656, subsection 3 and section 6758, subsection 4 and of information required to ensure that recipients of certain benefits under Title 20-A, chapter 417-E are eligible to receive such benefits; [2013, c. 67, §1 (AMD).]

BB. The disclosure to an authorized representative of the Department of Health and Human Services, Office of Child Care and Head Start of taxpayer information directly relating to the certification of investments eligible for or the eligibility of a taxpayer for the quality child care investment credit provided by section 5219-Q; [2005, c. 683, Pt. A, §60 (RPR).]

CC. The disclosure to an authorized representative of the Department of Professional and Financial Regulation of information necessary for the administration of Title 10, chapter 222; [2005, c. 683, Pt. A, §61 (RPR).]

DD. The delivery of a certified copy of any return, report or other information provided or filed pursuant to this Title by a partnership, corporation, trust or estate or any report of any examination of a return filed by a partnership, corporation, trust or estate to any person:

(1) Who signed the return;

(2) Who is the personal representative or executor of the estate filing the return;

(3) Who was a member of the partnership filing the return during any part of the period covered by the return;

(4) Who is a trustee of the trust filing the return;

(5) Who was a shareholder during any part of the period covered by the return filed by an S corporation;

(6) Who is an officer, or a bona fide shareholder of record owning 1% or more of the outstanding stock, of the corporation filing the return;

(7) Who is the person authorized to act for the corporation if the corporation has been dissolved; or

(8) Who is the duly authorized representative of any of the persons described in subparagraphs (1) to (7).

The exception under this paragraph does not include the disclosure of confidential information of a particular partner, shareholder, beneficiary or trustee or other person receiving income from one of the entities described in subparagraphs (1) to (8) unless otherwise authorized; [2005, c. 332, §9 (NEW).]

DD. (REALLOCATED TO T. 36, §191, sub-§2, ¶HH) [2005, c. 1, §18 (RAL); 2005, c. 395, §3 (NEW).]

DD. (REALLOCATED TO T. 36, §191, sub-§2, ¶II) [2005, c. 1, §19 (RAL); 2005, c. 396, §7 (NEW).]

EE. The disclosure by the State Tax Assessor of the fact that a person has or has not been issued a certificate of exemption pursuant to section 1760, 2013 or 2557, a provisional resale certificate pursuant to section 1754-B, subsection 2-B or a resale certificate pursuant to section 1754-B, subsection 2-C; [2007, c. 438, §10 (AMD).]

FF. The disclosure to the Department of the Secretary of State, Bureau of Motor Vehicles of whether the person seeking registration of a vehicle has paid the tax imposed by Part 3 with respect to that vehicle; [2005, c. 683, Pt. A, §62 (AMD).]

GG. The disclosure to the Department of Inland Fisheries and Wildlife, Division of Licensing and Registration of whether the person seeking registration of a snowmobile, all-terrain vehicle or watercraft has paid the tax imposed by Part 3 with respect to that snowmobile, all-terrain vehicle or watercraft; [2011, c. 253, §37 (AMD).]

HH. (REALLOCATED FROM T. 36, §191, sub-§2, ¶DD) The disclosure to an authorized representative of a municipality that has adopted a municipal property tax assistance program under chapter 907-A of information related to a claimant's receipt of benefits under chapter 907. This paragraph does not authorize the disclosure of a claimant's income. A municipality receiving information under this paragraph shall keep the information confidential; [2007, c. 328, §2 (AMD).]

II. (REALLOCATED FROM T. 36, §191, sub-§2, ¶DD) The disclosure to an authorized representative of the Maine Milk Commission of information on the quantity of packaged milk handled in the State and subject to the milk handling fee established in section 4902 and other information obtained by the assessor in the administration of chapter 721; [2007, c. 539, Pt. M, §2 (AMD); 2007, c. 539, Pt. OO, §5 (AMD); 2007, c. 693, §7 (AMD); 2007, c. 694, §1 (AMD).]

JJ. The disclosure to the State Purchasing Agent of a person's sales tax standing as necessary to enforce Title 5, section 1825-B, subsection 14; [2009, c. 361, §12 (AMD).]

KK. The disclosure of information necessary to administer the setoff of liquidated tax debts pursuant to section 185, subsection 3; [2009, c. 361, §13 (AMD).]

(Paragraph KK as enacted by PL 2007, c. 539, Pt. OO, §7 is REALLOCATED TO TITLE 36, SECTION 191, SUBSECTION 2, PARAGRAPH LL)

(Paragraph KK as enacted by PL 2007, c. 693, §9 is REALLOCATED TO TITLE 36, SECTION 191, SUBSECTION 2, PARAGRAPH MM)

(Paragraph KK as enacted by PL 2007, c. 694, §3 is REALLOCATED TO TITLE 36, SECTION 191, SUBSECTION 2, PARAGRAPH NN)

LL. (REALLOCATED FROM T. 36, §191, sub-§2, ¶KK) The disclosure to any state agency of information relating to the administration and collection of any debt transferred to the bureau for collection pursuant to section 112-A; [2009, c. 652, Pt. A, §50 (AMD).]

MM. (REALLOCATED FROM T. 36, §191, sub-§2, ¶KK) The disclosure to an authorized representative of the Department of Economic and Community Development of information required for the administration of the visual media production credit under section 5219-Y, the employment tax increment financing program under chapter 917, the visual media production reimbursement program under chapter 919-A or the Pine Tree Development Zone program under Title 30-A, chapter 206, subchapter 4; [2009, c. 652, Pt. A, §51 (AMD).]

NN. (REALLOCATED FROM T. 36, §191, sub-§2, ¶KK) The disclosure to an authorized representative of the Wild Blueberry Commission of Maine of information required for or submitted to the assessor in connection with the administration of the tax imposed under chapter 701; [2011, c. 240, §3 (AMD).]

OO. The disclosure to duly authorized officers of the Federal Government and of other state governments of information necessary to administer a set-off agreement pursuant to section 112, subsection 13. The information may not be disclosed unless the officer's government permits a substantially similar disclosure of information to the taxing officials of this State and protects the confidentiality of the information in a manner substantially similar to that provided by this section; [2009, c. 2, §106 (COR).]

PP. The disclosure to the Department of Agriculture, Conservation and Forestry of information contained on the commercial forestry excise tax return filed pursuant to section 2726, such as the landowner name, address and acreage, to facilitate the administration of chapter 367; [2011, c. 211, §19 (AMD); 2011, c. 331, §9 (AMD); 2011, c. 331, §§16, 17 (AFF); 2011, c. 439, §5 (AMD); 2011, c. 439, §12 (AFF); 2011, c. 657, Pt. W, §5 (REV).]

(Paragraph PP as enacted by PL 2009, c. 592, §2 is REALLOCATED TO TITLE 36, SECTION 191, SUBSECTION 2, PARAGRAPH QQ)

QQ. (REALLOCATED FROM T. 36, §191, sub-§2, ¶PP) The disclosure of registration, reporting and payment information to the Department of Agriculture, Conservation and Forestry necessary for the administration of Title 32, chapter 28; [2011, c. 1, §49 (COR); 2011, c. 380, Pt. Q, §2 (AMD); 2011, c. 380, Pt. Q, §7 (AFF); 2011, c. 439, §6 (AMD); 2011, c. 439, §12 (AFF); 2011, c. 657, Pt. W, §5 (REV).]

RR. The disclosure to the Finance Authority of Maine of the cumulative value of eligible premiums submitted for reimbursement pursuant to Title 10, section 1020-C; [2011, c. 1, §51 (COR).]

(Paragraph RR as enacted by PL 2011, c. 331, §11 and affected by §§16 and 17 is REALLOCATED TO TITLE 36, SECTION 191, SUBSECTION 2, PARAGRAPH TT)

(Paragraph RR as enacted by PL 2011, c. 439, §7 and affected by §12 is REALLOCATED TO TITLE 36, SECTION 191, SUBSECTION 2, PARAGRAPH UU)

SS. The disclosure of information to the Finance Authority of Maine necessary for the administration of the new markets capital investment credit in sections 2533 and 5219-HH and to the Commissioner of Administrative and Financial Services as necessary for the execution of the memorandum of agreement pursuant to section 5219-HH, subsection 3; [2011, c. 548, §11 (AMD).]

(Paragraph SS as enacted by PL 2011, c. 439, §8 and affected by §12 is REALLOCATED TO TITLE 36, SECTION 191, SUBSECTION 2, PARAGRAPH VV)

TT. (REALLOCATED FROM T. 36, §191, sub-§2, ¶RR) The disclosure to tax officials of other states, and to clearinghouses and other administrative entities acting on behalf of participating states, of information necessary for the administration of a multistate agreement entered into pursuant to section 2532; [2011, c. 548, §12 (AMD).]

UU. (REALLOCATED FROM T. 36, §191, sub-§2, ¶RR) The production in court on behalf of the assessor or any other party to an action or proceeding under this Title, or the production pursuant to a discovery request under the Maine Rules of Civil Procedure or a request under the freedom of access laws, of any reconsideration decision or advisory ruling issued on or after July 1, 2012, in redacted format so as not to reveal information from which the taxpayer may be identified, except that federal returns and federal return information provided to the State by the Internal Revenue Service may not be disclosed except as permitted by federal law. A person requesting the production of any such document shall pay, at the time the request is made, all direct and indirect costs associated with the redacting of information from which the taxpayer or other interested party may be identified, plus an additional fee of $100 per request; [2013, c. 424, Pt. A, §23 (RPR).]

VV. The disclosure by the assessor to the taxpayer advocate under section 151-C of information related to a petition for reconsideration filed by a taxpayer pursuant to section 151. The taxpayer advocate is prohibited from disclosing information obtained pursuant to this paragraph other than to the particular taxpayer to whom the information pertains; [2013, c. 331, Pt. B, §3 (AMD).]

WW. The disclosure of information to the Department of Inland Fisheries and Wildlife necessary for the administration of the credit for Maine fishery infrastructure investment under section 5216-D; [2013, c. 331, Pt. B, §4 (RPR).]

XX. The disclosure of information by the assessor to the board, except that such disclosure is limited to information that is pertinent to an appeal or other action or proceeding before the board; and [2013, c. 331, Pt. B, §5 (NEW).]

YY. The inspection and disclosure of information by the board to the extent necessary to conduct appeals procedures pursuant to this Title and issue a decision on an appeal to the parties. The board may make available to the public redacted decisions that do not disclose the identity of a taxpayer or any information made confidential by state or federal statute. [2013, c. 331, Pt. B, §5 (NEW).]

[2013, c. 10, §1 (AMD); 2013, c. 25, §§1, 2 (AMD); 2013, c. 67, §1 (AMD); 2013, c. 331, Pt. B, §§3-5 (AMD); 2013, c. 424, Pt. A, §23 (AMD) .]

3. **Additional restrictions for information provided by Internal Revenue Service.** Federal returns and federal return information provided to the State by the Internal Revenue Service may not be disclosed to other states, districts and territories of the United States or provinces of Canada, to legislative committees or the agents of the committees or to the Attorney General for the purpose of criminal investigations and prosecutions unrelated to this Title. These restrictions are in addition to those imposed by subsection 1.

[1999, c. 708, §17 (AMD) .]

3-A. **Additional restrictions for proprietary information provided to assessor.** Information and materials provided in confidence to the assessor and used by the bureau for the purpose of preparing legislation or legislative analysis, including the preparation of fiscal estimates for the Office of Fiscal and Program Review, are to be accorded the same confidentiality as established by this section for tax information.

[2003, c. 390, §5 (NEW) .]

3-B. **Additional restrictions for certain information provided by the Department of Health and Human Services.** Information provided to the assessor by the Department of Health and Human Services pursuant to section 175 and Title 22, section 2425, subsection 8, paragraph L may be used by the bureau only for the administration and enforcement of taxes imposed under this Title. These restrictions are in addition to those imposed by subsection 1.

[2013, c. 595, Pt. J, §2 (NEW); 2013, c. 595, Pt. J, §4 (AFF) .]

4. **Penalties.** A person who willfully violates this section commits a Class E crime. An offender who is an officer or employee of the State must be dismissed from office.

[2009, c. 496, §7 (AMD) .]

SECTION HISTORY
1977, c. 668, §2 (NEW). 1979, c. 127, §193 (AMD). 1981, c. 364, §18 (AMD). 1981, c. 504, §§1,2 (AMD). 1981, c. 698, §176 (AMD). 1985, c. 764, §§3-5 (AMD). 1987, c. 19, §§1-3 (AMD). 1987, c. 43, (AMD). 1987, c. 201, §§1-3 (AMD). 1987, c. 402, §§B22-B27 (AMD). 1987, c. 497, §§7-9 (AMD). 1987, c. 769, §§A145-A149 (AMD). 1991, c. 546, §7 (AMD). 1991, c. 820, §§5-7 (AMD). 1991, c. 837, §B18 (AMD). 1993, c. 395, §7 (AMD). RR 1995, c. 2, §§89-92 (COR). 1995, c. 178, §§1-3 (AMD). 1995, c. 368, §§W6-8 (AMD). 1995, c. 395, §§S1-3 (AMD). 1995, c. 419, §§30-33 (AMD). 1995, c. 625, §§A46-49 (AMD). 1995, c. 639, §6 (AMD). 1995, c. 657, §8 (AMD). 1995, c. 657, §10 (AFF). 1995, c. 694, §D61 (AMD). 1995, c. 694, §E2 (AFF). 1997, c. 504, §4 (AMD). 1997, c. 526, §14 (AMD). 1997, c. 537, §60 (AMD). 1997, c. 537, §62 (AFF). 1997, c. 668, §17 (AMD). 1997, c. 703, §§2-4 (AMD). 1999, c. 414, §§11-13 (AMD). 1999, c. 708, §§14-17 (AMD). 2001, c. 23, §1 (AMD). 2001, c. 293, §6 (AMD). 2001, c. 396, §11 (AMD). 2001, c. 439, §§L6-8 (AMD). 2001, c. 691, §3 (AMD). 2001, c. 691, §6 (AFF). 2001, c. 714, §CC2 (AMD). 2001, c. 714, §CC8 (AFF). RR 2003, c. 2, §114 (COR). 2003, c. 390, §§1-5 (AMD). 2003, c. 390, §55 (AFF). 2003, c. 668, §§9,10 (AMD). 2003, c. 668, §12 (AFF). 2003, c. 673, §DD2 (AMD). 2003, c. 689, §B6 (REV). 2003, c. 705, §3 (AMD). RR 2005, c. 1, §§18,19 (COR). 2005, c. 332, §§6-9 (AMD). 2005, c. 395, §§1-3 (AMD). 2005, c. 396, §§5-7 (AMD). 2005, c. 683, §§A60-64 (AMD). 2007, c. 328, §§2-4 (AMD). 2007, c. 352, Pt. A, §4 (AMD). 2007, c. 438, §10 (AMD). 2007, c. 539, Pt. M, §§2-4 (AMD). 2007, c. 539, Pt. OO, §§5-7 (AMD). 2007, c. 693, §§7-9 (AMD). 2007, c. 694, §§1-3 (AMD). RR 2009, c. 2, §§105-108 (COR). 2009, c. 340, §27 (AMD). 2009, c. 361, §§11-17 (AMD). 2009, c. 434, §§11, 12 (AMD). 2009, c. 470, §4 (AMD). 2009, c. 496, §§6, 7 (AMD). 2009, c. 568, §2 (AMD). 2009, c. 592, §2 (AMD). 2009, c. 637, §13 (AMD). 2009, c. 652, Pt. A, §§50-52 (AMD). RR 2011, c. 1, §§49-53 (COR). 2011, c. 211, §§19-21 (AMD). 2011, c. 240, §§2, 3 (AMD). 2011, c. 253, §37 (AMD). 2011, c. 331, §§9-11 (AMD). 2011, c. 331, §§16, 17 (AFF). 2011, c. 380, Pt. Q, §§2-4 (AMD). 2011, c. 380, Pt. Q, §7 (AFF). 2011, c. 439, §§5-8 (AMD). 2011, c. 439, §12 (AFF). 2011, c. 548, §§11, 12 (AMD). 2011, c. 644, §§5-7 (AMD). 2011, c. 655, Pt. I, §9 (AMD). 2011, c. 655, Pt. I, §11 (AFF). 2011, c. 657, Pt. W, §5 (REV). 2011, c. 682, §38 (REV). 2011, c. 694, §§7-10 (AMD). 2013, c. 10, §1 (AMD). 2013, c. 25, §§1, 2 (AMD). 2013, c. 67, §1 (AMD). 2013, c. 331, Pt. B, §§3-5 (AMD). 2013, c. 424, Pt. A, §23 (AMD). 2013, c. 595, Pt. J, §2 (AMD). 2013, c. 595, Pt. J, §4 (AFF).

§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.

[1981, c. 364, §19 (NEW) .]

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.

[1981, c. 364, §19 (NEW) .]

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.

[1981, c. 364, §19 (NEW) .]

SECTION HISTORY
1981, c. 364, §19 (NEW).

§193. RETURNS; DECLARATION COVERING PERJURY; SUBMISSION OF RETURNS AND FUNDS BY ELECTRONIC MEANS

1. **Declaration required.** Any return, report or other document required to be filed pursuant to this Title must contain a declaration, in a form prescribed by the State Tax Assessor, that the statements contained in the return, report or other document are true and are made under the penalties of perjury. When a tax return is filed electronically by a taxpayer or with the taxpayer's permission, the filing of that return constitutes a sworn statement by the taxpayer, made under the penalties of perjury, that the tax liability shown on the return is correct.

[2005, c. 332, §10 (NEW) .]

2. **Electronic filing.** The State Tax Assessor, with the approval of the Commissioner of Administrative and Financial Services may adopt a rule allowing or requiring the filing of a return or document by electronic data submission. The rule must establish thresholds or phase-in periods to assist taxpayers and preparers in complying with any electronic data submission requirement.

A. Unless otherwise provided by a rule adopted pursuant to this subsection, in the case of an employer that submits returns in accordance with section 5253 with respect to 100 or more employees, whether the returns are submitted directly by the employer or by a 3rd party on behalf of the employer, the assessor may require that the returns be filed by electronic data submission. [2007, c. 437, §6 (AMD).]

B. Unless otherwise provided by a rule adopted pursuant to this subsection, in the case of a payroll processor as defined in Title 10, chapter 222 that submits returns pursuant to section 5253 or Title 26, chapter 13, subchapter 5 or 7 for 100 or more employers, the assessor may require that the returns be filed by electronic data submission. [2007, c. 693, §10 (AMD).]

[2007, c. 693, §10 (AMD) .]

3. **Payment by electronic funds transfer.** The State Tax Assessor, with the approval of the Commissioner of Administrative and Financial Services, may adopt a rule allowing or requiring the payment of a tax or the refund of a tax by electronic funds transfer. An electronic funds transfer allowed or required

by the assessor pursuant to this subsection in payment of a tax obligation to the State is considered a return. For the purposes of this subsection, "tax" includes Competitive Skills Scholarship Fund contributions and unemployment insurance contributions required to be paid to the State pursuant to Title 26.

A. Unless otherwise provided by a rule adopted pursuant to this subsection, in the case of a person that is liable for $200,000 or more per year pursuant to section 5253 or for $400,000 or more per year in payments of any other single tax type, the assessor may require payment or refund of that tax by electronic funds transfer. [2007, c. 437, §6 (AMD).]

B. Unless otherwise provided by a rule adopted pursuant to this subsection, in the case of a payroll processor as defined in Title 10, chapter 222, the assessor may require payment or refund of taxes pursuant to section 5253 and payment or refund of Competitive Skills Scholarship Fund contributions and unemployment insurance contributions pursuant to Title 26, chapter 13, subchapters 5 and 7, respectively, by electronic funds transfer. [2007, c. 693, §11 (AMD).]

[2007, c. 693, §11 (AMD) .]

4. **Adoption of rules.** Rules adopted pursuant to this section are routine technical rules for the purposes of Title 5, chapter 375, subchapter 2-A.

[2007, c. 437, §6 (AMD) .]

SECTION HISTORY
1995, c. 639, §7 (NEW). 1997, c. 504, §5 (AMD). 1997, c. 668, §18 (AMD). 1999, c. 708, §18 (AMD). 2005, c. 332, §30 (AFF). 2005, c. 332, §10 (RPR). 2007, c. 437, §6 (AMD). 2007, c. 693, §§10, 11 (AMD).

§194. DATA WAREHOUSE

1. **Information provided to State Tax Assessor; use and confidentiality of data.** Notwithstanding any other provision of law, the Secretary of State and all executive branch departments, boards, commissions, divisions, authorities, districts or other executive branch agencies of the State shall annually provide to the State Tax Assessor, within 3 months of the request of the assessor, and in such form as the assessor may prescribe, electronic data that those entities possess unless such release is prohibited by federal law. Information provided to the assessor pursuant to this section must be treated as though it is tax return information that is subject to the confidentiality and disclosure provisions of section 191 and its disclosure is further restricted as requested by the agency providing the information and as agreed to by the Commissioner of Administrative and Financial Services.

[2009, c. 213, Pt. TTTT, §1 (NEW) .]

2. **Expense of creating and maintaining data warehouse; transfer of funds.** The State Controller shall transfer from the General Fund an amount authorized by the assessor equal to the expenses incurred in creating and maintaining the data warehouse authorized by this section and in collecting the debts arising from the operation of the data warehouse. These expenses are limited to those resulting from 3rd-party contingency fee contracts for the services referenced in this section and include any associated expense charged by the Department of Administrative and Financial Services, Office of Information Technology for directly related services. The amount transferred must be deposited into a dedicated, nonlapsing account to be used solely for the purpose of creating and maintaining the data warehouse. Interest earned on balances in the account accrue to the account.

[2009, c. 213, Pt. TTTT, §1 (NEW) .]

3. **Report to Legislature.** The assessor shall annually report to the joint standing committees of the Legislature having jurisdiction over taxation matters and appropriations and financial affairs the costs incurred in creating and maintaining, and the tax revenues collected by using, the data warehouse authorized by this section.

[2009, c. 213, Pt. TTTT, §1 (NEW) .]

SECTION HISTORY
2009, c. 213, Pt. TTTT, §1 (NEW).

§194-A. REVIEW OF CERTAIN CHANGES IN THE APPLICATION OF SALES AND USE TAX LAW

1. **Consultation.** Before implementing a significant change in policy, practice or interpretation of the sales and use tax law that would result in additional revenue, the bureau shall consult with the Office of the Attorney General to determine if the change should be reviewed by the appropriate legislative committee of oversight. If the consultation results in an agreement that a proposed change in policy, practice or interpretation of the sales and use tax law is a significant change that would result in additional revenue and should be reviewed by the appropriate legislative committee of oversight, the bureau shall notify the appropriate legislative committee of oversight pursuant to subsection 2.

[2011, c. 503, §1 (NEW) .]

2. **Notification and review.** If, pursuant to subsection 1, the Office of the Attorney General and the bureau agree that a proposed change in policy, practice or interpretation of the sales and use tax law is a significant change that would result in additional revenue and should be reviewed by the appropriate legislative committee of oversight, the bureau shall notify the chairs of the appropriate legislative committee of oversight of the results of the consultation at least 45 days prior to implementation of the change in policy, practice or interpretation of the sales and use tax law, if reasonably practicable. The chairs of the legislative committee of oversight shall notify all committee members in writing of the proposed change in policy, practice or interpretation of the sales and use tax law and may schedule a time for committee review and discussion.

[2011, c. 503, §1 (NEW) .]

3. **Report.** The bureau shall report annually by January 15th to the joint standing committee of the Legislature having jurisdiction over taxation matters regarding the consultation process and, consistent with attorney-client privilege and any other legal privilege and legal confidentiality requirements, provide a brief summary of the issues for which a consultation was sought and the results of each consultation.

[2011, c. 503, §1 (NEW) .]

4. **Assessment validity.** The provisions of this section establish a procedural consultation and reporting requirement to assist routine legislative oversight. It does not affect the validity of any assessment or tax liability under this Title.

[2011, c. 503, §1 (NEW) .]

SECTION HISTORY
2011, c. 503, §1 (NEW).

§194-B. NATIONAL CRIMINAL HISTORY RECORD INFORMATION

As part of the process of evaluating an applicant for employment with the bureau on or after January 1, 2015, the assessor shall perform a national criminal history record check in accordance with this section. [2013, c. 546, §7 (NEW).]

1. **Criminal history record information obtained from the Federal Bureau of Investigation.** The assessor shall obtain national criminal history record information from the Federal Bureau of Investigation for any person not then employed with the Bureau of Revenue Services who has applied for and may be offered employment.

[2013, c. 546, §7 (NEW) .]

2. **Fingerprinting.** An individual not then employed with the Bureau of Revenue Services applying for employment with the bureau must consent to having fingerprints taken for use in accordance with this section before the individual may be employed by the bureau. The State Police shall take or cause to be taken the applicant's fingerprints and shall forward the fingerprints to the Department of Public Safety, State Bureau of Identification so that the State Bureau of Identification can conduct state and national criminal history record checks for the Bureau of Revenue Services. The State Police may charge the Bureau of Revenue Services for the expenses incurred in processing state and national criminal history record checks. The full fee charged under this subsection must be deposited in a dedicated revenue account for the State Bureau of Identification with the purpose of paying costs associated with the maintenance and replacement of the criminal history record systems.

[2013, c. 546, §7 (NEW) .]

3. **Confidentiality.** All information obtained by the assessor pursuant to this section is confidential and not a public record pursuant to Title 1, chapter 13.

[2013, c. 546, §7 (NEW) .]

4. **Applicant's access to criminal history record information.** The Bureau of Revenue Services shall provide an applicant with access to information obtained pursuant to this section, if requested, by providing a paper copy of the criminal history record information directly to the applicant, but only after the Bureau of Revenue Services confirms that the applicant is the subject of the record. In addition, the Bureau of Revenue Services shall publish guidance on requesting such information from the Federal Bureau of Investigation.

[2013, c. 546, §7 (NEW) .]

SECTION HISTORY
2013, c. 546, §7 (NEW).

Chapter 9: JUSTIFICATION OF TAX EXPENDITURES

§195. PURPOSE

(REPEALED)

SECTION HISTORY
1985, c. 430, §3 (NEW). 2001, c. 652, §5 (RP).

§196. TAX EXPENDITURE

(REPEALED)

SECTION HISTORY
1985, c. 430, §3 (NEW). 2001, c. 652, §5 (RP).

§197. REVIEW

(REPEALED)

SECTION HISTORY
1985, c. 430, §3 (NEW). 1997, c. 526, §14 (AMD). 2001, c. 652, §5 (RP).

§198. SCHEDULE FOR REVIEW

(REPEALED)

SECTION HISTORY
1985, c. 430, §3 (NEW). 1989, c. 508, §7 (AMD). RR 1993, c. 1, §106 (COR). 1999, c. 475, §§2-5 (AMD). 1999, c. 475, §7 (AFF). 1999, c. 708, §§19,20 (AMD). 2001, c. 652, §5 (RP).

§199. REPORT

(REPEALED)

SECTION HISTORY
1985, c. 430, §3 (NEW). 2001, c. 652, §5 (RP).

Chapter 10: TAX EXPENDITURE REVIEW

§199-A. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [2001, c. 652, §7 (NEW).]

1. **Committee.** "Committee" means the joint standing committee of the Legislature having jurisdiction over taxation matters.

[2001, c. 652, §7 (NEW) .]

2. **Tax expenditure.** "Tax expenditure" means any provision of state law that results in the reduction of tax revenue due to special exclusions, exemptions, deductions, credits, preferential rates or deferral of tax liability.

[2001, c. 652, §7 (NEW) .]

SECTION HISTORY
2001, c. 652, §7 (NEW).

§199-B. REPORT

1. **Report.** The bureau shall submit a report regarding tax expenditures to the committee by January 5th of each odd-numbered year. The report must contain:

A. A summary of each tax expenditure in the laws administered by the bureau; [2001, c. 652, §7 (NEW).]

B. A description of the purpose and background of the tax expenditure and the groups likely to benefit from the tax expenditure; [2001, c. 652, §7 (NEW).]

C. An estimate of the cost of the tax expenditure for the current biennium; [2001, c. 652, §7 (NEW).]

D. Any issues regarding tax expenditures that need to be considered by the Legislature; and [2001, c. 652, §7 (NEW).]

E. Any recommendation regarding the amendment, repeal or replacement of the tax expenditure. [2001, c. 652, §7 (NEW).]

[2001, c. 652, §7 (NEW) .]

SECTION HISTORY
2001, c. 652, §7 (NEW).

§199-C. REVIEW

The committee shall conduct the following reviews according to the following schedule. [2001, c. 652, §7 (NEW).]

1. **Odd-numbered years.** During each odd-numbered year the committee may review the report required under section 199-B.

[2001, c. 652, §7 (NEW) .]

2. **Even-numbered years.** During each even-numbered year the committee may review current issues of tax policy.

A. During each second regular session, the committee shall identify areas of tax policy for review during the period between the end of the second regular session and the first regular session of the next Legislature. [2001, c. 652, §7 (NEW).]

B. The committee may review:

(1) Issues of tax policy related to tax expenditures identified in its review under subsection 1;

(2) Issues related to the overall structure of the State's tax laws and the relative tax burdens on various classes of taxpayers;

(3) The impact of the State's tax structure on taxpayer behavior, including incentives and disincentives to reside or locate businesses in the State;

(4) Issues identified by the committee that require more detailed review than is possible during a regular session of the Legislature; or

(5) Any other tax policy issue identified by the committee as needing legislative review. [2001, c. 652, §7 (NEW).]

[2001, c. 652, §7 (NEW) .]

3. **Specific tax expenditure review.** By June 1, 2021, the committee shall review the income tax credit under section 5217-D to determine whether the credit should be retained, repealed or modified. The committee shall consider information provided by the bureau and the Department of Education pursuant to Title 20-A, section 12545.

[2011, c. 665, §6 (NEW) .]

4. **Review of aviation tax expenditure.** The committee, by June 30, 2023, shall review the sales tax exemption under section 1760, subsection 88-A to determine whether the exemption provides an incentive for increasing investment in the aviation sector, attracting and retaining aviation business and basing aircraft in the State.

[2013, c. 379, §1 (AMD) .]

SECTION HISTORY
2001, c. 652, §7 (NEW). 2011, c. 665, §6 (AMD). 2013, c. 368, Pt. VVVV, §1 (AMD). 2013, c. 379, §1 (AMD).

§199-D. REPORT

The committee shall notify the Legislature of the results of each review conducted under section 199-C and may issue a report of its findings and recommendations. The committee may report to the Legislature any legislation necessary to implement recommendations resulting from the review conducted under section 199-C. [2001, c. 652, §7 (NEW).]

SECTION HISTORY
2001, c. 652, §7 (NEW).

Chapter 11: REVENUE IMPACT

§200. BUREAU OF REVENUE SERVICES REPORT ON REVENUE INCIDENCE

1. **Impact of taxes on individuals.** The bureau shall submit to the joint standing committee of the Legislature having jurisdiction over taxation matters and the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs a report containing the information required by this subsection by July 1, 1999 and by January 1st of each odd-numbered year thereafter.

A. Part 1 of the report must describe the overall incidence of all state, local and county taxes. The report must present information on the distribution of the tax burden:

(1) For the overall income distribution, using a measure of system-wide incidence that appropriately measures equality and inequality;

(2) By income classes, including, at a minimum, deciles of the income distribution; and

(3) By other appropriate taxpayer characteristics. [1997, c. 744, §1 (NEW).]

B. Part 2 of the report must describe the impact of the tax system on business and industrial sectors. The report must:

(1) Describe the impact of taxes on major sectors of the business and industrial economy relative to other sectors; and

(2) Describe the relative impact of each tax on business and industrial sectors. [1997, c. 744, §1 (NEW).]

C. When determining the overall incidence of taxes under this subsection, the bureau shall reduce the amount of taxes collected by the amount of taxes that are returned directly to taxpayers through tax relief programs. [1997, c. 744, §1 (NEW).]

[2005, c. 218, §8 (AMD) .]

2. **Legislation analysis.** At the request of the joint standing committee of the Legislature having jurisdiction over taxation matters, the bureau shall prepare an incidence impact analysis of any legislation or proposal to change the tax laws that increases, decreases or redistributes taxes by more than $20,000,000.

To the extent data is available on the changes in the distribution of the tax burden that are effected by that legislation or proposal, the analysis must report on the incidence effects that would result if the legislation were enacted. The report may present information, using system-wide measures, by income classes, taxpayer characteristics or other relevant categories. The report may include analyses of the effect of the legislation proposal on representative taxpayers. The analysis must include a statement of the incidence assumptions that were used in computing the tax burdens.

[1997, c. 744, §1 (NEW) .]

SECTION HISTORY
1997, c. 744, §1 (NEW). 2001, c. 652, §6 (AMD). 2005, c. 218, §8 (AMD).

Part 2: PROPERTY TAXES

Chapter 101: GENERAL PROVISIONS

Subchapter 1: POWERS AND DUTIES OF STATE TAX ASSESSOR

§201. SUPERVISION AND ADMINISTRATION

The State Tax Assessor shall have and exercise general supervision over the administration of the assessment and taxation laws of the State, and over local assessors and all other assessing officers in the performance of their duties, to the end that all property shall be assessed at the just value thereof in compliance with the laws of the State. [1977, c. 509, §2 (AMD).]

SECTION HISTORY
1977, c. 509, §2 (AMD).

§202. TRAINING AND CERTIFICATION OF ASSESSORS

(REPEALED)

SECTION HISTORY
1969, c. 579, §1 (RPR). 1973, c. 620, §7 (RP). 1973, c. 695, §3 (RP).

§203. SUPERVISORS AND ASSISTANTS

(REPEALED)

SECTION HISTORY
1969, c. 579, §2 (RP).

§204. DAILY PAYMENT TO TREASURER

(REPEALED)

SECTION HISTORY
1981, c. 364, §20 (RP).

§205. FORMS, REPORTS AND RECORDS

The State Tax Assessor shall prescribe the form of blanks, reports, abstracts and other records relating to the assessment of property for taxation. Assessors and other officers shall use and follow the forms so prescribed and the State Tax Assessor shall have power to enforce their use.

§206. COMPENSATION OF ASSESSORS, COLLECTORS AND TREASURERS

Primary assessing areas and municipalities shall pay to assessors a reasonable compensation and actual expenses incurred in complying with the requirement of this Title. Primary assessing areas and municipalities shall pay to collectors, treasurers and assessors a reasonable compensation and actual expenses incurred in attending meetings and schools called by the State Tax Assessor. [1973, c. 695, §4 (RPR).]

SECTION HISTORY
1973, c. 620, §8 (RPR). 1973, c. 695, §4 (RPR).

§207. -- CONVENTIONS

(REPEALED)

SECTION HISTORY
1973, c. 620, §9 (RP). 1973, c. 695, §5 (RP).

§208. EQUALIZATION

The State Tax Assessor has the duty of equalizing the state and county taxes among the several towns and unorganized territory. The State Tax Assessor shall equalize and adjust the assessment list of each town, by adding to or deducting from it such amount as will make it equal to its just value as of April 1st. Notice of the proposed valuations of municipalities within each county must be sent annually by certified mail to the chair of the board of assessors, and chair of the board of selectmen in municipalities having selectmen, of each municipality within that county on or before the first day of October. The valuation so determined is subject to review by the State Board of Property Tax Review pursuant to subchapter II-A, but the valuation finally certified to the Secretary of State pursuant to section 381 must be used for all computations required by law to be based upon the state valuation with respect to municipalities. [1993, c. 395, §8 (AMD).]

SECTION HISTORY
1969, c. 502, §2 (NEW). 1975, c. 628, §1 (RPR). 1985, c. 764, §6 (AMD). 1993, c. 395, §8 (AMD).

§208-A. ADJUSTMENT FOR SUDDEN AND SEVERE DISRUPTION OF VALUATION

1. **Request for adjustment.** A municipality that has experienced a sudden and severe disruption in its municipal valuation may request an adjustment to the equalized valuation determined by the State Tax Assessor under section 208 for the purposes of calculating distributions of education funding under Title 20-A, chapter 606-B and state-municipal revenue sharing under Title 30-A, section 5681. A municipality requesting an adjustment under this section must file a petition, with supporting documentation, with the State Tax Assessor by March 31st of the year following the tax year in which the sudden and severe disruption occurred and indicate the time period for which adjustments to distributions are requested under subsection 5.

[2013, c. 368, Pt. O, §2 (AMD); 2013, c. 368, Pt. O, §11 (AFF); 2013, c. 385, §§1, 3 (AFF); 2013, c. 544, §§6, 7 (AFF) .]

2. **Sudden and severe disruption.** A municipality experiences a sudden and severe disruption in its municipal valuation if:

A. The municipality experiences a net reduction in equalized municipal valuation of at least 2% from the equalized municipal valuation that would apply without adjustment under this section; [2013, c. 368, Pt. O, §3 (AMD); 2013, c. 368, Pt. O, §11 (AFF); 2013, c. 385, §§1, 3 (AFF); 2013, c. 544, §§6, 7 (AFF).]

B. The net reduction in equalized municipal valuation is attributable to the cessation of business operations, removal, functional or economic obsolescence not due to short-term market volatility or destruction of or damage to property resulting from disaster attributable to a single taxpayer that occurred in or was not reasonably determinable until the prior tax year; and [2013, c. 368, Pt. O, §3 (AMD); 2013, c. 368, Pt. O, §11 (AFF); 2013, c. 385, §§1, 3 (AFF); 2013, c. 544, §§6, 7 (AFF).]

C. The municipality's equalized tax rate of residential property exceeds the state average. [2007, c. 322, §2 (RPR).]

For purposes of this subsection, "removal" does not include property that was present in the municipality for less than 24 months. This subsection does not apply to property acquired by a municipality that otherwise could seek relief pursuant to this section.

[2013, c. 368, Pt. O, §3 (AMD); 2013, c. 368, Pt. O, §11 (AFF); 2013, c. 385, §§1, 3 (AFF); 2013, c. 544, §§6, 7 (AFF) .]

3. **Procedure.** A municipality may request an adjustment under this section by filing a petition with the State Tax Assessor in accordance with this subsection.

A. The municipality, on forms prescribed by the State Tax Assessor, shall identify a net reduction in equalized municipal valuation of at least 2% of the municipality's equalized value attributable to the property of a single taxpayer, the date of the loss and the cause of the loss. The municipality must include an appraisal report prepared by a qualified professional appraiser with respect to the property responsible for the loss that shows the value of the property immediately prior to the loss and the value of the property following the loss. The appraisal report must include a summary of the appraiser's consideration of the cost, income capitalization and sales comparison approaches to the value of the property. The municipality is required to provide any other documentation to support its claim as determined by the State Tax Assessor, including, if requested, all records associated with the municipality's assessment of the property subject to the requested adjustment for the 3-year period prior to the date of the reduction in valuation.

For purposes of this paragraph, "qualified professional appraiser" means an individual who has at least 5 years' experience determining the just value of real and personal property of the commercial and industrial type using the 3 standard methods of valuation and who attests in writing to the State Tax Assessor that the individual has a current working knowledge of the application of the 3 standard methods of valuation to real and personal property of the commercial and industrial type and:

(1) Is a certified general real property appraiser licensed under Title 32, chapter 124; or

(2) Is an assessor certified under Title 36, section 310. [2013, c. 368, Pt. O, §4 (NEW); 2013, c. 368, Pt. O, §11 (AFF); 2013, c. 385, §§1, 3 (AFF); 2013, c. 544, §§6, 7 (AFF).]

B. The State Tax Assessor shall examine the documentation provided by the municipality and determine whether the municipality qualifies for an adjustment under this section. [2013, c. 368, Pt. O, §4 (NEW); 2013, c. 368, Pt. O, §11 (AFF); 2013, c. 385, §§1, 3 (AFF); 2013, c. 544, §§6, 7 (AFF).]

C. If the State Tax Assessor determines that a municipality qualifies for an adjustment under this section, the State Tax Assessor shall calculate the amount of the adjustment for the municipality by determining the amount by which the state valuation determined under section 208 would be reduced as a result of the net sudden and severe disruption of equalized municipal valuation for the state valuations to be used in the next fiscal year by the Commissioner of Education and the Treasurer of State. The State Tax Assessor shall adjust subsequent state valuations until such time as the state valuation recognizes the loss. The State Tax Assessor may limit the time period or amount of adjustment to reflect the circumstances of the sudden and severe loss of valuation. [2013, c. 368, Pt. O, §4 (NEW); 2013, c. 368, Pt. O, §11 (AFF); 2013, c. 385, §§1, 3 (AFF); 2013, c. 544, §§6, 7 (AFF).]

[2013, c. 368, Pt. O, §11 (AFF); 2013, c. 368, Pt. O, §4 (RPR); 2013, c. 385, §§1, 3 (AFF); 2013, c. 544, §§6, 7 (AFF) .]

4. **Notifications.** After review of the claim, the State Tax Assessor, in writing, shall approve or deny, in whole or in part, the adjustment requested.

A. The written decision must include the findings of fact upon which the decision is based. Notwithstanding section 151, the State Tax Assessor's written determination constitutes final agency action that is subject to review by the Superior Court in accordance with the Maine Administrative Procedure Act, except that Title 5, section 11006 does not apply. [2013, c. 368, Pt. O, §5 (NEW); 2013, c. 368, Pt. O, §11 (AFF); 2013, c. 385, §§1, 3 (AFF); 2013, c. 544, §§6, 7 (AFF).]

B. Within 30 days of providing the municipality the written determination denying, in whole or in part, a claim for adjustment, the State Tax Assessor shall provide a copy of the denial letter to the joint standing committee of the Legislature having jurisdiction over taxation matters. [2013, c. 368, Pt. O, §5 (NEW); 2013, c. 368, Pt. O, §11 (AFF); 2013, c. 385, §§1, 3 (AFF); 2013, c. 544, §§6, 7 (AFF).]

C. The State Tax Assessor shall notify the Commissioner of Education and the Treasurer of State of any adjustment to state valuation determined under this section and the time period to which the adjustment applies. [2013, c. 368, Pt. O, §5 (NEW); 2013, c. 368, Pt. O, §11 (AFF); 2013, c. 385, §§1, 3 (AFF); 2013, c. 544, §§6, 7 (AFF).]

[2013, c. 368, Pt. O, §11 (AFF); 2013, c. 368, Pt. O, §5 (RPR); 2013, c. 385, §§1, 3 (AFF); 2013, c. 544, §§6, 7 (AFF) .]

5. **Effect of modified state valuation.** The determination of an adjustment to state valuation has the following effect.

A. The Commissioner of Education shall use the adjusted state valuation amount instead of the valuation certified under section 305 in calculating education funding obligations for the following fiscal year. [2013, c. 368, Pt. O, §6 (AMD); 2013, c. 368, Pt. O, §11 (AFF); 2013, c. 385, §§1, 3 (AFF); 2013, c. 544, §§6, 7 (AFF).]

B. The Treasurer of State shall use the adjusted state valuation amount instead of the valuation certified under section 305 in calculating distributions of state-municipal revenue sharing for the following fiscal year. [2013, c. 368, Pt. O, §6 (AMD); 2013, c. 368, Pt. O, §11 (AFF); 2013, c. 385, §§1, 3 (AFF); 2013, c. 544, §§6, 7 (AFF).]

[2013, c. 368, Pt. O, §6 (AMD); 2013, c. 368, Pt. O, §11 (AFF); 2013, c. 385, §§1, 3 (AFF); 2013, c. 544, §§6, 7 (AFF) .]

6. **Report.** By February 1st, annually, the State Tax Assessor shall submit a report to the joint standing committee of the Legislature having jurisdiction over taxation matters identifying all requests for adjustment of equalized valuation under this section during the previous calendar year, the assessor's determination regarding each request and the amount of any payments made by the Commissioner of Education under subsection 5, paragraph A.

[2007, c. 322, §2 (NEW) .]

SECTION HISTORY
1997, c. 688, §1 (NEW). 2001, c. 579, §1 (AMD). 2005, c. 332, §11 (AMD). 2007, c. 322, §2 (RPR). 2013, c. 368, Pt. O, §§2-6 (AMD). 2013, c. 368, Pt. O, §11 (AFF). 2013, c. 385, §§1, 3 (AFF). 2013, c. 544, §§6, 7 (AFF).

Subchapter 2: POWERS AND DUTIES OF STATE TREASURER

§251. WARRANTS FOR TOWN ASSESSMENT OF STATE TAX

When a state tax is imposed and required to be assessed by the proper officers of towns, the Treasurer of State shall send such warrants as he is, from time to time, ordered to issue for the assessment thereof to the assessors, requiring them forthwith to assess the sum apportioned to their town or place, and to commit their assessment to the constable or collector for collection.

§252. TIME FOR ISSUANCE

When a state tax is ordered by the Legislature, the Treasurer of State shall send his warrants directed to the assessors of each municipality, as soon after the first day of April as is practicable, requiring them to assess upon the estates of such municipality its proportion of the state tax for the current year; and shall in a like manner for the succeeding year, send like warrants for the state tax. [1975, c. 765, §3 (AMD).]

SECTION HISTORY
1975, c. 765, §3 (AMD).

§253. -- REQUIREMENTS

The Treasurer of State in his warrant shall require the assessors of each municipality to make a fair list of their assessments, as required by this Title; to commit such list to the tax collector of such municipality in accordance with section 709; and to return a certificate thereof in accordance with section 712.

§254. ISSUANCE OF WARRANTS OR EXECUTIONS

The Treasurer of State shall issue warrants or executions against delinquent towns, assessors, constables and collectors to enforce the collection and payment of state taxes in cases prescribed in this Title.

Subchapter 2-A: PROPERTY TAX APPEALS

§271. STATE BOARD OF PROPERTY TAX REVIEW

1. **Organization; meetings.** The State Board of Property Tax Review, as established by Title 5, section 12004-B, subsection 6, shall consist of 15 members appointed by the Governor for terms of 3 years, except for initial appointments which shall be 1/3 of the membership for one year, 1/3 of the membership for 2 years and 1/3 of the membership for 3 years. Vacancies on the board shall be filled for the remainder of the unexpired term. The membership shall be equally divided among attorneys, real estate brokers, engineers, retired assessors and public members. The board shall annually elect a chair and secretary. The secretary need not be chosen from the members of the board.

[1989, c. 503, Pt. B, §165 (AMD) .]

2. **Powers and duties.** The board shall have the following powers and duties:

A. Hear and determine appeals according to the following provisions of law:

(1) The tree growth tax law, chapter 105, subchapter 2-A;

(2) The farm and open space law, chapter 105, subchapter 10;

(3) As provided in section 843;

(4) As provided in section 844;

(5) Section 272;

(6) Section 2865; and

(7) The current use valuation of certain working waterfront land law, chapter 105, subchapter 10-A; [2007, c. 466, Pt. A, §57 (AMD).]

B. Raise or lower assessments to conform to the law; [1985, c. 764, §8 (NEW).]

C. Promulgate rules in accordance with the Maine Administrative Procedure Act, Title 5, chapter 375, governing procedures before the board; [2009, c. 571, Pt. WWW, §1 (AMD).]

D. Administer oaths, take testimony, hold hearings, summon witnesses and subpoena records, files and documents it considers necessary for carrying out its responsibilities; and [2009, c. 571, Pt. WWW, §2 (AMD).]

E. Charge fees for filing a petition for appeal with the board pursuant to subsection 10. [2009, c. 571, Pt. WWW, §3 (NEW).]

[2009, c. 571, Pt. WWW, §§1-3 (AMD) .]

3. **Procedures.** Appeals to the board must be commenced by filing a petition for appeal with the board and paying the appropriate filing fee if required pursuant to subsection 10. A copy of the petition must be mailed to the State Tax Assessor and to the assessor of the municipality where the property subject to appeal is located.

[2009, c. 571, Pt. WWW, §4 (AMD) .]

3-A. **Filing.** Petitions for appeal, filing fees and all other papers required or permitted to be filed with the board must be filed with the secretary of the board. Filing with the secretary may be accomplished by delivery to the office of the board or by mail addressed to the secretary of the board. All papers to be filed that are transmitted by the United States Postal Service are deemed filed on the day the papers are deposited in the mail as provided in section 153. The secretary of the board shall place a petition for appeal that is filed without payment of the filing fee on the docket and shall notify the petitioner that the appeal will not be processed further without payment. Municipal appeals under section 272 are specifically exempted from the filing fee requirement.

[2009, c. 571, Pt. WWW, §5 (AMD) .]

4. **Services.** The board may request the advice and services of any assessor or appraiser holding a valid certificate from the Bureau of Revenue Services and other persons as it deems advisable. No assessor or appraiser may sit with the board concerning any property which he has previously appraised or assessed.

[1985, c. 764, §8 (NEW); 1997, c. 526, §14 (AMD) .]

5. **Hearings.** Upon receipt of an appeal, the chair of the board shall determine whether the appeal is within the jurisdiction of the board. If the board does not have jurisdictional authority to hear the appeal, the chair shall notify all parties in writing within 10 days of making the determination. Either party may appeal to the board a decision of the chair relating to jurisdictional issues within 30 days after receiving written notice of that decision by filing a request with the board to have that decision reviewed by the board. If the board does have jurisdiction over the appeal or if either party appeals the determination that the board lacks jurisdiction, the chair shall select from the list of board members 5 persons to hear the appeal or jurisdictional issue and shall notify all parties of the time and place of the hearing. The selection of members for an appeal hearing or appeal of a jurisdictional issue is based upon availability, geographic convenience and area of expertise. Three of the 5 members constitute a quorum.

[1995, c. 262, §1 (AMD) .]

6. **Compensation.** Board members serving on an appeal panel shall be compensated according to Title 5, chapter 379.

[1985, c. 764, §8 (NEW) .]

7. **Appeal.** Decisions of the board may be appealed pursuant to the Maine Administrative Procedure Act, Title 5, chapter 375.

[1985, c. 764, §8 (NEW) .]

8. **Transition provision.**

[2009, c. 434, §13 (RP) .]

9. **Property Tax Review Board Fund; funding.** The Property Tax Review Board Fund is established to assist in funding the activities of the board pursuant to this subchapter. Any balance in the fund does not lapse but is carried forward to be expended for the same purposes in succeeding fiscal years. Filing fees collected pursuant to this section must be deposited in the fund, which is administered by the board. The funds must supplement and not supplant General Fund appropriations.

[2009, c. 571, Pt. WWW, §6 (NEW) .]

10. **Filing fees.** The following fees are required for filing petitions for appeal with the board.

A. The filing fee for a petition for an appeal of current use valuation under the tree growth tax law, chapter 105, subchapter 2-A, the farm and open space tax law, chapter 105, subchapter 10, the working waterfront land law, chapter 105, subchapter 10-A or a petition for an appeal relating to section 2865 is $75. [2009, c. 571, Pt. WWW, §7 (NEW).]

B. The filing fee for a petition for an appeal relating to nonresidential property or properties with an equalized municipal valuation of $1,000,000 or greater pursuant to sections 273, 843 and 844 is $150. [2009, c. 571, Pt. WWW, §7 (NEW).]

[2009, c. 571, Pt. WWW, §7 (NEW) .]

SECTION HISTORY
1985, c. 764, §8 (NEW). 1987, c. 530, §2 (AMD). 1989, c. 503, §B165 (AMD). 1993, c. 395, §§9-10 (AMD). 1993, c. 664, §12 (AMD). 1995, c. 262, §1 (AMD). 1997, c. 526, §14 (AMD). 2005, c. 609, §1 (AMD). 2007, c. 466, Pt. A, §57 (AMD). 2009, c. 434, §13 (AMD). 2009, c. 571, Pt. WWW, §§1-7 (AMD).

§272. MUNICIPAL VALUATION APPEALS

The State Board of Property Tax Review shall hear appeals by any municipality aggrieved by the Bureau of Revenue Services' determination of equalized valuation or failure to meet minimum assessing standards and render its decision based upon the recorded evidence. [1985, c. 764, §8 (NEW); 1997, c. 526, §14 (AMD).]

1. **Filing.** Any municipality aggrieved shall file a written notice of appeal within 45 days of its receipt of notification of the decision of the Bureau of Revenue Services. The appeal to the board shall be in writing signed by a majority of the municipal officers, and shall be accompanied by an affidavit stating the grounds for appeal. A copy of the appeal and the affidavit shall be served on the Bureau of Revenue Services.

[1989, c. 619, (AMD); 1997, c. 526, §14 (AMD) .]

2. **Hearing.** The board shall hear the appeal within a reasonable time of the filing of the appeal by the municipality and shall render its decision no later than January 15th following the date on which the appeal is taken. The board shall order notice of hearing and give at least 5 days' notice prior to hearing thereof to the municipality and to the Bureau of Revenue Services.

[1985, c. 764, §8 (NEW); 1997, c. 526, §14 (AMD) .]

3. **Determination.** The Bureau of Revenue Services shall have the burden of showing that its determination is reasonable and the municipality's claims are unreasonable. The board shall sustain the determination of the Bureau of Revenue Services only upon finding that the bureau's determination is reasonable and the claims of the municipality are unreasonable. If the board does not sustain the bureau's determination, it shall make its own reasonable determination giving due weight to the claims of the municipality and the Bureau of Revenue Services.

[1985, c. 764, §8 (NEW); 1997, c. 526, §14 (AMD) .]

4. **Powers.** The board, after hearing, shall have the power to:

A. Raise, lower or sustain the state valuation as determined by the Bureau of Revenue Services with respect to the municipality which has filed the appeal; or [1985, c. 764, §8 (NEW); 1997, c. 526, §14 (AMD).]

B. Raise, lower or sustain the bureau's determination of the municipality's achieved assessing standards and then, if the achieved standards were inadequate under the provisions of chapter 102, subchapter 5, and upon receiving from both the bureau and the municipality recommended solutions to the inadequate assessing practices, order the municipality to take the corrective steps the board considers necessary. [2009, c. 496, §8 (AMD).]

The board shall certify its decision to the Bureau of Revenue Services which shall, if necessary, incorporate the decision in the valuation certified pursuant to section 305, subsection 1.

[2009, c. 496, §8 (AMD) .]

5. **Procedure following appeal.** The valuation determined on appeal shall be certified to the State Tax Assessor, who shall, if necessary, incorporate the decision in the valuation certified pursuant to section 305, subsection 1. If an appeal to the Superior Court or Supreme Judicial Court results in a lowering of the municipality's state valuation, the Treasurer of State shall reimburse with funds appropriated from the General Fund, an amount equal to money lost by the municipality, due to the use by the State of an incorrect state valuation in any statutory formula used to distribute state funds to municipalities.

[1985, c. 764, §8 (NEW) .]

SECTION HISTORY
1985, c. 764, §8 (NEW). 1989, c. 619, (AMD). 1997, c. 526, §14 (AMD). 2009, c. 496, §8 (AMD).

§273. NONRESIDENTIAL PROPERTY OF $1,000,000 OR GREATER

With regard to appeals relating to nonresidential property or properties with an equalized municipal valuation of $1,000,000 or greater either separately or in the aggregate, as provided in sections 843 and 844, the state board shall hold a hearing de novo. For the purposes of this section, "nonresidential property" means property that is used primarily for commercial, industrial or business purposes, excluding unimproved land that is not associated with a commercial, industrial or business use. [1995, c. 262, §2 (AMD).]

SECTION HISTORY
1985, c. 764, §8 (NEW). 1995, c. 262, §2 (AMD).

Subchapter 3: PROPERTY TAX APPEALS

Article 1: MUNICIPAL VALUATION APPEALS BOARD

§291. MEMBERSHIP, CREATION

(REPEALED)

SECTION HISTORY
1969, c. 502, §3 (RPR). 1975, c. 545, §2 (AMD). 1975, c. 771, §399 (AMD). 1977, c. 604, §36 (AMD). 1983, c. 812, §266 (AMD). 1985, c. 764, §7 (RP).

§292. DUTIES, PROCEDURES

(REPEALED)

SECTION HISTORY
1969, c. 502, §3 (RPR). 1975, c. 272, §33 (AMD). 1975, c. 545, §3 (AMD). 1975, c. 628, §2 (RPR). 1975, c. 765, §4 (RPR). 1977, c. 694, §677 (AMD). 1979, c. 273, §§1-3 (AMD). 1979, c. 666, §5 (AMD). 1985, c. 764, §7 (RP).

§293. COMPENSATION

(REPEALED)

SECTION HISTORY
1969, c. 502, §3 (RPR). 1983, c. 812, §267 (AMD). 1985, c. 764, §7 (RP).

Article 2: LAND CLASSIFICATION APPEALS BOARD

§297. PURPOSE; COMPOSITION

(REPEALED)

SECTION HISTORY
1977, c. 549, §11 (NEW). 1979, c. 666, §6 (RP).

§298. HEARING

(REPEALED)

SECTION HISTORY
1977, c. 549, §11 (NEW). 1979, c. 666, §7 (RP).

Chapter 102: PROPERTY TAX ADMINISTRATION

Subchapter 1: BUREAU OF REVENUE SERVICES
HEADING: PL 1997, C. 526, §14 (AMD)

§301. STATE TAX ASSESSOR

The responsibility for the direction, supervision and control of the administration of all property tax laws in the State is vested in the State Tax Assessor, except for such portion of those activities expressly delegated by this chapter to the primary assessing areas or municipal assessing units or those activities expressly

prohibited by this chapter to the Bureau of Revenue Services. The State Tax Assessor shall take all necessary and legal means to ensure that the intent of this chapter is fulfilled. [1975, c. 545, §4 (AMD); 1997, c. 526, §14 (AMD).]

SECTION HISTORY
1973, c. 620, §10 (NEW). 1975, c. 545, §4 (AMD). 1997, c. 526, §14 (AMD).

§302. UNORGANIZED TERRITORIES

The Bureau of Revenue Services shall be responsible for the performance of the assessing function in the unorganized territory of the State and this territory shall constitute a single primary assessing unit. [1975, c. 545, §4 (AMD); 1997, c. 526, §14 (AMD).]

SECTION HISTORY
1973, c. 620, §10 (NEW). 1975, c. 545, §4 (AMD). 1997, c. 526, §14 (AMD).

§303. ORGANIZED TERRITORY

The organized territory of the State shall be divided into primary assessing areas and municipal assessing units on or before July 1, 1979. The foregoing division shall be made by the State Tax Assessor utilizing the following criteria as appropriate. [1979, c. 666, §8 (AMD).]

1. **Primary assessing areas.** Primary assessing areas, including both primary assessing units and multi-municipal primary assessing districts, shall be established by:

A. Giving consideration to existing municipal and School Administrative District lines without regard to existing county lines; [1975, c. 545, §5 (RPR).]

B. Utilizing such factors as geography, distance, number of parcels, urban characteristics, sales activity and other factors the State Tax Assessor believes important; [1979, c. 666, §8 (AMD).]

C. If the State Tax Assessor wishes, the appointment of an advisory committee to assist him in making the division and in establishing assessing standards; and [1979, c. 666, §8 (AMD).]

D. Determining the boundaries of such areas and, after appropriate hearing by interested parties, as conditions and personnel warrant. [1975, c. 545, §5 (RPR).]

Primary assessing areas, both single units and districts, shall be reviewed at least every 10 years by the State Tax Assessor. When conditions justify alteration of the boundaries of the primary assessing areas, the State Tax Assessor may so order after appropriate hearing. Any municipality may withdraw from designation as a primary assessing area upon proper notice.

[1979, c. 666, §8 (AMD) .]

2. **Municipal assessing units.** Any municipality may decide not to be designated as a primary assessing area and shall be designated a municipal assessing unit. If the municipal assessing unit hires a professional full-time assessor, he shall be subject to the certification requirements of sections 311 and 312.

[1979, c. 666, §8 (AMD) .]

SECTION HISTORY
1973, c. 620, §10 (NEW). 1975, c. 19, §§1,2 (AMD). 1975, c. 545, §5 (RPR). 1975, c. 765, §5 (AMD). 1979, c. 666, §8 (AMD).

§304. ESTABLISHMENT OF PRIMARY ASSESSING AREAS

The State Tax Assessor shall, by order, establish each primary assessing area. The order shall be directed to the municipal officers. The issuance of said order shall be conclusive evidence of the lawful organization of the primary assessing area and a copy of said order shall be filed in the office of the Secretary of State. [1975, c. 545, §6 (RPR).]

The governing body of the primary assessing area shall determine the initial budget for the primary assessing area and, if a primary assessing district, the warrant for each participating municipality's share of expenses. The sums due on said warrant shall be paid on demand to the primary assessing district. The warrant shall be enforced in the same manner as state or county tax warrants. [1975, c. 545, §6 (RPR).]

SECTION HISTORY
1973, c. 620, §10 (NEW). 1975, c. 19, §3 (AMD). 1975, c. 545, §6 (RPR). 1975, c. 765, §6 (AMD).

§305. ADDITIONAL DUTIES

In addition to any other duties of the Bureau of Revenue Services provided in this chapter, it shall: [1975, c. 78, §21 (AMD); 1997, c. 526, §14 (AMD).]

1. **Just value.** Certify to the Secretary of State before the first day of February the equalized just value of all real and personal property in each municipality and unorganized place that is subject to taxation under the laws of this State, except that percentage of captured assessed value located within a tax increment financing district that is used to finance that district's development plan, the captured assessed value located within a municipal affordable housing development district and the valuation amount by which the current assessed value of commercial and industrial property within a municipal incentive development zone, as determined in Title 30-A, section 5284, exceeds the assessed value of commercial and industrial property within the zone as of the date the zone is approved by the Commissioner of Economic and Community Development, known in this subsection as the "sheltered value," up to the amount invested by a municipality in infrastructure improvements under an infrastructure improvement plan adopted pursuant to Title 30-A, section 5283. The equalized just value must be uniformly assessed in each municipality and unorganized place and be based on 100% of the current market value. It must separately show for each municipality and unorganized place the actual or estimated value of all real estate that is exempt from property taxation by law or is the captured value within a tax increment financing district that is used to finance that district's development plan, as reported on the municipal valuation return filed pursuant to section 383, or that is the sheltered value of a municipal incentive development zone. The valuation as filed remains in effect until the next valuation is filed and is the basis for the computation and apportionment of the state and county taxes;

[2003, c. 426, §2 (AMD) .]

2. **Services.** Assist the primary assessing areas by providing appropriate technical services which may include, but not be limited to, the following,

A. Preparation of information or manuals, or both, concerning construction values, prices, appraised guides, statistical tables and other appropriate materials; [1973, c. 620, §10 (NEW).]

B. Specialized assessing assistance in industrial, commercial and other difficult property assessments as determined by the State Tax Assessor; [1973, c. 620, §10 (NEW).]

C. Establishment of a coordinate grid system in connection with the Department of Agriculture, Conservation and Forestry for the purpose of uniform identification of property parcels; [2011, c. 655, Pt. EE, §21 (AMD); 2011, c. 655, Pt. EE, §30 (AFF); 2011, c. 657, Pt. W, §5 (REV).]

D. Assistance in the preparation of tax maps and methods of updating such maps; [1973, c. 620, §10 (NEW).]

E. Devising necessary forms and procedures; and [1973, c. 620, §10 (NEW).]

F. Advice concerning data processing application to assessing. [1973, c. 620, §10 (NEW).]

[2011, c. 655, Pt. EE, §21 (AMD); 2011, c. 655, Pt. EE, §30 (AFF); 2011, c. 657, Pt. W, §5 (REV) .]

3. **Report.** Provide a biennial statistical compilation and analysis of property tax assessment practices and pertinent property tax data on a state-wide basis;

[1973, c. 620, §10 (NEW) .]

4. **Research.** Provide a continuing program of property tax research to improve present laws and practices;

[1973, c. 620, §10 (NEW) .]

5. **Rules and regulations.** Promulgate, after appropriate notice and hearing, all rules and regulations necessary to carry into effect any of its duties and responsibilities; and

[2001, c. 564, §3 (AMD) .]

6. **Report on changes in land ownership.** On or before September 1st of each year, report to the Commissioner of Agriculture, Conservation and Forestry, the Commissioner of Inland Fisheries and Wildlife and the joint standing committee of the Legislature having jurisdiction over public lands on the transfer in ownership of parcels of land 10,000 acres or greater within the unorganized territory of the State. Using information maintained by the State Tax Assessor under section 1602 and section 4641-D, the bureau shall provide information for each transfer that includes:

A. Name of the seller; [2001, c. 564, §4 (NEW).]

B. Name of the buyer; [2001, c. 564, §4 (NEW).]

C. Number of acres transferred; [2001, c. 564, §4 (NEW).]

D. Classification of land; [2001, c. 564, §4 (NEW).]

E. Location by township and county; [2001, c. 564, §4 (NEW).]

F. Sale price; and [2001, c. 564, §4 (NEW).]

G. A brief description of the property. [2001, c. 564, §4 (NEW).]

[2011, c. 655, Pt. II, §8 (AMD); 2011, c. 655, Pt. II, §11 (AFF); 2011, c. 657, Pt. W, §6 (REV) .]

SECTION HISTORY
1973, c. 620, §10 (NEW). 1975, c. 272, §34 (AMD). 1983, c. 858, §3 (AMD). 1983, c. 859, §N3 (AMD). 1985, c. 650, §7 (AMD). 1987, c. 497, §10 (AMD). 1989, c. 508, §8 (AMD). 1989, c. 857, §74 (AMD). 1993, c. 696, §4 (AMD). 1995, c. 462, §A67 (AMD). 1997, c. 526, §14 (AMD). 2001, c. 564, §§3,4 (AMD). 2003, c. 426, §2 (AMD). 2011, c. 655, Pt. EE, §21 (AMD). 2011, c. 655, Pt. EE, §30 (AFF). 2011, c. 655, Pt. II, §8 (AMD). 2011, c. 655, Pt. II, §11 (AFF). 2011, c. 657, Pt. W, §§5, 6 (REV).

§306. DEFINITIONS

For the purpose of this chapter, the following terms have the following meanings. [2007, c. 627, §9 (AMD).]

1. **Chief assessor.** "Chief assessor" means the person who is primarily responsible for the assessing function in a primary assessing unit or primary assessing district, designated as such by the State Tax Assessor.

[2007, c. 627, §9 (AMD) .]

2. **Hours of classroom training.** "Hours of classroom training" means clock hours, not credit hours.

[2007, c. 627, §9 (AMD) .]

3. **Municipal assessing unit.** "Municipal assessing unit" means a municipality that has chosen not to be designated by the State Tax Assessor as a primary assessing area.

[2007, c. 627, §9 (AMD) .]

4. **Primary assessing area.** "Primary assessing area" means the basic geographic division of the State's territory for the purpose of property tax assessment and administration. A primary assessing area may be either a primary assessing unit or a primary assessing district.

A. [2007, c. 627, §9 (RP).]

B. [2007, c. 627, §9 (RP).]

[2007, c. 627, §9 (AMD) .]

4-A. **Primary assessing district.** "Primary assessing district" means a multimunicipal area of the State that has been designated by the State Tax Assessor as a primary assessing area.

[2007, c. 627, §9 (NEW) .]

4-B. **Primary assessing unit.** "Primary assessing unit" means a single municipality that has been designated by the State Tax Assessor as a primary assessing area.

[2007, c. 627, §9 (NEW) .]

5. **Professional assessor.** "Professional assessor" means a person who is employed full time by one or more municipalities or by a primary assessing area, 75% or more of whose time is devoted to assessment administration.

[2007, c. 627, §9 (AMD) .]

6. **State supervisory agency.**

[2007, c. 627, §9 (RP) .]

SECTION HISTORY
1973, c. 620, §10 (NEW). 1975, c. 545, §7 (RPR). 1997, c. 526, §14 (AMD). 2007, c. 438, §11 (AMD). 2007, c. 627, §9 (AMD).

Subchapter 2: CERTIFICATION OF ASSESSORS

§310. EXAMINATION

The Bureau of Revenue Services shall hold qualifying examinations for assessors at least 4 times each year. [1981, c. 330, (AMD); 1997, c. 526, §14 (AMD).]

1. **Additional examinations.** Such additional examinations may be held as the State Tax Assessor deems necessary.

[1975, c. 78, §21 (AMD) .]

2. **Content and type.** The State Tax Assessor shall determine the content and type of examination and in so doing may consult with professional assessing organizations and others.

[1973, c. 695, §6 (RPR) .]

3. **Test applicant's knowledge.** The examination shall, among other things, test the applicant's knowledge of applicable law and techniques of assessing.

[1973, c. 695, §6 (RPR) .]

4. **Level of attainment.** The State Tax Assessor shall establish by rule the level of attainment on the examination required for certification. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

[2011, c. 240, §4 (AMD) .]

SECTION HISTORY
1973, c. 620, §10 (NEW). 1973, c. 695, §6 (RPR). 1981, c. 330, (AMD). 1997, c. 526, §14 (AMD). 2011, c. 240, §4 (AMD).

§311. CERTIFICATION

The State Tax Assessor shall issue a certificate of eligibility to any applicant who has demonstrated through appropriate examination that he or she is qualified to perform the assessing function. In addition, the State Tax Assessor shall establish classes of said certificate of eligibility that recognize the differing assessing skills needed for municipalities that vary in population and types of property. [1975, c. 545, §8 (RPR).]

Certificates of eligibility shall be renewed annually provided the assessor completes at least 16 hours of classroom training approved by the State Tax Assessor each year. [1975, c. 545, §8 (RPR).]

Any certificate issued by the State Tax Assessor may for cause be revoked after a hearing and findings of fact. In revoking a certificate, the State Tax Assessor shall give the certificate holder 30 days' written notice of the time and place of the hearing and the reasons therefor. An order of revocation shall be effective immediately. [1975, c. 545, §8 (RPR).]

SECTION HISTORY
1973, c. 620, §10 (NEW). 1973, c. 695, §6 (RPR). 1975, c. 545, §8 (RPR).

§312. VIOLATION

After July 1, 1980, no person shall be eligible to perform the duties of a chief assessor of a primary assessing area or the duties of a professional assessor of any municipality or primary assessing area unless he or she shall have been certified in the manner provided. Violation of this section shall be a civil violation for which a forfeiture of not less than $100 nor more than $250 shall be adjudged. [1977, c. 696, §265 (RPR).]

SECTION HISTORY
1973, c. 620, §10 (NEW). 1973, c. 695, §6 (RPR). 1975, c. 545, §9 (AMD). 1977, c. 696, §265 (RPR).

§313. TENURE

A chief assessor certified as provided shall serve a probationary period of 2 years. Thereafter he or she shall have tenure and may only be removed as provided. [1975, c. 545, §10 (AMD).]

A chief assessor having tenure in any primary assessing area, upon moving to another primary assessing area, shall serve a probationary period of no longer than one year, but such probationary period may be waived by agreement of the parties. Records as to tenure of chief assessors shall be kept by the Bureau of Revenue Services. [1975, c. 545, §10 (AMD); 1997, c. 526, §14 (AMD).]

SECTION HISTORY
1973, c. 620, §10 (NEW). 1973, c. 695, §6 (RPR). 1975, c. 545, §10 (AMD). 1997, c. 526, §14 (AMD).

§314. REMOVAL

The chief assessor holds office for an indefinite term unless otherwise specified by contract. A chief assessor may be removed from office as follows: [2007, c. 627, §10 (AMD).]

1. **Probationary period.** A chief assessor serving a probationary period may be removed by the executive committee upon 30 days' written notice stating the reason for the removal.

[2007, c. 627, §10 (AMD) .]

2. **Tenure.** A chief assessor who has tenure may be removed for cause by the executive committee in the manner provided for the removal of town managers in Title 30-A, section 2633.

[2007, c. 627, §10 (AMD) .]

3. **Certification revoked.** A chief assessor whose certification is revoked by the State Tax Assessor must be removed from office immediately.

[2007, c. 627, §10 (AMD) .]

4. **Lapsed or expired certification.**

[1975, c. 545, §11 (RP) .]

SECTION HISTORY
1973, c. 620, §10 (NEW). 1973, c. 695, §6 (RPR). 1975, c. 545, §11 (AMD). 1987, c. 737, §§C77,C106 (AMD). 1989, c. 6, (AMD). 1989, c. 9, §2 (AMD). 1989, c. 104, §§C8,C10 (AMD). 2007, c. 627, §10 (AMD).

Subchapter 3: SELECTION OF ASSESSORS

§315. SELECTION OF ASSESSORS

(REPEALED)

SECTION HISTORY
1973, c. 620, §10 (NEW). 1975, c. 545, §12 (RP).

Subchapter 4: TRAINING OF ASSESSORS

§318. TRAINING OF ASSESSORS

The State Tax Assessor may establish, either on the assessor's own initiative or in conjunction with professional or educational agencies, or both, a program of training to meet the needs of the State of Maine for a sufficient supply of competently trained assessors. Where possible, such training must be conducted by the Margaret Chase Smith Center for Public Policy of the University of Maine System or an institution of higher education. For such purposes, the State Tax Assessor may designate what programs either within or outside the State are acceptable for these training purposes. [1993, c. 78, §4 (AMD).]

Primary assessing units may expend funds for educational and training activities, including reimbursement for tuition, travel, meals, lodging, textbooks and miscellaneous instructional expenses. In addition, upon authorization of the executive committee of the primary assessing area, leaves of absence with pay may be approved for this purpose. The Bureau of Revenue Services may expend funds for training activities. [1975, c. 78, §21 (AMD); 1997, c. 526, §14 (AMD).]

SECTION HISTORY
1973, c. 620, §10 (NEW). 1973, c. 695, §6 (RPR). 1985, c. 779, §79 (AMD). 1993, c. 78, §4 (AMD). 1997, c. 526, §14 (AMD).

Subchapter 5: ASSESSING STANDARDS

§326. PURPOSE OF MINIMUM STANDARDS

The purpose of minimum assessing standards is to aid the municipalities of Maine in the realization of just assessing practices without mandating the different ways municipalities might choose to achieve such equitable assessments. [1975, c. 545, §13 (NEW).]

SECTION HISTORY
1975, c. 545, §13 (NEW).

§327. MINIMUM ASSESSING STANDARDS

All municipalities whether they choose to remain as single municipal assessing units or choose to be designated as a primary assessing area, either as a primary single unit or a member of a primary district, shall achieve the following minimum assessing standards: [1975, c. 545, §13 (NEW).]

1. **Minimum assessment ratios.** A 50% minimum assessment ratio by 1977; a 60% minimum assessment ratio by 1978; and a 70% minimum assessment ratio by 1979 and thereafter. Notwithstanding this subsection, a municipality should not have an assessment ratio at an amount greater than 110% of its just value;

[1993, c. 249, §1 (AMD); 1993, c. 249, §2 (AFF) .]

2. **Maximum rating of assessment.** A maximum rating of assessment quality of 30 by 1977; a maximum rating of assessment quality of 25 by 1978; a maximum rating of assessment quality of 20 by 1979 and thereafter;

[1975, c. 545, §13 (NEW) .]

3. **Employment of assessor.** Any municipal assessing unit may employ a part-time, non-certified assessor or contract with a firm or organization that provides assessing services; when any municipal assessing unit or primary assessing area employs a full-time, professional assessor, this assessor must be certified by the Bureau of Revenue Services as a professionally trained assessor. The bureau shall publish, for the information of the municipalities, a listing of certified assessors and assessing firms or organizations.

[2001, c. 583, §10 (AMD) .]

SECTION HISTORY
1975, c. 545, §13 (NEW). 1993, c. 249, §1 (AMD). 1993, c. 249, §2 (AFF). 1997, c. 526, §14 (AMD). 2001, c. 583, §10 (AMD).

§328. ADMINISTRATIVE RULES AND REGULATIONS

Any rules and regulations established by the Bureau of Revenue Services shall recognize the freedom, invention and individual means of the municipalities by which said standards will be met. For municipalities, whether a municipal assessing unit or in a primary assessing area, such regulations shall recognize that: [1979, c. 666, §9 (AMD); 1997, c. 526, §14 (AMD).]

1. **Electronic data processing.** Electronic data processing will be optional;

[1975, c. 545, §13 (NEW) .]

2. **Time for office to be opened.** The assessor's office need not be open full time;

[1975, c. 545, §13 (NEW) .]

3. **Uniform accounting system.** A uniform accounting system will not be mandated;

[1975, c. 545, §13 (NEW) .]

4. **Budgets unnecessary.** Budgets need not be submitted to the bureau;

[1975, c. 545, §13 (NEW) .]

5. **Number of appraisers.** The number of additional appraisers necessary will not be mandated;

[1975, c. 545, §13 (NEW) .]

6. **Office records.** The following office records do not necessarily have to be maintained:

A. Copies of deeds; [1975, c. 545, §13 (NEW).]

B. Aerial photographs; [1975, c. 545, §13 (NEW).]

C. Summary accounts or "tub" cards; [1975, c. 545, §13 (NEW).]

[1975, c. 545, §13 (NEW) .]

7. **Physical inspection and inventory.** Physical inspection and inventory of each real parcel and personal property account will take place at least every 4 years rather than every 3 years;

[1975, c. 545, §13 (NEW) .]

8. **Annual sales ratio studies.** Assessors will conduct annual sales ratio studies; and

[1975, c. 545, §13 (NEW) .]

9. **Tax maps.** Municipal assessing units do not necessarily have to maintain tax maps.

[1975, c. 545, §13 (NEW) .]

Upon a municipality's failure to achieve the minimum assessing standards of this subchapter, the bureau may choose at least one or more of the above administrative practices as necessary corrective steps to be undertaken by said municipality, in accordance with sections 271, 272 and 329. [1989, c. 502, Pt. A, §126 (AMD).]

SECTION HISTORY
1975, c. 545, §13 (NEW). 1979, c. 666, §§9,10 (AMD). 1989, c. 502, §A126 (AMD). 1997, c. 526, §14 (AMD).

§329. INABILITY TO ACHIEVE STANDARDS

If the Bureau of Revenue Services determines that a municipality has not met the minimum standards set forth in this subchapter, the municipality has 2 options: [2007, c. 627, §11 (AMD).]

1. **Acceptance.** If the municipality accepts the bureau's determination, the bureau shall consult with the officers of the municipality and require steps by which the municipality is to achieve an acceptable level of just assessing practices. In requiring those steps, the bureau shall endeavor to accommodate the preferences of the municipal officers. The steps may include membership, where applicable, in a primary assessing district, joining with a companion municipality in the hiring of a professional assessor or an assessing firm or other arrangements approved by the bureau; and

[2007, c. 627, §11 (AMD) .]

2. **Appeal.** If the municipality is aggrieved by the bureau's determination, the municipality may file a written notice of appeal with the State Board of Property Tax Review in accordance with chapter 101, subchapter 2-A.

[2007, c. 627, §11 (AMD) .]

SECTION HISTORY
1975, c. 545, §13 (NEW). 1979, c. 666, §11 (AMD). 1985, c. 764, §9 (AMD). 1997, c. 526, §14 (AMD). 2007, c. 627, §11 (AMD).

§330. PROFESSIONAL ASSESSMENT FIRMS

1. **Guidelines for professional assessing firms.** The State Tax Assessor shall establish by rule guidelines for professional assessing firms. The guidelines must include the following requirements:

A. Each professional assessing firm shall employ at least one certified Maine assessor; and [2011, c. 240, §5 (AMD).]

B. Each professional assessing firm performing revaluation services for a municipality shall provide the municipality with papers and information necessary to conduct future revaluations. [2011, c. 240, §5 (AMD).]

Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

[2011, c. 240, §5 (AMD) .]

2. **Model contract.** The State Tax Assessor shall develop a model contract for revaluation services. This model contract shall be made available to all municipalities.

[1985, c. 764, §10 (NEW) .]

3. **Assistance to municipalities.** The State Tax Assessor shall provide technical assistance to municipalities, when requested, in evaluating and selecting professional revaluation firms.

[1985, c. 764, §10 (NEW) .]

SECTION HISTORY
1985, c. 764, §10 (NEW). 2011, c. 240, §5 (AMD).

§331. ASSESSMENT MANUAL

The State Tax Assessor shall maintain and periodically update a State assessment manual by rule, in accordance with the Maine Administrative Procedure Act, Title 5, chapter 375, which shall identify accepted and preferred methods of assessing property. [1985, c. 764, §10 (NEW).]

Any municipality performing or contracting for the performance of a revaluation after January 1, 1987, shall use or require the use of the State assessment manual or another professionally accepted manual or procedure. [1985, c. 764, §10 (NEW).]

SECTION HISTORY
1985, c. 764, §10 (NEW).

Chapter 103: ASSESSMENT AND COLLECTION OF TAXES

Subchapter 1: STATE VALUATION; ABATEMENTS

Article 1: GENERAL PROVISIONS

§341. CERTIFICATION OF TREASURER AND CONTROLLER

Before commencing to collect the taxes which the State Tax Assessor is authorized by law to collect, he shall certify to the Treasurer of State and the State Controller the total amount of each type of tax. Copies of all supplemental assessments and abatements of taxes shall be sent to the Treasurer of State.

§342. PROPERTY TAXES CREDITED ON ASSESSMENTS; QUARTERLY PAYMENTS

(REPEALED)

SECTION HISTORY
1979, c. 666, §12 (RP).

Article 2: VALUATION

§381. STATE VALUATION; DEFINITION; TO BE FILED WITH BUREAU OF REVENUE SERVICES ANNUALLY

The term "state valuation" as used in reference to the unorganized territory in this Title, except in this chapter, means an annual valuation of all property subject to a Maine property tax but not taxable by a municipality. The annual valuation is to be completed by and on file in the office of the Bureau of Revenue Services prior to the assessment of the annual property tax in the unorganized territory. The annual valuation

is to be based on the status of property on April 1st. In this chapter and outside of this Title, the term "state valuation" means the valuation filed with the Secretary of State pursuant to section 305, subsection 1. [1983, c. 859, Pt. N, §4 (AMD); 1997, c. 526, §14 (AMD).]

SECTION HISTORY
1967, c. 24, (AMD). 1969, c. 502, §4 (AMD). 1971, c. 107, §1 (AMD). 1975, c. 272, §35 (RPR). 1977, c. 509, §3 (AMD). 1981, c. 698, §178 (AMD). 1983, c. 858, §4 (AMD). 1983, c. 859, §N4 (AMD). 1997, c. 526, §14 (AMD). RR 2013, c. 2, §44 (COR).

§381-A. INTERIM STATE VALUATION OF MUNICIPALITIES

(REPEALED)

SECTION HISTORY
1969, c. 502, §5 (NEW). 1971, c. 107, §2 (RP).

§382. FAILURE OF ASSESSOR TO FURNISH INFORMATION

If any municipal assessor or assessor of a primary assessing area fails to appear before the State Tax Assessor or his agent as provided in this Title, or to transmit to him the lists named within 10 days after the mailing or publication of notice or notices to them to so appear or transmit said lists, the State Tax Assessor may in his discretion report the valuation of the estates and property liable to taxation in the town so in default, as he shall deem just and equitable. [1973, c. 695, §7 (RPR).]

SECTION HISTORY
1969, c. 502, §6 (AMD). 1973, c. 620, §11 (AMD). 1973, c. 625, §242 (AMD). 1973, c. 695, §7 (RPR).

§383. ASSESSORS' ANNUAL RETURN TO STATE TAX ASSESSOR

1. **Annual return.** The municipal assessors and the assessors of primary assessing areas shall make and return lists, which must be seasonably furnished by the State Tax Assessor for that purpose, all such information as to the assessment of property and collection of taxes as may be needed in the work of the State Tax Assessor, including annually the land value, exclusive of buildings and all other improvements, and the valuation of each class of property assessed in their respective jurisdictions, with the total valuation and percentage of taxation, together with a statement to the best of their knowledge and belief of the ratio, or percentage of current just value, upon which the assessments are based and itemized lists of property upon which the towns have voted to affix values for taxation purposes.

[1999, c. 487, §1 (NEW) .]

2. **Assessment ratio.** The State Tax Assessor may establish procedures and adopt rules, in accordance with the Maine Administrative Procedure Act, designed to ensure that the ratio certified by the municipal assessors or the assessors of primary assessing areas is accurate within 20% of the state valuation ratio last determined, unless adequate evidence is presented to the State Tax Assessor by the municipalities to justify a different assessment ratio.

[1999, c. 487, §1 (NEW) .]

3. **When due.** The return and lists required by subsection 1 must be returned to the State Tax Assessor no later than November 1st, annually, or 30 days after commitment of taxes, whichever is later.

[1999, c. 487, §1 (NEW) .]

4. **Penalty for late filing.** If the complete return and lists required by this section are not filed on time, the State Tax Assessor shall impose a penalty to be deducted from state reimbursement due to the municipality or primary assessing area pursuant to the following programs in the following order of priority:

A. Maine Tree Growth Tax Law, section 578; [2001, c. 32, §1 (NEW).]

B. Veterans' property tax exemptions, section 653; and [2001, c. 32, §1 (NEW).]

C. Maine resident homestead property tax exemption, section 685. [2001, c. 32, §1 (NEW).]

For a municipality or primary assessing area with a population of 2,000 or less, the penalty is $50 for the first late day plus $10 for each late day thereafter. For a municipality or primary assessing area with a population of more than 2,000, the penalty is $100 for the first late day plus $20 for each late day thereafter.

[2001, c. 32, §1 (RPR) .]

SECTION HISTORY
1969, c. 343, §1 (AMD). 1969, c. 502, §6 (AMD). 1971, c. 544, §122 (RPR). 1973, c. 620, §12 (AMD). 1973, c. 625, §243 (AMD). 1973, c. 695, §7 (RPR). 1987, c. 772, §9 (AMD). 1989, c. 857, §75 (AMD). 1999, c. 487, §1 (RPR). 2001, c. 32, §1 (AMD).

§384. INVESTIGATION OF VALUATION; ACTIONS AND PROSECUTIONS; REASSESSMENT ORDERS; APPEALS

The State Tax Assessor shall, at his own instance or on complaint made to him, diligently investigate all cases of concealment of property from taxation, of undervaluation, of overvaluation, and of failure to assess property liable to taxation. He shall bring to the attention of assessors all such cases in their respective jurisdictions. He shall direct proceedings, actions and prosecutions to be instituted to enforce all laws relating to the assessment and taxation of property and to the liability of individuals, public officers and officers and agents of corporations for failure or negligence to comply with the laws governing the assessment or taxation of property, and the Attorney General and district attorneys, upon the written request of the State Tax Assessor, shall institute such legal proceedings as may be necessary to carry out this Title. The State Tax Assessor shall have power to order the reassessment of any or all real and personal property, or either, in any jurisdiction where in his judgment such reassessment is advisable or necessary to the end that all classes of property in such jurisdiction shall be assessed in compliance with the law. Neglect or failure to comply with such orders on the part of any assessor or other official shall be deemed willful neglect of duty and he shall be subject to the penalties provided by law in such cases. Provided a satisfactory reassessment is not made by the assessors, then the State Tax Assessor may employ assistance from within or without the jurisdiction where such reassessment is to be made, and said jurisdiction shall bear all necessary expense incurred. Any person aggrieved because of such reassessment shall have the same right of petition and appeal as from the original assessment. The State shall be permitted to intervene in any action resulting from an order of the State Tax Assessor pursuant to this section. [1975, c. 623, §52 (AMD).]

SECTION HISTORY
1969, c. 14, (AMD). 1973, c. 620, §13 (AMD). 1973, c. 695, §8 (RPR). 1975, c. 623, §52 (AMD).

Subchapter 2: ASSESSMENT OF STATE PROPERTY AND EXCISE TAXES

§451. RATE OF TAX

(REPEALED)

SECTION HISTORY

1965, c. 345, (AMD). 1969, c. 502, §7 (AMD). P&SL 1971, c. 117, §D (AMD). 1971, c. 616, §6 (AMD). 1973, c. 308, §19 (AMD). 1973, c. 556, §6 (RPR). 1973, c. 783, §45 (RPR). 1975, c. 272, §36 (RPR). 1975, c. 510, §45 (AMD). 1975, c. 660, §5 (RPR). IB 1977, c. 1, §3 (AMD). 1977, c. 48, §3 (AMD). 1977, c. 109, (AMD). 1977, c. 564, §131A (AMD). 1977, c. 698, §5 (AMD). 1979, c. 666, §13 (AMD).

§451-A. MILL RATE FOR FISCAL YEAR 1977-78

(REPEALED)

SECTION HISTORY
1977, c. 98, §8 (NEW). 1977, c. 625, §9 (RP).

§452. ASSESSMENT OF STATE PROPERTY TAX

(REPEALED)

SECTION HISTORY
1975, c. 272, §37 (RPR). 1975, c. 510, §46 (AMD). 1975, c. 660, §5 (RPR). IB 1977, c. 1, §4 (AMD). 1977, c. 48, §4 (AMD). 1979, c. 666, §14 (RP).

§453. PAYMENT OF STATE TAX BY MUNICIPALITIES

(REPEALED)

SECTION HISTORY
1971, c. 616, §7 (AMD). 1973, c. 556, §7 (RPR). 1973, c. 783, §46 (RPR). 1975, c. 272, §38 (RPR). 1975, c. 660, §5 (RPR). 1975, c. 754, §6 (AMD). IB 1977, c. 1, §5 (RP). 1977, c. 530, §2 (AMD).

§453-A. ADJUSTMENTS IN APPROPRIATIONS

(REPEALED)

SECTION HISTORY
1975, c. 754, §7 (NEW). IB 1977, c. 1, §6 (RP).

§454. PAYMENT OF TAX IN TOWN WHERE CHARTERS SURRENDERED

When the charter of any municipality listed in the statement filed with the Secretary of State by the State Tax Assessor under section 381 is subsequently surrendered by Act of the Legislature, the tax assessed shall be an outstanding obligation of such municipality, and it shall be paid, and funds for payment thereof shall be raised by the State Tax Assessor in the same manner as provided by law in the case of other outstanding obligations of such municipality. [1973, c. 625, §244 (AMD).]

SECTION HISTORY
1969, c. 502, §8 (AMD). 1973, c. 625, §244 (AMD).

§455. ADDITIONAL STATE PROPERTY TAX

(REPEALED)

SECTION HISTORY
1973, c. 592, §4A (NEW). 1979, c. 127, §194 (RP).

§456. ADDITIONAL STATE PROPERTY TAX EXEMPTION

(REPEALED)

SECTION HISTORY
1973, c. 592, §4A (NEW). 1973, c. 788, §179 (AMD). 1979, c. 127, §195 (RP).

§457. STATE TELECOMMUNICATIONS EXCISE TAX

1. **Definitions.** As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings.

A. "Telecommunications business" means a person engaged in the activity of providing interactive 2-way communication services for compensation. [1991, c. 9, Pt. EE, (NEW).]

B. "Qualified telecommunications equipment" means equipment used for the transmission of any interactive 2-way communications, including voice, image, data and information, via a medium such as wires, cables, microwaves, radio waves, light waves or any combination of those or similar media. "Qualified telecommunications equipment" includes equipment used to provide telegraph service. "Qualified telecommunications equipment" does not include equipment used solely to provide value-added nonvoice services in which computer processing applications are used to act on the form, content, code and protocol of the information to be transmitted, unless those services are provided under a tariff approved by the Public Utilities Commission. "Qualified telecommunications equipment" does not include single or multiline standard telephone instruments. Notwithstanding section 551, "qualified telecommunications equipment" includes any interest of a telecommunications business in poles. [2011, c. 430, §1 (AMD).]

C. "Distribution facilities" means facilities used primarily to transport communications between fixed locations, including but not limited to cables, wires, wireless transmitters and utility poles. [2011, c. 430, §1 (NEW).]

[2011, c. 430, §1 (AMD) .]

2. **Tax imposed.**

[2011, c. 430, §1 (RP) .]

2-A. **Excise tax levied.** An excise tax is levied on a telecommunications business at the rate provided in this subsection times the just value of the qualified telecommunications equipment for the privilege of operating within the State as follows:

A. Just value of the qualified telecommunications equipment must be determined pursuant to section 701-A as of the April 1st preceding the assessment; and [2011, c. 430, §1 (NEW).]

B. The rate of tax is 19.2 mills for assessments made in 2012. For assessments made in 2013 and subsequent years, the State Tax Assessor shall apply the tax rate of the municipality or unorganized territory in which the qualified telecommunications equipment is located to the just value of the equipment as adjusted by the municipality's or unorganized territory's certified assessment ratio. [2011, c. 430, §1 (NEW).]

[2011, c. 430, §1 (NEW) .]

3. **Determination of just value.**

[1991, c. 121, Pt. B, §18 (AFF); 1991, c. 121, Pt. B, §2 (RP) .]

3-A. **Returns to State Tax Assessor prior to July 1, 2012.** Prior to July 1, 2012, each telecommunications business owning or leasing qualified telecommunications equipment that on the first day of April in any year is situated, whether permanently or temporarily, within this State shall, on or before the 20th day of April in that year, return to the State Tax Assessor a complete list of such equipment on a form to be furnished by the State Tax Assessor.

[2011, c. 430, §1 (AMD) .]

3-B. **Returns to State Tax Assessor beginning July 1, 2012.** Beginning July 1, 2012, each telecommunications business owning or leasing qualified telecommunications equipment on April 1, 2012 and annually thereafter shall, on or before December 31, 2012 and annually thereafter, return to the State Tax Assessor a complete list of such equipment and each municipality or unorganized territory where any such equipment is situated on the first day of April on a form to be furnished by the State Tax Assessor.

[2011, c. 430, §1 (NEW) .]

4. **Assessment.** The State Tax Assessor shall assess a tax on qualified telecommunications equipment owned or leased by a telecommunications business. Qualified telecommunications equipment owned or leased by a person that is not a telecommunications business must be assessed a tax by the municipal assessor in the municipality in which the equipment is located on April 1st of the taxable year. The date of assessment of qualified telecommunications equipment by municipalities must be consistent with property subject to property taxation by the municipalities.

[2011, c. 430, §1 (AMD) .]

5. **Assessment procedure.**

[1991, c. 121, Pt. B, §18 (AFF); 1991, c. 121, Pt. B, §2 (RP) .]

5-A. **Procedure.**

[1999, c. 731, Pt. W, §4 (AFF); 1999, c. 731, Pt. W, §2 (RP); 1999, c. 732, Pt. H, §3 (AFF); 1999, c. 732, Pt. H, §1 (RP) .]

5-B. **Procedure.** The excise tax on qualified telecommunications equipment of a telecommunications business must be assessed and paid in accordance with this subsection.

A. Prior to July 2012, the State Tax Assessor shall make the assessment by May 30th of each year. After July 1, 2012, the State Tax Assessor shall make the assessment by March 30, 2013 and by March 30th annually thereafter. [2011, c. 430, §1 (AMD).]

B. [2007, c. 693, §12 (RP).]

C. The tax assessment must be paid no later than the August 15th following the date of assessment. [2007, c. 693, §12 (AMD).]

D. [2007, c. 693, §12 (RP).]

[2011, c. 430, §1 (AMD) .]

6. **Amount of assessment.**

[1991, c. 121, Pt. B, §18 (AFF); 1991, c. 121, Pt. B, §2 (RP) .]

7. **Collection.** Taxes assessed under this section by the State Tax Assessor must be enforced as generally provided by this Title. Taxes assessed under this section by municipal assessors must be enforced in the same way as locally assessed personal property taxes.

[2011, c. 430, §1 (AMD) .]

8. **Penalty.**

[2007, c. 693, §12 (RP) .]

9. **Appeal.** A taxpayer receiving an assessment under this section may appeal a decision of the State Tax Assessor in the manner set forth in section 151.

[2011, c. 430, §1 (NEW) .]

SECTION HISTORY
1987, c. 507, §1 (NEW). 1987, c. 769, §A150 (AMD). 1991, c. 9, §EE (RPR). 1991, c. 121, §B2 (AMD). 1991, c. 121, §B18 (AFF). 1991, c. 846, §7 (AMD). 1999, c. 731, §§W1-3 (AMD). 1999, c. 731, §W4 (AFF). 1999, c. 732, §§H1,2 (AMD). 1999, c. 732, §H3 (AFF). 2001, c. 396, §12 (AMD). 2001, c. 559, §H1 (AMD). 2007, c. 693, §12 (AMD). 2009, c. 1, Pt. P, §1 (AMD). 2009, c. 1, Pt. P, §2 (AFF). 2009, c. 213, Pt. P, §1 (AMD). 2009, c. 213, Pt. P, §3 (AFF). 2011, c. 430, §1 (AMD).

§458. CONTINUATION OF EXEMPTION

Qualified telecommunications equipment subject to taxation under this chapter must be assessed through application of a state excise tax in lieu of a state property tax and continues to be exempt from ordinary local property taxation as formerly provided under section 2696. It is the intent of the Legislature that this section not be considered a new property tax exemption requiring state reimbursement under the Constitution of Maine, Article IV, Part Third, Section 23. [2011, c. 430, §2 (AMD).]

SECTION HISTORY
1987, c. 507, §1 (NEW). 2011, c. 430, §2 (AMD).

Chapter 104: PRIMARY ASSESSING AREAS

§471. AREA, BODY POLITIC

The primary assessing district shall be composed of those municipalities named in the order issued by the State Tax Assessor. The residents of a primary assessing district are a body corporate and politic which may sue or be sued, appoint attorneys and adopt a seal. [1975, c. 545, §14 (AMD).]

Where only one municipality is designated as a primary assessing unit, the municipality shall be the body corporate and the municipal officers the governing board, with the administration provisions of the assessing function to be enacted through municipal ordinance or charter provisions. Where a municipality is designated as a primary assessing unit, sections 472 to 474 shall not apply. [1975, c. 545, §14 (AMD).]

SECTION HISTORY
1973, c. 620, §10 (NEW). 1975, c. 545, §14 (AMD).

§471-A. BOARD OF ASSESSMENT REVIEW

The legislative body of a primary assessing area consisting of only one municipality may establish a primary assessing area board of assessment review. The executive committee of a primary assessing area consisting of more than one municipality may establish a primary assessing area board of assessment review. The primary assessing area board of assessment review has the powers and duties of a municipal board of assessment review, including those provided under section 844-N. [1995, c. 262, §3 (NEW).]

SECTION HISTORY
1995, c. 262, §3 (NEW).

§472. EXECUTIVE COMMITTEE

The governing body of a primary assessing district shall be an executive committee composed of an equal number of municipal officers from each municipality and 2 nonvoting members. The nonvoting members shall be the chief assessor of a primary assessing area and the State Tax Assessor. It is not necessary that the State Tax Assessor attend all meetings of a primary assessing area and the State Tax Assessor may appoint a substitute to represent him. [1975, c. 545, §14 (AMD).]

1. **Voting members.** The voting members of the executive committee shall be appointed as follows:

The municipal officers of each municipality comprising the primary assessing districts shall elect from their number the municipal officer or officers to serve on the executive committee.

[1975, c. 545, §14 (AMD) .]

2. **Terms.**

[1975, c. 545, §14 (RP) .]

SECTION HISTORY
1973, c. 620, §10 (NEW). 1975, c. 545, §14 (AMD).

§473. POWERS AND DUTIES

The executive committee shall have the power to: [1973, c. 620, §10 (NEW).]

1. **Rules and regulations.** Make all necessary rules and regulations for the conduct of the business of the primary assessing area which do not conflict with these statutes or any rules and regulations of the Bureau of Revenue Services;

[1975, c. 78, §21 (AMD); 1997, c. 526, §14 (AMD) .]

2. **Appoint chief assessor.** Appoint the chief assessor in accordance with this chapter;

[1973, c. 620, §10 (NEW) .]

3. **Approve annual budget.** Approve the annual budget for the primary assessing area;

[1973, c. 620, §10 (NEW) .]

4. **Establish salaries.** Establish salaries, authorize contracts and do all other things necessary and proper to carry out the intent of these statutes;

[1973, c. 620, §10 (NEW) .]

5. **Funding.** In addition to the funding provided under this chapter, accept funds from any other source in the furtherance of its responsibilities;

[1973, c. 620, §10 (NEW) .]

6. **Contracts.** Authorize contracts with individual municipalities to perform tax billing and other centralized services for the member communities, but nothing in this chapter shall be construed to allow the executive committee to establish tax rates;

[1973, c. 620, §10 (NEW) .]

7. **Public report.** Make a public report of its activities at the close of each fiscal year within 30 days of the close of such year;

[1973, c. 620, §10 (NEW) .]

8. **Tax maps.**

[1975, c. 19, §4 (RP) .]

9. **Cooperate with primary assessing areas.** Cooperate with other primary assessing areas in any program not inconsistent with this chapter which will further the effectiveness of the assessing program;

[1973, c. 620, §10 (NEW) .]

10. **Compensation scales for the personnel.** Set the compensation scales for the personnel of the primary assessing area and the members of the committee shall be paid $25 per diem, plus necessary expenses while in the actual performance of their duties.

[1973, c. 620, §10 (NEW) .]

SECTION HISTORY
1973, c. 620, §10 (NEW). 1975, c. 19, §4 (AMD). 1997, c. 526, §14 (AMD).

§474. ADMINISTRATIVE PROVISIONS

The chief assessor shall be the treasurer and administrative officer of the primary assessing area and shall in addition perform the following duties: [1973, c. 620, §10 (NEW).]

1. **Secretary.** Serve as secretary of the executive committee and keep all committee minutes, except as to any meeting involving his removal;

[1973, c. 620, §10 (NEW) .]

2. **Prepare budget.** Prepare the annual budget;

[1973, c. 620, §10 (NEW) .]

3. **Purchasing agent.** Act as purchasing agent;

[1973, c. 620, §10 (NEW) .]

4. **Appoint personnel.** Appoint all personnel subject to approval of the executive committee;

[1973, c. 620, §10 (NEW) .]

5. **Execute contracts.** Execute, when approved by the executive committee, all contracts on behalf of the primary assessing area;

[1973, c. 620, §10 (NEW) .]

6. **Other duties and functions.** Perform such other duties and functions as are delegated by the executive committee.

[1973, c. 620, §10 (NEW) .]

SECTION HISTORY
1973, c. 620, §10 (NEW). 1975, c. 19, §5 (AMD).

§475. ABATEMENT BY CHIEF ASSESSOR; PROCEDURE

(REPEALED)

SECTION HISTORY
1973, c. 620, §10 (NEW). 1975, c. 272, §39 (AMD). 1977, c. 509, §4 (RP).

§476. NOTICE OF DECISION

(REPEALED)

SECTION HISTORY
1973, c. 620, §10 (NEW). 1975, c. 272, §40 (AMD). 1977, c. 509, §4 (RP).

§477. APPEALS TO BOARD OF ASSESSMENT REVIEW

(REPEALED)

SECTION HISTORY
1973, c. 620, §10 (NEW). 1975, c. 19, §6 (AMD). 1975, c. 272, §41 (AMD). 1977, c. 509, §4 (RP).

§478. -- TO FORESTRY APPEAL BOARD

(REPEALED)

SECTION HISTORY
1973, c. 460, §18 (AMD). 1973, c. 620, §10 (NEW). 1977, c. 509, §4 (RP).

§479. HEARING

(REPEALED)

SECTION HISTORY
1973, c. 460, §18 (AMD). 1973, c. 620, §10 (NEW). 1977, c. 509, §4 (RP).

§480. -- TO SUPERIOR COURT

(REPEALED)

SECTION HISTORY
1973, c. 620, §10 (NEW). 1977, c. 509, §4 (RP).

§481. HEARING

(REPEALED)

SECTION HISTORY
1973, c. 620, §10 (NEW). 1977, c. 509, §4 (RP).

§482. COMMISSIONER'S HEARING AND REPORT

(REPEALED)

SECTION HISTORY
1973, c. 620, §10 (NEW). 1977, c. 509, §4 (RP).

§483. TRIAL

(REPEALED)

SECTION HISTORY
1973, c. 620, §10 (NEW). 1977, c. 509, §4 (RP).

§484. JUDGMENT AND EXECUTION

(REPEALED)

SECTION HISTORY
1973, c. 620, §10 (NEW). 1975, c. 272, §42 (AMD). 1977, c. 509, §4 (RP).

§485. ASSESSMENT RATIO EVIDENCE

(REPEALED)

SECTION HISTORY
1973, c. 620, §10 (NEW). 1977, c. 509, §4 (RP).

§486. STATE BOARD OF ASSESSMENT REVIEW

(REPEALED)

SECTION HISTORY
1973, c. 620, §10 (NEW). 1973, c. 695, §§9,10,11 (AMD). 1975, c. 19, §7 (AMD). 1975, c. 272, §43 (AMD). 1975, c. 765, §§7,7A,8,9 (AMD). 1983, c. 812, §§268,269 (AMD). 1985, c. 764, §11 (RP).

Chapter 105: CITIES AND TOWNS

Subchapter 1: GENERAL PROVISIONS

§501. DEFINITIONS

The following words and phrases as used in this chapter shall, unless a different meaning is plainly required by the context, have the following meaning:

1. **Estates.** "Estates" shall be construed to mean both real estate and personal property.

2. **Mortgagee.** "Mortgagee" shall be construed to include the heirs and assigns of the mortgagee.

3. **Municipality.** "Municipality" shall include cities, towns and plantations.

4. **Municipal officers.** "Municipal officers" shall mean the mayor and aldermen of cities, the selectmen of towns and the assessors of plantations.

5. **Person.** "Person" may include a body corporate or an association.

6. **Place.** "Place" shall include municipalities, townships and any other unorganized area.

7. **Property.** "Property" shall be construed to mean both real estate and personal property.

8. **Registered mail.** "Registered mail" shall be construed to include certified mail.

9. **Reside or resident.** "Reside" or "resident" shall have reference to place of domicile.

10. **Tax collector.** "Tax collector" shall mean any person chosen, appointed or designated by a municipality or the officers thereof to collect any tax due a municipality; or his successor in office.

§502. PROPERTY TAXABLE; TAX YEAR

All real estate within the State, all personal property of residents of the State and all personal property within the State of persons not residents of the State is subject to taxation on the first day of each April as provided; and the status of all taxpayers and of such taxable property must be fixed as of that date. Upon receipt of a declaration of value under section 4641-D reflecting a change of ownership in real property, the assessor may change the records of the municipality to reflect the identity of the new owner, if notice of tax liabilities is sent both to the new owner and to the owner of record as of the April 1st when the liability accrued. The taxable year is from April 1st to April 1st. Notwithstanding this section, proration of taxes must be over the period specified in section 558. [1997, c. 216, §1 (AMD).]

SECTION HISTORY
1979, c. 666, §15 (AMD). 1985, c. 568, (AMD). 1997, c. 216, §1 (AMD).

§503. TOWN TAXES; LEGALITY

The assessment of a tax by a town is illegal unless the sum assessed is raised by vote of the voters at a meeting legally called and notified.

§504. ILLEGAL ASSESSMENT; RECOVERY OF TAX

If money not raised for a legal object is assessed with other moneys legally raised, the assessment is not void; nor shall any error, mistake or omission by the assessors, tax collector or treasurer render it void; but any person paying such tax may bring his action against the municipality in the Superior Court for the same county, and shall recover the sum not raised for a legal object, with 25% interest and costs, and any damages which he has sustained by reason of mistakes, errors or omissions of such officers.

§505. TAXES; PAYMENT; POWERS OF MUNICIPALITIES

At any meeting at which it votes to raise a tax, or at any subsequent meeting prior to the commitment of that tax, a municipality may, with respect to the tax, by vote determine: [1995, c. 57, §4 (AMD).]

1. **When lists committed.** The date when the lists named in section 709 shall be committed.

2. **When property taxes due and payable.** The date or dates when property taxes shall become due and payable.

[1973, c. 708, (AMD) .]

3. **When poll tax due and payable.**

[1973, c. 66, §4 (RP) .]

4. **When interest collected.** The date or dates from and after which interest must accrue, which must also be the date or dates on which taxes become delinquent. The rate of interest must be specified in the vote and must apply to delinquent taxes committed during the taxable year until those taxes are paid in full. Except as provided in subsection 4-A, the maximum rate of interest must be established by the Treasurer of State and may not exceed the prime rate as published in the Wall Street Journal on the first business day of the calendar year, rounded up to the next whole percent plus 3 percentage points. The Treasurer of State shall post that rate of interest on the Treasurer of State's publicly accessible website on or before January 20th of each year. The interest must be added to and become part of the taxes.

[2011, c. 380, Pt. FFF, §1 (AMD) .]

4-A. **Alternate calculation of interest.** For any tax year for which the maximum interest rate established by the Treasurer of State under subsection 4 is 2 percentage points or more lower than the maximum rate established by the Treasurer of State for the previous tax year, the municipality may adopt an interest rate that is up to 2 percentage points over the rate established by the Treasurer of State for the tax year under subsection 4.

[2001, c. 635, §2 (NEW) .]

5. **Abatement when taxes paid prior to time.** That all taxpayers who pay their taxes prior to specified times shall be entitled to abatement thereon, which abatement shall not exceed 10%, and shall be specified in the vote. A notification of such vote shall be posted by the treasurer in one or more public places in the municipality within 7 days after the commitment of the taxes.

SECTION HISTORY
1971, c. 367, (AMD). 1973, c. 66, §4 (AMD). 1973, c. 708, (AMD). 1979, c. 541, §A218 (AMD). 1983, c. 480, §A40 (AMD). 1995, c. 57, §4 (AMD). 2001, c. 635, §§1,2 (AMD). 2005, c. 332, §12 (AMD). 2011, c. 380, Pt. FFF, §1 (AMD).

§506. PREPAYMENT OF TAXES

Municipalities at any properly called meeting may authorize their tax collectors or treasurers to accept prepayment of taxes not yet committed and to pay interest on these prepayments, if any is authorized, at a rate not exceeding 8% per year; municipalities are not obligated to authorize the payment of interest on taxes prepaid under this section. Any excess paid in over the amount finally committed must be repaid, with the interest due on the whole transaction, at the date that the tax finally committed is due and payable. [1993, c. 422, §2 (AMD).]

SECTION HISTORY
1993, c. 422, §2 (AMD).

§506-A. OVERPAYMENT OF TAXES

Except as provided in section 506, a taxpayer who pays an amount in excess of that finally assessed must be repaid the amount of the overpayment plus interest from the date of overpayment at a rate to be established by the municipality. The rate of interest may not exceed the interest rate established by the municipality for delinquent taxes nor may it be less than that rate reduced by 4%. If a municipality fails to establish a rate of interest for overpayments of taxes, it shall pay interest at the rate it has established for delinquent taxes. [2009, c. 434, §14 (AMD).]

SECTION HISTORY
1985, c. 333, §§2,3 (NEW). 1995, c. 57, §5 (AMD). 2009, c. 434, §14 (AMD).

§507. TAXPAYER INFORMATION

A municipality that issues a property tax bill to a taxpayer must issue the following information. [2007, c. 432, §2 (AFF); 2007, c. 432, §1 (RPR).]

1. **Reductions to tax.** The property tax bill must contain a statement or calculation that demonstrates the amount or percentage by which the taxpayer's tax has been reduced by the distribution of state-municipal revenue sharing, state reimbursement for the Maine resident homestead property tax exemption and state aid for education. The State Tax Assessor shall annually provide each municipality with the amount of state-municipal revenue sharing and state aid for education subject to identification under this section.

[2007, c. 432, §1 (NEW); 2007, c. 432, §2 (AFF) .]

2. **Distribution to education and government.** The property tax bill must indicate the percentage of property taxes distributed to education and local, county and state government.

[2007, c. 432, §1 (NEW); 2007, c. 432, §2 (AFF) .]

3. **Indebtedness.** The property tax bill must indicate the outstanding bonded indebtedness of the issuing municipality as of the date the bill is issued.

[2007, c. 432, §1 (NEW); 2007, c. 432, §2 (AFF) .]

4. **Due date and interest.** Each property tax bill issued by a municipality must clearly state the date interest will begin to accrue on delinquent taxes.

[2007, c. 432, §1 (NEW); 2007, c. 432, §2 (AFF) .]

SECTION HISTORY
1983, c. 855, §3 (NEW). 1985, c. 227, (AMD). 1985, c. 376, (AMD). 1997, c. 643, §HHH2 (AMD). 1997, c. 643, §HHH10 (AFF). 2007, c. 432, §2 (AFF). 2007, c. 432, §1 (RPR).

§508. SERVICE CHARGES

1. **Imposition.** A municipality may impose service charges on the owner of residential property, other than student housing or parsonages, that is totally exempt from taxation under section 652 and that is used to provide rental income. Such service charges must be calculated according to the actual cost of providing municipal services to that real property and to the persons who use that property, and revenues derived from the charges must be used to fund, to the extent possible, the costs of those services. The municipal legislative body shall identify those institutions and organizations upon which service charges are to be levied.

A municipality that imposes service charges on any institution or organization must impose those service charges on every similarly situated institution or organization. For the purposes of this section, "municipal services" means all services provided by a municipality other than education and welfare.

[2007, c. 627, §12 (NEW) .]

2. **Limitation.** The total service charges levied by a municipality on any institution or organization under this section may not exceed 2% of the gross annual revenues of the institution or organization. In order to qualify for this limitation, the institution or organization must file with the municipality an audit of the revenues of the institution or organization for the year immediately prior to the year in which the service charge is levied. The municipal officers shall abate the portion of the service charge that exceeds 2% of the gross annual revenues of the institution or organization.

[2007, c. 627, §12 (NEW) .]

3. **Administration.** Municipalities shall adopt any ordinances necessary to carry out the provisions of this section. Determinations of service charges may be appealed in accordance with an appeals process provided by municipal ordinance. Unpaid service charges may be collected in the manner provided in Title 38, section 1208.

[2007, c. 627, §12 (NEW) .]

SECTION HISTORY
2007, c. 627, §12 (NEW).

Subchapter 2: REAL PROPERTY TAXES

§551. REAL ESTATE; DEFINED

Real estate, for the purposes of taxation under this Part, includes all lands in the State and all buildings, mobile homes, camper trailers and other things that are affixed to land, together with any appurtenant water power, shore privileges and rights, forests and mineral deposits; interests and improvements in land, the fee of which is in the State; interests by contract or otherwise in real estate exempt from taxation; and lines of electric light and power companies. Buildings, mobile homes, camper trailers and other things that are affixed to leased land or land not owned by the owner of the buildings must be taxed as real estate in the place where that land is located. Mobile homes, except stock in trade, are considered real estate for purposes of taxation under this Part. [2007, c. 627, §13 (AMD).]

SECTION HISTORY
1967, c. 271, §1 (AMD). 1971, c. 235, §1 (AMD). 1975, c. 252, §14 (AMD). 2007, c. 627, §13 (AMD).

§552. -- TAX LIEN

There shall be a lien to secure the payment of all taxes legally assessed on real estate as defined in section 551, provided in the inventory and valuation upon which the assessment is made there shall be a description of the real estate taxed sufficiently accurate to identify it. Such lien shall take precedence over all other claims on said real estate and shall continue in force until the taxes are paid or until said lien is otherwise terminated by law.

§553. -- WHERE TAXED

All real estate shall be taxed in the place where it is to the owner or person in possession, whether resident or nonresident.

§554. MORTGAGED REAL ESTATE; TAXES; PAYMENT

In cases of mortgaged real estate, the mortgagor, for the purposes of taxation, shall be deemed the owner, until the mortgagee takes possession, after which the mortgagee shall be deemed the owner. Any mortgagee of real estate, on which any taxes remain unpaid for a period of 8 months after the taxes are assessed, may pay such taxes, and the amount so paid together with interest and costs thereon shall become a part of the mortgage debt and shall bear interest at the same rate as the lowest rate of interest provided for in any of the notes secured by any mortgage on that real estate held by such mortgagee.

§555. TENANTS IN COMMON AND JOINT TENANTS

A tenant in common or a joint tenant may be considered sole owner for the purposes of taxation, unless he notifies the assessors what his interest is; but when a tax is assessed on lands owned or claimed to be owned in common, or in severalty, any person may furnish the tax collector an accurate description of his interest in the land and pay his proportion of such tax; and thereafter his land or interest shall be free of all lien created by such tax.

§556. LANDLORD AND TENANT

When a tenant paying rent for real estate is taxed therefor, he may retain out of his rent half of the taxes paid by him. When a landlord is taxed for such real estate, he may recover half of the taxes paid by him and his rent in the same action against the tenant, unless there is an agreement to the contrary.

§557. ASSESSMENT; CONTINUED UNTIL NOTICE OF TRANSFER

When assessors continue to assess real estate to the person to whom it was last assessed, such assessment is valid, although the ownership or occupancy has changed, unless previous written notice to the assessors has been given of such change and of the name of the person to whom it has been transferred or surrendered.

§557-A. ASSESSMENT; UNKNOWN OWNER

In the case of real property for which no owner is known to the assessors for at least the preceding 20 tax years and for which the assessor has, with reasonable diligence, attempted to determine ownership, the following assessment procedure must be used. [1993, c. 422, §3 (AMD).]

Property of an unknown owner is assessed as other property, except that the owner must be indicated as "unknown." Additionally, the assessing must be advertised once a week for 3 consecutive weeks in a newspaper of general circulation in the county in which the property is located. The notice must describe the real estate that is being assessed so that a reasonable person may know, with probable certainty, what premises are subject to tax, together with a statement that the property is assessed to an unknown owner as the result of the failure of a reasonable search to ascertain an owner of record. This newspaper publication is sufficient legal notice of that assessment. At the time of this publication, a copy of the same notice must be sent by certified mail, return receipt requested, to each abutting property owner. [1993, c. 422, §3 (AMD).]

If the owner of property is still unknown, after use of this notice procedure for assessment purposes, the tax collector and treasurer shall use the same procedure for those notices required under sections 942 and 943. [1993, c. 422, §3 (AMD).]

SECTION HISTORY
1987, c. 617, (NEW). 1993, c. 422, §3 (AMD).

§558. TAXES PRORATED BETWEEN SELLER AND PURCHASER

A purchaser of real estate may agree with the previous owner or party to whom the real estate was formerly taxed to pay the pro rata or proportional share of taxes. Unless otherwise specified by the parties to the agreement, the taxes shall be prorated over the period of the fiscal year of the municipality in which the land is located. [1981, c. 23, (RPR).]

SECTION HISTORY
1981, c. 23, (RPR).

§558-A. LIABILITY FOR FAILURE TO PAY PRORATED PROPERTY TAXES

1. **Civil action authorized.** If after a real estate closing in which the parties have prorated property taxes pursuant to section 558, any party knowingly fails to pay that party's share of the taxes, which results in a lien being filed, any other party to the transaction who pays the taxes that are owed by the delinquent party may recover in a civil action from the delinquent party the amount of unpaid taxes, costs incurred in releasing the lien and reasonable attorney's fees.

[2007, c. 687, §1 (NEW) .]

2. **Effect on credit rating.** If a party prevails in an action filed under subsection 1 and a record of a lien in that party's name has been placed in that party's file with a consumer reporting agency, that lien must be considered inaccurate information under 15 United States Code, Section 1681i if the party requesting relief submits a copy of the court judgment and proof of payment of the lien to the consumer reporting agency.

[2013, c. 588, Pt. C, §19 (AMD) .]

SECTION HISTORY
2007, c. 687, §1 (NEW). 2013, c. 588, Pt. C, §19 (AMD).

§559. DECEASED PERSONS

Until notice is given to the assessors of the division of the estate and the name of the several heirs or devisees, the undivided real estate of a deceased person may be taxed to his heirs or devisees, or may be taxed to his personal representative. [1979, c. 540, §42-A (AMD).]

1. **Heirs or devisees.** A tax to the heirs or devisees may be made without designating any of them by name and each heir or devisee shall be liable for the whole of such tax. Any heir or devisee so taxed may recover of the other heirs or devisees their portions thereof when paid by him. In an action to recover the tax paid, the undivided shares of such heirs or devisees in the real estate, upon which such tax has been paid, may be attached on mesne process or taken on execution issued on a judgment recovered in an action therefor.

2. **Personal representative.** A tax to the personal representative shall be collected of him the same as a tax assessed against him in his private capacity. Such tax shall be a charge against the estate and shall be allowed by the judge of probate; but when the personal representative notifies the assessors that he has no funds of the estate to pay such tax and gives them the names of the heirs or devisees, and the proportions of their interests in the real estate to the best of his knowledge, the real estate shall no longer be taxed to him.

[1979, c. 540, §42-B (AMD) .]

SECTION HISTORY
1979, c. 540, §§42A,42B (AMD).

§560. BANK'S REAL ESTATE

All real estate, including vaults and safe deposit plants, in the State owned by any bank incorporated by this State, or by any national bank or banking association, or by any corporation organized under the laws of this State for the purpose of doing a loan, trust or banking business and having a capital divided into shares shall be taxed in the place where that property is situated to said bank, banking association or corporation. This section does not apply to loan and building associations.

§561. RAILROAD BUILDINGS

The buildings of every railroad corporation or association, whether within or without the located right-of-way, its lands and fixtures outside of its located right-of-way, and so much of its located right-of-way over which all railroad service has been abandoned, are subject to taxation in the places in which the same are situated, as other property is taxed therein, and shall be regarded as nonresident land. [1969, c. 5, (AMD).]

SECTION HISTORY
1969, c. 5, (AMD).

§562. STANDING WOOD, BARK AND TIMBER; TAXED TO PURCHASER

Whenever the owner of real estate notifies the assessors that any part of the wood, bark and timber standing thereon has been sold by contract in writing, and exhibits to them proper evidence, they shall tax such wood, bark and timber to the purchaser. A lien is created on such wood, bark and timber for the payment of such taxes, and may be enforced by the collector by a sale thereof when cut, as provided in section 991.

§563. FOREST LAND; POLICY

It is declared to be the public policy of the State, by which all officials of the State and of its municipal subdivisions are to be guided in the performance of their official duties, to encourage by the maintenance of adequate incentive the operation of all forest lands on a sustained yield basis by their owners, and to establish and maintain uniformity in methods of assessment for purposes of taxation according to the productivity of the land, giving due weight in the determination of assessed value to location and public facilities as factors contributing to advantage in operation.

§564. -- ASSESSMENT

An assessment of forest land for purposes of taxation shall be held to be in excess of just value by any court of competent jurisdiction, upon proof by the owner that the tax burden imposed by the assessment creates an incentive to abandon the land, or to strip the land, or otherwise to operate contrary to the public policy declared in section 563. In proof of his contention the owner shall show that by reason of the burden of the tax he is unable by efficient operation of the forest land on a sustained yield basis to obtain an adequate annual net return commensurate with the risk involved.

For the purposes of this section forest land shall be held to include any single tract of land exceeding 25 acres in area under one ownership which is devoted to the growing of trees for the purpose of cutting for commercial use.

§565. FORESTRY APPEAL BOARD

(REPEALED)

SECTION HISTORY
1965, c. 426, §1 (NEW). 1973, c. 592, §5 (RP). 1973, c. 645, §1 (REEN). 1977, c. 549, §1 (RP).

Subchapter 2-A: TREE GROWTH TAX LAW

§571. TITLE

This subchapter may be cited as the "Maine Tree Growth Tax Law." [1971, c. 616, §8 (NEW).]

SECTION HISTORY
1971, c. 616, §8 (NEW).

§572. PURPOSE

It has for many years been the declared public policy of the State of Maine, as stated in sections 563 and 564, to tax all forest lands according to their productivity and thereby to encourage their operation on a sustained yield basis. However, the present system of ad valorem taxation does not always accomplish that objective. It has caused inadequate taxation of some forest lands and excessive taxation and forfeiture of other forest lands. [1979, c. 127, §196 (AMD).]

It is declared to be the public policy of this State that the public interest would be best served by encouraging forest landowners to retain and improve their holdings of forest lands upon the tax rolls of the State and to promote better forest management by appropriate tax measures in order to protect this unique economic and recreational resource. [1971, c. 616, §8 (NEW).]

This subchapter implements the 1970 amendment of Section 8 of Article IX of the Maine Constitution providing for valuation of timberland and woodlands according to their current use by means of a classification and averaging system designed to provide efficient administration. [1973, c. 308, §1 (NEW).]

Therefore, this subchapter is enacted for the purpose of taxing forest lands generally suitable for the planting, culture and continuous growth of forest products on the basis of their potential for annual wood production in accordance with the following provisions. [1971, c. 616, §8 (NEW).]

SECTION HISTORY
1971, c. 616, §8 (NEW). 1973, c. 308, §1 (AMD). 1979, c. 127, §196 (AMD).

§573. DEFINITIONS

As used in this subchapter, unless the context requires otherwise, the following words shall have the following meanings: [1971, c. 616, §8 (NEW).]

1. **Assessor.**

[1979, c. 378, §6 (RP) .]

2. **Average annual net wood production rate.** "Average annual net wood production rate" means the estimated average net usable amount of wood one acre of land is growing in one year.

[1971, c. 616, §8 (NEW) .]

2-A. **Commercial harvesting or harvesting for commercial use.** "Commercial harvesting" or "harvesting for commercial use" means the harvesting of forest products that have commercial value, as defined in subsection 3-B.

[1995, c. 236, §1 (NEW) .]

3. **Forest land.** "Forest land" means land used primarily for growth of trees to be harvested for commercial use, but does not include ledge, marsh, open swamp, bog, water and similar areas, which are unsuitable for growing a forest product or for harvesting for commercial use even though these areas may exist within forest lands.

Land which would otherwise be included within this definition shall not be excluded because of:

A. Multiple use for public recreation; [1981, c. 625, §1 (NEW).]

B. Statutory or governmental restrictions which prevent commercial harvesting of trees or require a primary use of the land other than commercial harvesting; [1981, c. 625, §1 (NEW).]

C. Deed restrictions, restrictive covenants or organizational charters that prevent commercial harvesting of trees or require a primary use of land other than commercial harvesting and that were effective prior to January 1, 1982; or [1993, c. 452, §1 (AMD).]

D. [1993, c. 452, §2 (RP).]

E. Past or present multiple use for mineral exploration. [1981, c. 711, §4 (NEW).]

[1993, c. 452, §§1, 2 (AMD) .]

3-A. **Forest management and harvest plan.** "Forest management and harvest plan" means a written document that outlines activities to regenerate, improve and harvest a standing crop of timber. The plan must include the location of water bodies and wildlife habitat identified by the Department of Inland Fisheries and Wildlife. A plan may include, but is not limited to, schedules and recommendations for timber stand improvement, harvesting plans and recommendations for regeneration activities. The plan must be prepared by a licensed professional forester or a landowner and be reviewed and certified by a licensed professional forester as consistent with this subsection and with sound silvicultural practices.

[1995, c. 236, §2 (AMD) .]

3-B. **Forest products that have commercial value.** "Forest products that have commercial value" means logs, pulpwood, veneer, bolt wood, wood chips, stud wood, poles, pilings, biomass, fuel wood, Christmas trees, maple syrup, nursery products used for ornamental purposes, wreaths, bough material or cones or other seed products.

[1995, c. 236, §3 (NEW) .]

4. **Forest type.** "Forest type" means a stand of trees characterized by the predominance of one or more groups of key species which make up 75% or more of the sawlog volume of sawlog stands, or cordwood in poletimber stands, or of the number of trees in seedling and sapling stands.

[1971, c. 616, §8 (NEW) .]

5. **Hardwood type.** "Hardwood type" means forests in which maple, beech, birch, oak, elm, basswood, poplar and ash, singly or in combination, comprise 75% or more of the stocking.

[1971, c. 616, §8 (NEW) .]

6. **Mixed wood type.** "Mixed wood type" means forests in which neither hardwoods nor softwood comprise 75% of the stand but are a combination of both.

[1971, c. 616, §8 (NEW) .]

6-A. **Residential structure.** "Residential structure" means a building used for human habitation as a seasonal or year-round residence. It does not include structures that are ancillary to the residential structure, such as a garage or storage shed.

[2011, c. 618, §1 (NEW) .]

7. **Softwood type.** "Softwood type" means forests in which pine, spruce, fir, hemlock, cedar and larch, singly or in combination, comprise 75% or more of the stocking.

[1971, c. 616, §8 (NEW) .]

8. **Stumpage value.** "Stumpage value" means the average value of standing timber before it is cut expressed in terms of dollars per unit of measure as determined by the State Tax Assessor.

[1971, c. 616, §8 (NEW) .]

9. **Value of the annual net wood production.** "Value of the annual net wood production" means the average annual net wood production rate per acre for a forest type multiplied by the weighted average of the stumpage values of all species in the type.

[1971, c. 616, §8 (NEW) .]

SECTION HISTORY
1971, c. 616, §8 (NEW). 1973, c. 308, §2 (AMD). 1979, c. 378, §6 (AMD). 1981, c. 517, §3 (AMD). 1981, c. 625, §1 (AMD). 1981, c. 711, §§3,4 (AMD). 1989, c. 555, §14 (AMD). 1991, c. 428, §2 (AMD). 1993, c. 452, §§1,2 (AMD). 1995, c. 236, §§1-3 (AMD). 2011, c. 618, §1 (AMD).

§574. APPLICABILITY

(REPEALED)

SECTION HISTORY
1971, c. 616, §8 (NEW). 1973, c. 308, §3 (AMD). 1981, c. 517, §4 (AMD). 1981, c. 625, §2 (AMD). 1989, c. 555, §15 (RP).

§574-A. INELIGIBILITY

The Legislature finds that when the value of a recreational use lease of forest land exceeds the value of the tree growth that can be extracted from that land on a sustained basis per acre as determined pursuant to section 576, then the land is no longer primarily used for the continuous growth of forest products. This finding is sufficient cause to remove from taxation under this subchapter those parcels that are more valuable for recreational use and are being leased on that basis. Therefore, notwithstanding sections 573 and 574-B, a parcel of forest land that is leased for consideration to any person to use for recreational purposes does not qualify for taxation under this subchapter if that parcel of land exceeds 100 acres and if the consideration for that lease per acre exceeds the value of the growth that can be extracted on a sustained basis per acre as determined pursuant to section 576. The owner of the leased parcels shall submit a copy of the lease or leases on land subject to taxation under this subchapter to the State Tax Assessor for land in the unorganized territory and to the municipal assessors for land in municipalities. The State Tax Assessor or the municipal assessor shall determine whether the value of the lease exceeds the sustained growth value. If the value of the lease is determined to exceed the sustained growth value, the owner of the forest land has 60 days from the date of receipt of notice of that determination to either terminate the lease, amend the lease to comply with the

requirements of this section or withdraw the land covered by the lease from taxation under this subchapter. A withdrawal pursuant to this section is subject to the provisions of section 581. [2007, c. 627, §14 (AMD).]

SECTION HISTORY
1987, c. 755, (NEW). 1989, c. 508, §9 (AMD). 2007, c. 627, §14 (AMD).

§574-B. APPLICABILITY

An owner of a parcel containing forest land may apply at the landowner's election by filing with the assessor the schedule provided for in section 579, except that this subchapter does not apply to any parcel containing less than 10 acres of forest land. For purposes of this subchapter, a parcel is deemed to include a unit of real estate, notwithstanding that it is divided by a road, way, railroad or pipeline, or by a municipal or county line. The election to apply requires the written consent of all owners of an interest in a parcel except for the State. For applications submitted on or after August 1, 2012, the size of the exclusion from classification under this subchapter for each structure located on the parcel and for each residential structure located on the parcel in shoreland areas is determined pursuant to section 574-C. [2011, c. 618, §2 (AMD).]

A parcel of land used primarily for growth of trees to be harvested for commercial use is taxed according to this subchapter, as long as the landowner complies with the following requirements: [2011, c. 618, §2 (AMD).]

1. **Forest management and harvest plan.** A forest management and harvest plan must be prepared for each parcel and updated every 10 years. The landowner shall file a sworn statement with the municipal assessor for a parcel in a municipality or with the State Tax Assessor for a parcel in the unorganized territory that a forest management and harvest plan has been prepared for the parcel;

A. [1999, c. 33, §1 (RP).]

B. [1999, c. 33, §1 (RP).]

C. [1999, c. 33, §1 (RP).]

[2009, c. 434, §15 (AMD) .]

2. **Evidence of compliance with plan.** The landowner must comply with the plan developed under subsection 1, and must submit, every 10 years to the municipal assessor in a municipality or the State Tax Assessor for parcels in the unorganized territory, a statement from a licensed professional forester that the landowner is managing the parcel according to schedules in the plan required under subsection 1;

[2011, c. 618, §2 (AMD) .]

3. **Transfer of ownership.** When land taxed under this subchapter is transferred to a new owner, within one year of the date of transfer, the new landowner must file with the municipal assessor or the State Tax Assessor for land in the unorganized territory one of the following:

A. A sworn statement indicating that a new forest management and harvest plan has been prepared; or [2001, c. 603, §4 (NEW).]

B. A statement from a licensed professional forester that the land is being managed in accordance with the plan prepared for the previous landowner. [2001, c. 603, §4 (NEW).]

The new landowner may not harvest or authorize the harvest of forest products for commercial use until a statement described in paragraph A or B is filed with the assessor. A person owning timber rights on land taxed under this subchapter may not harvest or authorize the harvest of forest products for commercial use until a statement described in paragraph A or B is filed with the assessor.

Parcels of land subject to section 573, subsection 3, paragraph B or C are exempt from the requirements under this subsection.

For the purposes of this subsection, "transferred to a new owner" means the transfer of the controlling interest in the fee ownership of the land or the controlling interest in the timber rights on the land; and

[2011, c. 618, §2 (AMD) .]

4. **Attestation.** Beginning August 1, 2012, when a landowner is required to provide to the assessor evidence that a forest management and harvest plan has been prepared for the parcel or updated pursuant to subsection 1, or when a landowner is required to provide evidence of compliance pursuant to subsection 2, the landowner must provide an attestation that the landowner's primary use for the forest land classified pursuant to this subchapter is to grow trees to be harvested for commercial use or that the forest land is land described in section 573, subsection 3, paragraphs A, B, C or E. The existence of multiple uses on an enrolled parcel does not render it inapplicable for tax treatment under this subchapter, as long as the enrolled parcel remains primarily used for the growth of trees to be harvested for commercial use.

[2011, c. 618, §2 (NEW) .]

SECTION HISTORY
1989, c. 555, §16 (NEW). 1989, c. 637, §4 (AMD). 1993, c. 452, §3 (AMD). 1993, c. 576, §1 (AMD). 1995, c. 8, §1 (AMD). 1995, c. 236, §§4,5 (AMD). 1999, c. 33, §1 (AMD). 2001, c. 603, §4 (AMD). 2007, c. 438, §12 (AMD). 2009, c. 434, §15 (AMD). 2011, c. 618, §2 (AMD).

§574-C. REDUCTION OF PARCELS WITH STRUCTURES; SHORELAND AREAS

If a parcel of land for which an owner seeks classification under this subchapter on or after August 1, 2012 contains a structure for which a minimum lot size is required under state law or by municipal ordinance, the owner in the schedule under section 579 shall apply the following reduction to the land to be valued under this subchapter. [2011, c. 618, §3 (NEW).]

1. **Structures.** For each structure located on the parcel for which a minimum lot size is required under state law or by municipal ordinance, the owner in the schedule under section 579 shall exclude from the forest land subject to valuation under this subchapter the area of land in the parcel containing the structure or structures, which may not be less than 1/2 acre.

[2011, c. 618, §3 (NEW) .]

2. **Shoreland areas.** For each residential structure located within a shoreland area, as identified in Title 38, section 435, the owner in the schedule under section 579 shall exclude from the forest land subject to valuation under this subchapter the area of land in the parcel containing the structure or structures, which may not be less than 1/2 acre, and the excluded parcel must include 100 feet of shoreland frontage or the minimum shoreland frontage required by the applicable minimum requirements of the zoning ordinance for the area in which the land is located, whichever is larger. If the parcel has less than 100 feet of shoreland frontage, the entire shoreland frontage must be excluded. This subsection does not apply to a structure that is used principally for commercial activities related to forest products that have commercial value as long as any residential use of the structure is nonrecreational, temporary in duration and purely incidental to the commercial use.

[2011, c. 618, §3 (NEW) .]

SECTION HISTORY
2011, c. 618, §3 (NEW).

§575. ADMINISTRATION; RULES

The State Tax Assessor may adopt rules necessary to carry out this subchapter. Rules adopted under this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A. [2007, c. 627, §15 (RPR).]

SECTION HISTORY
1971, c. 616, §8 (NEW). 1973, c. 460, §18 (AMD). 1985, c. 785, §A109 (AMD). 2007, c. 627, §15 (RPR).

§575-A. DETERMINING COMPLIANCE WITH FOREST MANAGEMENT AND HARVEST PLAN

1. **Assistance to assessor.** Upon request of a municipal assessor or the State Tax Assessor and in accordance with section 579, the Director of the Bureau of Forestry within the Department of Agriculture, Conservation and Forestry may provide assistance in evaluating a forest management and harvest plan to determine whether the plan meets the definition of a forest management and harvest plan in section 573, subsection 3-A. Upon request of a municipal assessor or the State Tax Assessor, the Director of the Bureau of Forestry may provide assistance in determining whether a harvest or other silvicultural activity conducted on land enrolled under this subchapter complies with the forest management and harvest plan prepared for that parcel of land. When assistance is requested under this section and section 579, the Director of the Bureau of Forestry or the director's designee may enter and examine forest land for the purpose of determining compliance with the forest management and harvest plan.

[2011, c. 619, §1 (NEW); 2011, c. 657, Pt. W, §§5, 7 (REV); 2013, c. 405, Pt. A, §23 (REV) .]

2. **Random sampling and report.** The Director of the Bureau of Forestry within the Department of Agriculture, Conservation and Forestry is authorized to conduct periodic random sampling of land enrolled under this subchapter to identify any differences in compliance with forest management and harvest plans based on location or type of parcel and to assess overall compliance with the requirements of this subchapter. For the purposes of this subsection, the Director of the Bureau of Forestry or the director's designee may:

A. With appropriate notification to the landowner, enter and examine forest land for the purpose of determining compliance with the forest management and harvest plan pursuant to section 574-B; [2011, c. 619, §1 (NEW).]

B. Request and review a forest management and harvest plan required under section 574-B, which must be provided by a landowner or the landowner's agent upon request; and [2011, c. 619, §1 (NEW).]

C. Request and review an expired forest management and harvest plan, which must be provided by a landowner or the landowner's agent upon request, if the expired plan is in the possession of the landowner or the landowner's agent. [2011, c. 619, §1 (NEW).]

A forest management and harvest plan provided to the Director of the Bureau of Forestry or the director's designee under this subsection is confidential. Information collected pursuant to this subsection is confidential and is not a public record as defined in Title 1, section 402, subsection 3, except that the director shall publish at least one summary report, which may not reveal the activities of any person and that is available as a public record. This subsection is repealed on December 31, 2014.

[2011, c. 619, §1 (NEW); 2011, c. 657, Pt. W, §§5, 7 (REV); 2013, c. 405, Pt. A, §23 (REV) .]

SECTION HISTORY

2001, c. 603, §5 (NEW). 2011, c. 619, §1 (RPR). 2011, c. 657, Pt. W, §§5, 7 (REV). 2013, c. 405, Pt. A, §23 (REV).

§576. POWERS AND DUTIES

The State Tax Assessor shall determine the average annual net wood production rate for each forest type described in section 573, subsections 5 to 7, in each county or region to be used in determining valuations applicable to forest land under this subchapter, on the basis of the surveys of average annual growth rates applicable in the State made from time to time by the United States Forest Service or by the Maine Forestry Bureau. The growth rate surveys must be reduced by the percentage discount factor prescribed by section 576-B to reflect the growth that can be extracted on a sustained basis. The rates when determined remain in effect without change for each county through the property tax year ending March 31, 1975. In 1974 and in every 10th year thereafter, the State Tax Assessor shall review and set rates for the following 10-year period in the same manner. [1997, c. 504, §6 (AMD).]

The State Tax Assessor shall determine the average stumpage value for each forest type described in section 573, subsections 5 to 7, applicable in each county, or in alternative forest economic regions as the assessor designates, after passage of this subchapter and in each year thereafter, taking into consideration the prices upon sales of sound standing timber of that forest type in that area during the previous calendar year, and any other appropriate considerations. [1997, c. 504, §6 (AMD).]

The proportions of the various species making up the type are to be used in the computations of the average annual net wood production rates and average stumpage values for each forest type and the proportions of the various products are to be used in the computations of average stumpage values. [1971, c. 616, §8 (NEW).]

After the State Tax Assessor has made the foregoing determinations, the assessor shall apply the capitalization rate prescribed by section 576-B to the value of the annual net wood production to determine the 100% valuation per acre for each forest type for each area and shall state the wood production rates and values used to compute those rates and values. [1997, c. 504, §6 (AMD).]

The State Tax Assessor shall certify and transmit rules to the municipal assessors of each municipality with respect to forest land therein on or before April 1st of each year. [1997, c. 504, §6 (AMD).]

SECTION HISTORY
1971, c. 616, §8 (NEW). 1973, c. 308, §4 (AMD). 1973, c. 460, §18 (AMD). 1977, c. 509, §5 (AMD). 1977, c. 549, §§2-4 (AMD). 1977, c. 694, §§678,679 (AMD). 1981, c. 517, §§5-7 (AMD). 1985, c. 99, (AMD). 1997, c. 504, §6 (AMD).

§576-A. VALUATION OF AREAS OTHER THAN FOREST LAND

Areas other than forest land within any parcel of forest land shall be valued on the basis of fair market value. [1973, c. 308, §5 (NEW).]

SECTION HISTORY
1973, c. 308, §5 (NEW).

§576-B. DISCOUNT FACTOR AND CAPITALIZATION RATE

The percentage factor by which the growth rates set by the State Tax Assessor pursuant to section 576 must be reduced to reflect the growth that can be extracted on a sustained basis is 10%. The capitalization rate applied to the value of the annual net wood production pursuant to section 576 is 8.5%. [1997, c. 504, §7 (RPR).]

SECTION HISTORY

1977, c. 549, §5 (NEW). 1977, c. 590, (AMD). 1977, c. 694, §§680-685 (AMD). 1981, c. 517, §§8,9 (AMD). 1981, c. 636, (AMD). 1981, c. 706, §§5,6 (AMD). 1983, c. 571, §1 (AMD). 1985, c. 779, §80 (AMD). 1997, c. 504, §7 (RPR).

§577. REDUCED VALUATION UNDER SPECIAL CIRCUMSTANCES

1. **On January 1, 1972.**

[2007, c. 438, §13 (RP) .]

2. **Destruction by natural disaster.** In the case of forest land areas upon which the trees are destroyed by fire, disease, insect infestation or other natural disaster, so that the area contains not more than 3 cords per acre of wood that is merchantable for forest products, the valuation of that specific land area must be reduced by 75% for the first 10 property tax years following the loss.

[2007, c. 438, §14 (AMD) .]

3. **Procedure to obtain reduced valuation.** In order to obtain a reduced valuation, the landowner must submit a written request to the assessor on or before January 1st the preceding tax year, presenting facts in affidavit form that meet the requirements of subsection 2. The assessor may investigate the facts, utilizing the procedures set forth in section 579, and shall then determine whether the requirements of subsection 2 are met. If the requirements are met, the forest land areas must be valued as provided in subsection 2.

[2007, c. 438, §15 (AMD) .]

4. **Report and recommendation from Director of the Bureau of Forestry.** In determining the applicability of this section, the assessor may request a report and recommendation from the Director of the Bureau of Forestry.

[1973, c. 406, §18 (AMD); 2011, c. 657, Pt. W, §7 (REV); 2013, c. 405, Pt. A, §23 (REV) .]

SECTION HISTORY
1971, c. 616, §8 (NEW). 1973, c. 308, §6 (AMD). 1973, c. 406, §18 (AMD). 2007, c. 438, §§13-15 (AMD). 2011, c. 657, Pt. W, §7 (REV). 2013, c. 405, Pt. A, §23 (REV).

§578. ASSESSMENT OF TAX

1. **Organized areas.** The municipal assessors or chief assessor of a primary assessing area shall adjust the State Tax Assessor's 100% valuation per acre for each forest type of their county by whatever ratio, or percentage of current just value, is applied to other property within the municipality to obtain the assessed values. Forest land in the organized areas, subject to taxation under this subchapter, must be taxed at the property tax rate applicable to other property in the municipality.

The State Tax Assessor shall determine annually the amount of acreage in each municipality that is classified and taxed in accordance with this subchapter. Each municipality is entitled to annual payments distributed in accordance with this section from money appropriated by the Legislature if it submits an annual return in accordance with section 383 and if it achieves the minimum assessment ratio established in section 327. The State Tax Assessor shall pay any municipal claim found to be in satisfactory form by August 1st of the year following the submission of the annual return. The municipal reimbursement appropriation is calculated on the basis of 90% of the per acre tax revenue lost as a result of this subchapter. For property tax years based on the status of property on April 1, 2008 and April 1, 2009, municipal reimbursement under this

section is further limited to the amount appropriated by the Legislature and distributed on a pro rata basis by the State Tax Assessor for all timely filed claims. For purposes of this section, "classified forest lands" means forest lands classified pursuant to this subchapter as well as all areas identified as forested land within farmland parcels that are transferred from tree growth classification pursuant to section 1112 on or after October 1, 2011. For the purposes of this section, the tax lost is the tax that would have been assessed, but for this subchapter, on the classified forest lands if they were assessed according to the undeveloped acreage valuations used in the state valuation then in effect, or according to the current local valuation on undeveloped acreage, whichever is less, minus the tax that was actually assessed on the same lands in accordance with this subchapter, and adjusted for the aggregate municipal savings in required educational costs attributable to reduced state valuation. A municipality that fails to achieve the minimum assessment ratio established in section 327 loses 10% of the reimbursement provided by this section for each one percentage point the minimum assessment ratio falls below the ratio established in section 327.

The State Tax Assessor shall adopt rules necessary to implement the provisions of this section. Rules adopted pursuant to this subsection are routine technical rules for the purposes of Title 5, chapter 375, subchapter 2-A.

A. [2007, c. 438, §16 (RP).]

B. [2007, c. 438, §16 (RP).]

C. The State Tax Assessor shall distribute reimbursement under this section to each municipality in proportion to the product of the reduced tree growth valuation of the municipality multiplied by the property tax burden of the municipality. For purposes of this paragraph, unless the context otherwise indicates, the following terms have the following meanings.

(1) "Property tax burden" means the total real and personal property taxes assessed in the most recently completed municipal fiscal year, except the taxes assessed on captured value within a tax increment financing district, divided by the latest state valuation certified to the Secretary of State.

(2) "Undeveloped land" means rear acreage and unimproved nonwaterfront acreage that is not:

(a) Classified under the laws governing current use valuation set forth in chapter 105, subchapter 2-A, 10 or 10-A;

(b) A base lot; or

(c) Waste land.

(3) "Average value of undeveloped land" means the per acre undeveloped land valuations used in the state valuation then in effect, or according to the current local valuation on undeveloped land as determined for state valuation purposes, whichever is less.

(4) "Reduced tree growth valuation" means the difference between the average value of undeveloped land and the average value of tree growth land times the total number of acres classified as forest land under this subchapter plus the total number of acres of forest land that is transferred from tree growth classification to farmland classification pursuant to section 1112 on or after October 1, 2011. [2011, c. 404, §1 (AMD).]

[2011, c. 404, §1 (AMD) .]

2. Unorganized territory. The State Tax Assessor shall adjust the 100% valuation per acre for each type for each county by such ratio or percentage as is then being used to determine the state valuation applicable to other property in the unorganized territory to obtain the assessed values. Commencing April 1, 1973, forest land in the unorganized territory subject to taxation under this subchapter shall be taxed at the same property tax rate as is applicable to other property in the unorganized territory, which rate shall be applied to the assessed values so determined. Upon collection by the State Tax Assessor, such taxes shall be deposited in the Unorganized Territory Education and Services Fund in accordance with section 1605.

[1981, c. 706, §8 (AMD) .]

3. **Divided ownership.** In cases of divided ownership of land and the timber and grass rights thereon, the assessor shall apportion 10% of the valuation to the land and 90% of the valuation to the timber and grass rights.

[1973, c. 308, §9 (AMD) .]

SECTION HISTORY
1971, c. 616, §8 (NEW). 1973, c. 308, §§7-9 (AMD). 1973, c. 460, §18 (AMD). 1975, c. 501, (AMD). 1977, c. 282, (AMD). 1977, c. 720, §3 (AMD). 1981, c. 364, §20A (AMD). 1981, c. 517, §§10,11 (AMD). 1981, c. 706, §§7,8 (AMD). 1987, c. 852, §1 (AMD). 1987, c. 861, §40 (AMD). 1987, c. 876, §3 (AMD). 1989, c. 857, §76 (AMD). 1993, c. 452, §4 (AMD). 1997, c. 24, §C4 (AMD). 1997, c. 24, §C18 (AFF). 1999, c. 708, §21 (AMD). 2005, c. 457, §CCC1 (AMD). 2007, c. 438, §16 (AMD). 2007, c. 639, §1 (AMD). 2009, c. 213, Pt. O, §1 (AMD). 2011, c. 404, §1 (AMD).

§579. SCHEDULE, INVESTIGATION

The owner or owners of forest land subject to valuation under this subchapter shall submit a signed schedule, on or before April 1st of the year in which that land first becomes subject to valuation under this subchapter, to the assessor upon a form prescribed by the State Tax Assessor, identifying the land to be valued under this subchapter, listing the number of acres of each forest type, showing the location of each forest type and representing that the land is used primarily for the growth of trees to be harvested for commercial use. Those schedules may be required at such other times as the assessor may designate upon 120 days' written notice. [2011, c. 240, §6 (AMD).]

The assessor shall determine whether the land is subject to valuation and taxation under this subchapter and shall classify the land as to forest type. [2011, c. 240, §6 (AMD).]

The assessor or the assessor's duly authorized representative may enter and examine the forest lands under this subchapter and may examine any information submitted by the owner or owners. A copy of the forest management and harvest plan required under section 574-B must be available to the assessor to review upon request and to the Director of the Bureau of Forestry within the Department of Agriculture, Conservation and Forestry or the director's designee to review upon request when the assessor seeks assistance in accordance with section 575-A. For the purposes of this paragraph, "to review" means to see or possess a copy of a plan for a reasonable amount of time to verify that the plan exists or to facilitate an evaluation as to whether the plan is appropriate and is being followed. Upon completion of the review, the plan must be returned to the owner or an agent of the owner. A forest management and harvest plan provided in accordance with this section is confidential and is not a public record as defined in Title 1, section 402, subsection 3. [2003, c. 30, §1 (AMD); 2011, c. 657, Pt. W, §§5, 7 (REV); 2013, c. 405, Pt. A, §23 (REV).]

Upon notice in writing by certified mail, return receipt requested, or by another method that provides actual notice, any owner or owners shall appear before the assessor, at such reasonable time and place as the assessor may designate and answer questions or interrogatories the assessor considers necessary to obtain material information about those lands. [2011, c. 240, §6 (AMD).]

If the owner or owners of any parcel of forest land subject to valuation under this subchapter fails to submit the schedules as provided under this section or fails to provide information after notice duly received as provided under this section, such owner or owners are deemed to have waived all rights of appeal pursuant to section 583 for that property tax year, except for the determination that the land is subject to valuation under this subchapter. [2011, c. 240, §6 (AMD).]

It is the obligation of the owner or owners to report to the assessor any change of use or change of forest type of land subject to valuation under this subchapter. [2011, c. 240, §6 (AMD).]

If the owner or owners fail to report to the assessor a change of use as required by the foregoing paragraph, the assessor shall assess the taxes that should have been paid, shall assess the penalty provided in section 581 and shall assess an additional penalty equal to 25% of the penalty provided in section 581. The assessor may waive the additional penalty for cause. [2011, c. 240, §6 (AMD).]

For the purposes of this section, the acts of owners specified in this section may be taken by an authorized agent of an owner. [1981, c. 706, §9 (AMD).]

SECTION HISTORY
1971, c. 616, §8 (NEW). 1973, c. 308, §§10,11 (AMD). 1975, c. 765, §§10,11 (AMD). 1977, c. 509, §§6,7 (AMD). 1979, c. 666, §16 (RPR). 1981, c. 625, §3 (AMD). 1981, c. 706, §9 (AMD). 1987, c. 579, (AMD). 1989, c. 555, §17 (AMD). 2001, c. 603, §6 (AMD). 2003, c. 30, §1 (AMD). 2007, c. 438, §17 (AMD). 2011, c. 240, §6 (AMD). 2011, c. 657, Pt. W, §§5, 7 (REV). 2013, c. 405, Pt. A, §23 (REV).

§580. RECLASSIFICATION

Land subject to taxes under this subchapter may be reclassified as to forest type by the assessor upon application of the owner with a proper showing of the reasons justifying such reclassification or upon the initiative of the respective assessor where the facts justify same. [1971, c. 616, §8 (NEW).]

SECTION HISTORY
1971, c. 616, §8 (NEW).

§581. WITHDRAWAL

1. **Assessor determination; owner request.** If the assessor determines that land subject to this subchapter no longer meets the requirements of this subchapter, the assessor must withdraw the land from taxation under this subchapter. An owner of land subject to taxation under this subchapter may at any time request withdrawal of that land from taxation under this subchapter by certifying in writing to the assessor that the land is no longer to be classified under this subchapter.

[2009, c. 577, §1 (AMD) .]

1-A. **Notice of compliance.** No earlier than 185 days prior to a deadline established by section 574-B, if the landowner has not yet complied with the requirements of that section, the assessor must provide the landowner with written notice by certified mail informing the landowner of the statutory requirements that need to be met to comply with section 574-B and the date of the deadline for compliance or by which the parcel may be transferred to open space classification pursuant to subchapter 10. The notice must also state that if the owner fails to meet the deadline for complying with section 574-B or transferring the parcel to open space classification, a supplemental assessment of $500 will be assessed and that continued noncompliance will lead to a subsequent supplemental assessment of $500. If the notice is issued less than 120 days before the deadline, the owner has 120 days from the date of the notice to provide the assessor with the documentation to achieve compliance with section 574-B or transfer the parcel to open space classification, and the notice must specify the date by which the owner must comply.

If the landowner fails to provide the assessor with the documentation to achieve compliance with section 574-B or transfer the parcel to open space classification pursuant to subchapter 10 by the deadline specified in the notice, the assessor shall impose a $500 penalty to be assessed and collected as a supplemental assessment in accordance with section 713-B. The assessor shall send notification of the supplemental assessment by certified mail and notify the landowner that, no later than 6 months from the date of the 2nd notice, the landowner must comply with the requirements of section 574-B or transfer the parcel to open space classification pursuant to subchapter 10 and that failure to comply will result in an additional supplemental

assessment of $500 and the landowner will have an additional 6-month period in which to comply with these requirements before the withdrawal of the parcel and the assessment of substantial financial penalties against the landowner.

At the expiration of 6 months, if the landowner has not complied with section 574-B or transferred the parcel to open space classification under subchapter 10, the assessor shall assess an additional $500 supplemental assessment. The assessor shall send notification of the 2nd supplemental assessment by certified mail and notify the landowner that, no later than 6 months from the date of the notice, the landowner must comply with the requirements of section 574-B or transfer the parcel to open space classification pursuant to subchapter 10 or the land will be withdrawn from the tree growth tax program.

If the landowner has not complied within 6 months from the date of the 2nd supplemental assessment, the assessor shall remove the parcel from taxation under this subchapter and assess a penalty for the parcel's withdrawal pursuant to subsection 3.

This subsection does not limit the assessor from issuing other notices or compliance reminders to property owners at any time in addition to the notice required by this subsection.

[2011, c. 618, §4 (AMD) .]

2. **Withdrawal of portion.** In the case of withdrawal of a portion of a parcel, the owner, as a condition of withdrawal, shall file with the assessor a plan showing the area withdrawn and the area remaining subject to taxation under this subchapter. In the case of withdrawal of a portion of a parcel, the resulting portions must be treated after the withdrawal as separate parcels under section 708.

[2007, c. 627, §16 (RPR) .]

3. **Penalty.** If land is withdrawn from taxation under this subchapter, the assessor shall impose a penalty upon the owner. The penalty is the greater of:

A. An amount equal to the taxes that would have been assessed on the first day of April for the 5 tax years, or any lesser number of tax years starting with the year in which the land was first classified, preceding the withdrawal had that land been assessed in each of those years at its just value on the date of withdrawal. That amount must be reduced by all taxes paid on that land over the preceding 5 years, or any lesser number of tax years starting with the year in which the land was first classified, and increased by interest at the prevailing municipal rate from the date or dates on which those amounts would have been payable; and [2007, c. 627, §16 (RPR).]

B. An amount computed by multiplying the amount, if any, by which the just value of the land on the date of withdrawal exceeds the 100% valuation of the land pursuant to this subchapter on the preceding April 1st by the following rates.

(1) If the land was subject to valuation under this subchapter for 10 years or less prior to the date of withdrawal, the rate is 30%.

(2) If the land was subject to valuation under this subchapter for more than 10 years prior to the date of withdrawal, the rate is that percentage obtained by subtracting 1% from 30% for each full year beyond 10 years that the land was subject to valuation under this subchapter prior to the date of withdrawal, except that the minimum rate is 20%. [2007, c. 627, §16 (RPR).]

For purposes of this subsection, just value at the time of withdrawal is the assessed just value of comparable property in the municipality adjusted by the municipality's certified assessment ratio.

[2007, c. 627, §16 (RPR) .]

4. **Assessment and collection of penalties.** The penalties for withdrawal under this section must be paid upon withdrawal to the tax collector as additional property taxes. Penalties may be assessed and collected as supplemental assessments in accordance with section 713-B.

[2007, c. 627, §16 (RPR) .]

5. **Eminent domain.** A penalty may not be assessed under this section for a withdrawal occasioned by a transfer to an entity holding the power of eminent domain if the transfer results from the exercise or threatened exercise of that power.

[2007, c. 627, §16 (RPR) .]

6. **Relief from requirements.** Upon withdrawal under this section, the land is relieved of the requirements of this subchapter immediately and is returned to taxation under chapter 105, subchapter 2 beginning the following April 1st.

[2007, c. 627, §16 (RPR) .]

7. **Reclassification as farmland or open space land.** A penalty may not be assessed upon the withdrawal of land from taxation under this subchapter if the owner applies for classification of that land as farmland or open space land under subchapter 10 and that application is accepted. If a penalty is later assessed under section 1112, the period of time that the land was taxed as forest land under this subchapter is included for purposes of establishing the amount of the penalty.

[2007, c. 627, §16 (RPR) .]

8. **Report of penalty.** A municipality that receives a penalty for the withdrawal of land from taxation under this subchapter must report the total amount received in that reporting year to the State Tax Assessor on the municipal valuation return form described in section 383.

[2007, c. 627, §16 (RPR) .]

SECTION HISTORY
1971, c. 616, §8 (NEW). 1973, c. 308, §12 (AMD). 1975, c. 726, §1 (AMD). 1977, c. 509, §§8,9 (AMD). 1979, c. 445, §§1,2 (AMD). 1981, c. 517, §12 (AMD). 1981, c. 663, (AMD). 1983, c. 400, §§1,3 (AMD). 1991, c. 546, §8 (AMD). 1991, c. 824, §A71 (AMD). 1993, c. 452, §5 (AMD). 2007, c. 425, §1 (AMD). 2007, c. 438, §18 (RPR). 2007, c. 627, §16 (RPR). 2009, c. 577, §§1, 2 (AMD). 2011, c. 618, §4 (AMD).

§581-A. SALE OF PORTION OF PARCEL OF FOREST LAND

Sale of a portion of a parcel of forest land subject to taxation under this subchapter does not affect the taxation under this subchapter of the resulting parcels, unless any is less than 10 forested acres in area. Each resulting parcel must be taxed to the owners under this subchapter until the parcel is withdrawn from taxation under this subchapter, in which case the penalties provided for in sections 579 and 581 apply only to the owner of that parcel. If a parcel resulting from that sale is less than 10 forested acres in area, that parcel must be considered withdrawn from taxation under this subchapter as a result of the sale and the penalty assessed against the transferor of the resulting parcel of less than 10 forested acres. [2001, c. 305, §1 (AMD); 2001, c. 305, §2 (AFF).]

SECTION HISTORY
1973, c. 308, §13 (NEW). 1987, c. 497, §11 (AMD). 1987, c. 772, §10 (AMD). 2001, c. 305, §1 (AMD). 2001, c. 305, §2 (AFF).

§581-B. RECLASSIFICATION AND WITHDRAWAL IN UNORGANIZED TERRITORY

If forest land in the unorganized territory is reclassified or withdrawn from taxation under this subchapter, the State Tax Assessor shall make supplementary assessments or abatements as necessary to carry out the provisions of this subchapter. [2007, c. 627, §17 (AMD).]

SECTION HISTORY
1973, c. 308, §13 (NEW). 2007, c. 627, §17 (AMD).

§581-C. MINERAL LANDS

(REPEALED)

SECTION HISTORY
1981, c. 711, §5 (NEW). 1987, c. 772, §11 (RP).

§581-D. MINERAL LANDS SUBJECT TO AN EXCISE TAX

Any statutory or constitutional penalty imposed as a result of withdrawal or a change of use, whether imposed before or after January 1, 1984, shall be determined without regard to the presence of minerals, provided that when payment of the penalty is made or demanded, whichever occurs first, there is in effect a state excise tax which applies or would apply to the mining of those minerals. [1987, c. 772, §12 (AMD).]

SECTION HISTORY
1983, c. 776, §1 (NEW). 1987, c. 772, §12 (AMD).

§581-E. REPORT TO THE BUREAU OF FORESTRY

(REPEALED)

SECTION HISTORY
1989, c. 555, §18 (NEW). 2005, c. 358, §4 (RP).

§581-F. REPORT TO THE BUREAU OF FORESTRY ON LAND IN UNORGANIZED TERRITORY

On or before September 1st of each year, the State Tax Assessor shall provide to the Department of Agriculture, Conservation and Forestry, Bureau of Forestry information on land within the unorganized territory taxed according to this subchapter. The information must include the number of parcels enrolled, classified by parcel size categories. The State Tax Assessor shall consult with the Director of the Bureau of Forestry in determining the parcel size categories and shall provide the information in a consistent format to facilitate comparison from year to year. [2001, c. 564, §5 (NEW); 2011, c. 657, Pt. W, §§5, 7 (REV); 2013, c. 405, Pt. A, §23 (REV).]

SECTION HISTORY
2001, c. 564, §5 (NEW). 2011, c. 657, Pt. W, §§5, 7 (REV). 2013, c. 405, Pt. A, §23 (REV).

§581-G. REPORT TO BUREAU OF FORESTRY

1. **Municipal report.** The municipal assessor or chief assessor of a primary assessing area shall report annually to the Department of Agriculture, Conservation and Forestry, Bureau of Forestry by November 1st or 30 days following the tax commitment date, whichever is sooner, the following information relating to land taxed according to this subchapter:

A. The names and addresses of forest landowners; [2005, c. 358, §5 (NEW).]

B. The total number of acres taxed pursuant to this subchapter, including a breakdown of forest type, by softwood, mixed wood and hardwood; [2005, c. 358, §5 (NEW).]

C. The year each parcel was first accepted for taxation under this subchapter; [2005, c. 358, §5 (NEW).]

D. The year of the most recent recertification of each parcel; and [2005, c. 358, §5 (NEW).]

E. The tax map number, plan number and lot number for each parcel listed. [2005, c. 358, §5 (NEW).]

[2005, c. 358, §5 (NEW); 2011, c. 657, Pt. W, §§5, 7 (REV); 2013, c. 405, Pt. A, §23 (REV) .]

2. **Forms.** The Department of Agriculture, Conservation and Forestry, Bureau of Forestry shall annually provide municipalities with forms for submitting the information required under subsection 1. To the extent that the Bureau of Forestry has the required information, the Bureau of Forestry shall include that information on the forms.

[2005, c. 358, §5 (NEW); 2011, c. 657, Pt. W, §§5, 7 (REV); 2013, c. 405, Pt. A, §23 (REV) .]

3. **Confidentiality.** Addresses, telephone numbers and electronic mail addresses of forest landowners owning less than 1,000 acres statewide contained in reports filed under this section are confidential when in possession of the Department of Agriculture, Conservation and Forestry, Bureau of Forestry and may be disclosed only in accordance with Title 12, section 8005.

[2005, c. 358, §5 (NEW); 2011, c. 657, Pt. W, §§5, 7 (REV); 2013, c. 405, Pt. A, §23 (REV) .]

SECTION HISTORY
2005, c. 358, §5 (NEW). 2011, c. 657, Pt. W, §§5, 7 (REV). 2013, c. 405, Pt. A, §23 (REV).

§582. APPEAL FROM STATE TAX ASSESSOR

(REPEALED)

SECTION HISTORY
1971, c. 616, §8 (NEW). 1973, c. 308, §§14-17 (AMD). 1977, c. 694, §686 (RP). 1977, c. 720, §§4,5 (AMD). 1979, c. 541, §A219 (AMD). 1979, c. 666, §17 (AMD).

§582-A. PAYMENT FOR TAX PENDING REVIEW

(REPEALED)

SECTION HISTORY

1979, c. 666, §18 (NEW). 1997, c. 668, §43 (AFF). 1997, c. 668, §19 (RP).

§583. ABATEMENT

Assessments made under this subchapter and denials of applications for valuation under this subchapter are subject to the abatement procedures provided by section 841. Appeal from an abatement decision rendered under section 841 shall be to the State Board of Property Tax Review. [1985, c. 764, §12 (AMD).]

SECTION HISTORY
1971, c. 616, §8 (NEW). 1973, c. 308, §18 (AMD). 1973, c. 536, §22 (AMD). 1973, c. 592, §6 (AMD). 1973, c. 645, §§2,3 (AMD). 1977, c. 509, §§10-12 (AMD). 1977, c. 549, §§6,7 (AMD). 1977, c. 694, §687 (RPR). 1977, c. 720, §§6,7 (AMD). 1979, c. 520, §2 (RPR). 1979, c. 666, §19 (AMD). 1985, c. 764, §12 (AMD).

§584. ADVISORY COUNCIL

(REPEALED)

SECTION HISTORY
1971, c. 616, §8 (NEW). 1973, c. 460, §18 (AMD). 1975, c. 771, §§400,401 (AMD). 1983, c. 812, §270 (AMD). 1983, c. 828, §2 (RP). 1983, c. 862, §82 (RP).

§584-A. CONSTRUCTION

This subchapter shall be broadly construed to achieve its purpose. The invalidity of any provision shall be deemed not to affect the validity of other provisions. [1971, c. 616, §8 (NEW).]

SECTION HISTORY
1971, c. 616, §8 (NEW).

Subchapter 2-B: FARM AND OPEN SPACE LAND LAW (HEADING: PL 1975, C. 726, §3 (RP))

§585. PURPOSE

(REPEALED)

SECTION HISTORY
1971, c. 548, (NEW). 1975, c. 726, §3 (RP).

§586. DEFINITIONS

(REPEALED)

SECTION HISTORY
1971, c. 548, (NEW). 1971, c. 616, §9 (AMD). 1975, c. 326, (AMD). 1975, c. 726, §3 (RP).

§587. CLASSIFICATION AS FARMLAND

(REPEALED)

SECTION HISTORY

1971, c. 548, (NEW). 1975, c. 726, §3 (RP).

§588. PLANNING BOARD; OPEN SPACE LAND

(REPEALED)

SECTION HISTORY
1971, c. 548, (NEW). 1975, c. 726, §3 (RP).

§589. SCENIC EASEMENTS AND DEVELOPMENT RIGHTS

(REPEALED)

SECTION HISTORY
1971, c. 548, (NEW). 1975, c. 726, §3 (RP).

§590. VALUE

(REPEALED)

SECTION HISTORY
1971, c. 548, (NEW). 1975, c. 726, §3 (RP).

§591. RECAPTURE PENALTY

(REPEALED)

SECTION HISTORY
1971, c. 548, (NEW). 1975, c. 726, §3 (RP).

§592. ENFORCEMENT PROVISION

(REPEALED)

SECTION HISTORY
1971, c. 548, (NEW). 1975, c. 726, §3 (RP).

§593. APPLICATION

(REPEALED)

SECTION HISTORY
1971, c. 548, (NEW). 1975, c. 726, §3 (RP).

§594. EXCEPTION

(REPEALED)

SECTION HISTORY
1971, c. 616, §10 (NEW). 1975, c. 726, §3 (RP).

Subchapter 3: PERSONAL PROPERTY TAXES

§601. PERSONAL PROPERTY; DEFINED

Personal property for the purposes of taxation includes all tangible goods and chattels wheresoever they are and all vessels, at home or abroad.

§602. -- WHERE TAXED

All personal property within or without the State, except in cases enumerated in section 603, shall be taxed to the owner in the place where he resides.

§603. EXCEPTIONS

The excepted cases referred to in section 602 are the following:

1. **Personal property employed in trade.** All personal property employed in trade, in the erection of buildings or vessels, or in the mechanic arts shall be taxed in the place where so employed, except as otherwise provided for in this subsection; provided the owner, his servant, subcontractor or agent occupies any store, storehouse, shop, mill, wharf, landing place or shipyard therein for the purpose of such employment.

A. For the purposes of this subsection, "personal property employed in trade" shall include both liquefied petroleum gas installations, and industrial and medical gas installations, together with tanks or other containers used in connection therewith. [1981, c. 106, (AMD).]

B. [1973, c. 592, §7 (RP).]

[1981, c. 106, (AMD) .]

1-A. **Cargo trailers.** A cargo trailer shall be taxed in the place where it is primarily located on April 1st, even though the cargo trailer may not be present in that place on April 1st.

For purposes of this subsection, "primary location" means the place where the cargo trailer is usually based and where it regularly returns for repairs, supplies and activities related to its use.

[1987, c. 303, (NEW) .]

2. **Enumeration.**

[2007, c. 627, §18 (RP) .]

2-A. **Enumeration.** The following personal property must be taxed in the place where it is situated:

A. Portable mills; [2007, c. 627, §19 (NEW).]

B. All store fixtures, office furniture, furnishings, fixtures and equipment; [2007, c. 627, §19 (NEW).]

C. Professional libraries, apparatus, implements and supplies; [2007, c. 627, §19 (NEW).]

D. Coin-operated vending or amusement devices; [2007, c. 627, §19 (NEW).]

E. All camper trailers, as defined in section 1481; and [2007, c. 627, §19 (NEW).]

F. Television and radio transmitting equipment. [2007, c. 627, §19 (NEW).]

[2007, c. 627, §19 (NEW) .]

3. **Nonresidents.** Personal property which is within the State and owned by persons residing out of the State shall be taxed either to the owner, or to the person having the same in possession, or to the person owning or occupying any store, storehouse, shop, mill, wharf, landing, shipyard or other place therein where such property is.

A. A lien is created on said property for the payment of the tax, which may be enforced by the tax collector to whom the tax is committed, by a sale of the property as provided.

B. A lien is created on said property in behalf of the person in possession, which he may enforce, for the repayment of all sums by him lawfully paid in discharge of the tax. If such person pays more than his proportionate part of such tax, or if his own goods or property are applied to the payment and discharge of the whole tax, he may recover of the owner such owner's proper share thereof.

4. **Domestic fowl raised for meat purposes or egg production.**

[1973, c. 592, §11 (RP) .]

5. **Mules, horses, neat cattle and domestic fowl.**

[1973, c. 592, §11 (RP) .]

6. **Belonging to minors under guardianship.** Personal property belonging to minors under guardianship shall be taxed to the guardian in the place where the guardian resides. The personal property of all other persons under guardianship shall be taxed to the guardian in the place where the ward resides.

7. **Partners in business.** Personal property of partners in business, when subject to taxation under subsections 1 and 2, may be taxed to the partners jointly under their partnership name; and in such cases they shall be jointly and severally liable for the tax.

8. **Owned by persons unknown.** Personal property owned by persons unknown shall be taxed to the person having the same in possession. A lien is created on said property in behalf of the person in possession, which he may enforce for the repayment of all sums by him lawfully paid in discharge of the tax.

9. **Certain corporations.** The personal property of manufacturing, mining, smelting, agricultural and stock raising corporations, and corporations organized for the purpose of buying, selling and leasing real estate shall be taxed to the corporation or to the persons having possession of such property in the place where situated, except as provided in subsections 1 and 10.

[1981, c. 711, §6 (AMD) .]

10. **Tax situs.** The tax situs of tangible personal property shall be at the mine site if that property is:

A. Owned, leased or otherwise subject to possessory control of a mining company; and [1981, c. 711, §7 (NEW).]

B. On route to or from, being transported to or from or destined to or from a mine site. [1981, c. 711, §7 (NEW).]

Except as otherwise provided in this subsection, the tax situs of tangible personal property leased to a mining company shall be in the place where the property is situated.

For the purposes of this subsection, the definitions of section 2855 shall apply.

[1983, c. 776, §2 (AMD) .]

SECTION HISTORY
1967, c. 15, §1 (AMD). 1967, c. 90, (AMD). 1967, c. 480, §1 (AMD). 1971, c. 235, §2 (AMD). 1973, c. 592, §§7-11 (AMD). 1981, c. 106, (AMD). 1981, c. 711, §§6,7 (AMD). 1983, c. 776, §2 (AMD). 1987, c. 303, (AMD). 2007, c. 627, §§18, 19 (AMD).

§604. MORTGAGED PERSONAL PROPERTY; TAXES

When personal property is mortgaged, pledged or conveyed with the seller retaining title for security purposes, it shall, for the purposes of taxation, be deemed the property of the person who has it in possession, and it may be distrained for the tax thereon.

§605. DECEASED PERSONS

The personal property of a deceased person shall be assessed to the personal representative in the place where the deceased last resided, and such assessment shall continue until the personal representative gives notice to the assessors that such property has been distributed. If the deceased at the time of his death did not reside in the State, such personal property shall be assessed to the personal representative in the place where such property is situated. Before the appointment of a personal representative, the personal property of a deceased person shall be assessed to the estate of the deceased in the place where he last resided, if in the State, otherwise in the place where such property is situated, and the personal representative subsequently appointed shall be liable for the tax. [1979, c. 540, §43 (AMD).]

SECTION HISTORY
1979, c. 540, §43 (AMD).

§606. TAX PRIORITY; DECEASED'S PERSONAL PROPERTY

If a personal property tax has been assessed upon the estate of a deceased person, or if a person assessed for a personal property tax has died, the personal representative, after he has satisfied the first 4 priorities set forth in Title 18-A, section 3-805, shall, from any estate which has come to his hands in such capacity, if such estate is sufficient therefor, pay the personal property tax so assessed to him under Title 18-A, section 3-709. In default of such payment the personal representative shall be personally liable for the tax to the extent of the estate that passed through his hands which was not used to satisfy claims or expenses with a higher priority. To the extent that the personal representative is not assessed, the successors to the decendent's taxed property shall pay the tax assessed. [1979, c. 540, §44 (AMD).]

SECTION HISTORY
1979, c. 540, §44 (AMD).

§607. INSOLVENT PERSON'S PERSONAL PROPERTY

If a person assessed for a personal property tax has made an assignment for the benefit of creditors, or has gone into receivership before the payment thereof, the assignee or receiver shall, from any money which has come to his hands in such capacity, over and above the reasonable expense of administration, pay the personal property tax so assessed to the extent of such money. In default of such payment the assignee or receiver shall be personally liable for the tax to the extent of the money which passed through his hands.

§608. BLOODED ANIMALS

(REPEALED)

SECTION HISTORY
1973, c. 592, §12 (RP).

§609. SAILING VESSELS AND BARGES; TAX RATE

(REPEALED)

SECTION HISTORY
1983, c. 92, §B4 (RP).

§610. REBUILT VESSELS AND BARGES; TAX RATE

(REPEALED)

SECTION HISTORY
1983, c. 92, §B5 (RP).

§610-A. WATERCRAFT ASSESSED AS PERSONAL PROPERTY

(REPEALED)

SECTION HISTORY
1981, c. 357, (NEW). 1983, c. 92, §B6 (RP). 1983, c. 632, §B4 (REEN). 1987, c. 497, §12 (RP).

§611. EQUIPMENT TAX

Machinery and other personal property brought into this State, after April 1st and prior to December 31st by any person upon whom no personal property tax was assessed on April 1st in the State of Maine, shall be taxed as other personal property in the town in which it is used for the first time in this State.

When the assessors are informed by the owner or otherwise of the presence within the town of such personal property, the assessors shall give notice in writing to the owner to furnish to the assessors a true and perfect list of such property within 15 days from the receipt of such notice and, except as otherwise provided in this section, section 706 shall be applicable to this section.

The assessors shall assess a tax upon any such property in accordance with other property assessed for the same tax year, except that, if the tax is paid within 2 months of assessment, interest from the due date of taxes for the tax year involved does not apply. [1987, c. 772, §13 (AMD).]

Except as otherwise provided in this section, the collection of such taxes shall be in accordance with this chapter.

SECTION HISTORY
1987, c. 772, §13 (AMD).

§612. TAX LIEN ON PERSONAL PROPERTY

1. **Lien.** The legal assessment of taxes upon personal property as defined in section 601 against a particular taxpayer creates and constitutes a lien upon all of the property assessed to secure payment of the resulting taxes, provided that the inventory and valuation upon which the assessment is made contains a description of the personal property taxed that meets the requirements of Title 11, section 9-1504. Except as otherwise provided in this section, the lien takes precedence over all other claims on the personal property and continues in force until the taxes are paid or until the lien is otherwise terminated by law.

[2003, c. 355, §1 (AMD); 2003, c. 355, §§9, 10 (AFF) .]

2. **Definitions.** As used in this section, unless the context otherwise indicates, the terms used in this section have the same meanings as in Title 11.

[1983, c. 403, §1 (NEW) .]

3. **Perfection of lien.** The lien established by subsection 1 attaches on the date of assessment and must be perfected as against all lien creditors, as defined in Title 11, section 9-1102, subsection (52), without the necessity of further action by the municipality or any other party. The lien becomes perfected as against parties other than lien creditors at the time when a notice of the lien is communicated, pursuant to the provisions of Title 11, section 9-1516, to the office identified in Title 11, section 9-1501, subsection (1),

paragraph (b). Any filing is ineffective to perfect a lien as against parties that are not lien creditors to the extent that the filing covers taxes upon property whose status for those taxes was fixed pursuant to section 502 or 611 more than 2 years prior to the filing date. The lien does not have priority against any interest as to which it is unperfected during the period in which it is not so perfected. If the lien is perfected as to some interests in the property subject to the tax, but not as to other interests, and the interests as to which it is perfected are superior in priority to the interests against which the lien is unperfected, then the lien has priority over the interests against which it has not been perfected to the extent of the superior interests against which it has been perfected.

[2003, c. 355, §§9, 10 (AFF); 2003, c. 355, §2 (RPR) .]

4. **Notice of lien.** Each notice of lien, which may be in the form of a financing statement, must:

A. Name the owner of the property upon which the lien is claimed, if the owner is not the taxpayer and is known to the municipality; [2003, c. 355, §§9, 10 (AFF); 2003, c. 355, §2 (RPR).]

B. Provide the residence or business address of the owner, if known to the municipality; [2003, c. 355, §§9, 10 (AFF); 2003, c. 355, §2 (RPR).]

C. Provide the taxpayer's name and the taxpayer's residence or business address, if known to the municipality, and if not otherwise known, the address where the property that is being taxed was located on the date the status of such taxable property was fixed pursuant to section 502 or 611; [2003, c. 355, §§9, 10 (AFF); 2003, c. 355, §2 (RPR).]

D. Describe the property claimed to be subject to the lien in a manner that meets the requirements of Title 11, section 9-1504; [2003, c. 355, §§9, 10 (AFF); 2003, c. 355, §2 (RPR).]

E. State the amount of tax, accrued interest and costs, as of the date on which the municipality sends the notice for filing, claimed due the municipality and secured by the lien; [2003, c. 355, §§9, 10 (AFF); 2003, c. 355, §2 (RPR).]

F. State the tax year or years for which the lien is claimed; [2003, c. 355, §§9, 10 (AFF); 2003, c. 355, §2 (RPR).]

G. Name the municipality claiming the lien; [2003, c. 355, §§9, 10 (AFF); 2003, c. 355, §2 (RPR).]

H. Set forth the phrase "NOTICE OF PERSONAL PROPERTY TAX LIEN" in that part of the financing statement otherwise used to describe the collateral; [2003, c. 355, §2 (NEW); 2003, c. 355, §§9, 10 (AFF).]

I. Indicate that the notice is filed as a non-UCC filing; and [2003, c. 355, §2 (NEW); 2003, c. 355, §§9, 10 (AFF).]

J. Indicate that the taxpayer or owner, if an organization, has no organizational identification number, regardless of whether such a number may exist for that entity. [2003, c. 355, §2 (NEW); 2003, c. 355, §§9, 10 (AFF).]

Except as provided in this subsection, the notice of lien need not contain the information required by Title 11, section 9-1516, subsection (2), paragraph (e), subparagraph (iii) and must be accepted for filing without that information notwithstanding the provisions of Title 11, section 9-1520, subsection (1). A copy of the notice of lien must be given by certified mail, return receipt requested, at the last known address, to the taxpayer, to the owner, if the owner is not the taxpayer, and to any party who has asserted that it holds an interest in any of the property that is subject to the lien in an authenticated notification received by the municipality within 5 years prior to the date on which the municipality sends the notice of lien for filing, or who has filed a financing statement with the office identified in Title 11, section 9-1501, subsection (1), paragraph (b) that remains

effective as of the date on which the municipality sends the notice of lien for filing. Failure to give notice to any secured party who has a perfected security interest prevents the lien from taking priority over that security interest, but does not otherwise affect the validity of the lien.

[2003, c. 631, §81 (AMD) .]

5. **Effective period of lien; limitation period.** Perfection of any lien by the filing of a notice of lien is effective for a period of 5 years from the date of filing, unless discharged as provided in this section or unless a continuation statement is filed prior to the lapse. A continuation statement may be filed on behalf of the municipality within 6 months prior to the expiration of the 5-year period provided in this section in the same manner and to the same effect as provided in Title 11, section 9-1515.

[2003, c. 355, §3 (AMD); 2003, c. 355, §§9, 10 (AFF) .]

6. **Rights and remedies of municipality and taxpayer.** A municipality that has filed a notice of tax lien has the rights and remedies of a secured party, the taxpayer and the owner of the property against whom the lien has been filed have the rights and remedies of a debtor, all parties to whom the municipality is required to provide a copy of the lien notice pursuant to subsection 4 have the rights and remedies of a junior secured party and all lien creditors have the rights of lien creditors, as provided for in Title 11, Article 9-A, Part 6, except that:

A. The municipality does not have the rights provided to a secured party in Title 11, sections 9-1620, 9-1621 and 9-1622; [2003, c. 355, §4 (NEW); 2003, c. 355, §§9, 10 (AFF).]

B. The municipality has no obligations to lien creditors or to secured parties except to the extent that it has received notice from such secured parties as set forth in subsection 4 or they have effective financing statements on file as provided in subsection 4; [2003, c. 355, §4 (NEW); 2003, c. 355, §§9, 10 (AFF).]

C. The municipality has no obligations under Title 11, section 9-1616; and [2003, c. 355, §4 (NEW); 2003, c. 355, §§9, 10 (AFF).]

D. The municipality is not subject to Title 11, section 9-1625, subsection (3), paragraph (b) and section 9-1625, subsections (5) to (7). [2003, c. 355, §4 (NEW); 2003, c. 355, §§9, 10 (AFF).]

[2003, c. 355, §§9, 10 (AFF); 2003, c. 355, §4 (RPR) .]

7. **Personal property liens; discharge.** If any lien created under this section is discharged, then a certificate of discharge must promptly be filed by the tax collector of the municipality which originally filed the notice of lien, or by that tax collector's successor, in the same manner as termination statements are filed under Title 11, section 9-1513. The municipal officer who has filed the notice of lien shall file a notice of discharge of the lien in the manner provided in this section, if:

A. The taxes for which the lien has been filed are fully paid, together with all interest and costs due thereon; [1983, c. 403, §1 (NEW).]

B. A cash bond or surety company bond is furnished to the municipality conditioned upon the payment of the amount liened, together with interest and cost due, within the effective period of the lien as provided in this section; or [1983, c. 403, §1 (NEW).]

C. A final judgment is rendered in favor of the taxpayer or others claiming an interest in the liened personal property which determines either that the tax is not owed or that the lien is not valid. If the judgment determines that the tax is partially owed, then the officer who filed the notice of lien or that officer's successor shall, within 10 days of the rendition of the final judgment, file an amendment to the

notice of lien reducing the amount claimed to the actual amount of tax found to be due, which amended lien is effective as to the revised amount of the lien as of the date of the filing of the original notice of tax lien. [2003, c. 355, §5 (AMD); 2003, c. 355, §§9, 10 (AFF).]

[2003, c. 355, §5 (AMD); 2003, c. 355, §§9, 10 (AFF) .]

8. **Consumer goods.** In the case of consumer goods, a buyer in the ordinary course of business takes free of the lien created by this section, even though the lien is perfected and even though the buyer knows of its existence.

[1983, c. 403, §1 (NEW) .]

9. **Liens subordinate to security interests.** The lien authorized by subsection 1 is subordinated to security interests that were perfected before September 23, 1983 and that have remained perfected thereafter, except to the extent that such perfected security interests would be subordinate to the rights of the municipality if the municipality were considered, whether or not such is actually the case, to be a lien creditor under Title 11, section 9-1323 by virtue of its rights pursuant to the lien authorized by subsection 1.

[2003, c. 355, §§9, 10 (AFF); 2003, c. 355, §6 (RPR) .]

10. **Collection procedure.** The collection procedure authorized by this section is optional and does not affect in any way alternate collection procedures authorized by law.

[1999, c. 699, Pt. D, §28 (AMD); 1999, c. 699, Pt. D, §30 (AFF) .]

11. **Limitation of this section.** The lien authorized by this section applies to taxes assessed on or after April 1, 1984. The procedures of this section as amended effective July 1, 2001 or October 1, 2003 apply only to liens authorized in this section that are perfected by a filing made on or after July 1, 2001, or for which a continuation statement is filed on or after that date.

[2003, c. 355, §7 (AMD); 2003, c. 355, §§9, 10 (AFF) .]

12. **Location of filing.** A tax lien filed on or after July 1, 2001 with the office identified in Title 11, section 9-1501, subsection (1), paragraph (b) is not invalid or otherwise ineffectual by reason of filing with that office.

[2003, c. 355, §8 (NEW); 2003, c. 355, §§9, 10 (AFF) .]

13. **Application of state law.** The law of this State governs the following without recourse to this State's choice of law provisions, including those provisions found in Title 11, sections 9-1301 to 9-1307:

A. Perfection of a personal property tax lien, as provided in this section; [2003, c. 355, §8 (NEW); 2003, c. 355, §§9, 10 (AFF).]

B. The effect of perfection or nonperfection of a personal property tax lien as provided in this section; [2003, c. 355, §8 (NEW); 2003, c. 355, §§9, 10 (AFF).]

C. The priority of a personal property tax lien as provided in this section; and [2003, c. 355, §8 (NEW); 2003, c. 355, §§9, 10 (AFF).]

D. All other rights and obligations of the parties with respect to personal property tax liens held by municipalities in this State. [2003, c. 355, §8 (NEW); 2003, c. 355, §§9, 10 (AFF).]

[2003, c. 355, §8 (NEW); 2003, c. 355, §§9, 10 (AFF) .]

SECTION HISTORY

1983, c. 403, §1 (NEW). 1985, c. 218, (AMD). 1999, c. 699, §D28 (AMD). 1999, c. 699, §D30 (AFF). 2003, c. 355, §§1-8 (AMD). 2003, c. 355, §§9,10 (AFF). 2003, c. 631, §81 (AMD).

§613. WATERCRAFT DECAL

(REPEALED)

SECTION HISTORY
1991, c. 846, §8 (RP).

Subchapter 4: EXEMPTIONS

§651. PUBLIC PROPERTY

The following public property is exempt from taxation:

1. **Public property.**

A. The property of the United States so far as the taxation of such property is prohibited under the Constitution and laws of the United States; [2013, c. 1, §51 (COR).]

B. The property of the State of Maine; [2013, c. 1, §51 (COR).]

B-1. Real estate owned by the Water Resources Board of the State of New Hampshire and used for the preservation of recreational facilities in this State; [2013, c. 1, §51 (COR).]

C. All property which by the Articles of Separation is exempt from taxation; [2013, c. 1, §51 (COR).]

D. The property of any public municipal corporation of this State appropriated to public uses, if located within the corporate limits and confines of such public municipal corporation; [2013, c. 1, §51 (COR).]

E. The pipes, fixtures, hydrants, conduits, gatehouses, pumping stations, reservoirs and dams, used only for reservoir purposes, of public municipal corporations engaged in supplying water, power or light, if located outside of the limits of such public municipal corporation; [2013, c. 1, §51 (COR).]

F. All airports and landing fields and the structures erected thereon or contained therein of public municipal corporations whether located within or without the limits of such public municipal corporations. Any structures or land contained within such airport not used for airport or aeronautical purposes shall not be entitled to this exemption. Any public municipal corporation which is required to pay taxes to another such corporation under this paragraph with respect to any airport or landing field shall be reimbursed by the county wherein the airport is situated; and [2013, c. 1, §51 (COR).]

G. The pipes, fixtures, conduits, buildings, pumping stations and other facilities of a public municipal corporation used for sewage disposal, if located outside the limits of such public municipal corporation. [1967, c. 115, (NEW).]

[2013, c. 1, §51 (COR) .]

SECTION HISTORY
1965, c. 125, (AMD). 1967, c. 115, (AMD). 1981, c. 492, §D6 (AMD). 1981, c. 595, §4 (AMD). RR 2013, c. 1, §51 (COR).

§652. PROPERTY OF INSTITUTIONS AND ORGANIZATIONS

1. **Property of institutions and organizations.** The property of institutions and organizations is exempt from taxation as provided in this subsection.

A. The real estate and personal property owned and occupied or used solely for their own purposes by benevolent and charitable institutions incorporated by this State are exempt from taxation. Such an institution may not be deprived of the right of exemption by reason of the source from which its funds are derived or by reason of limitation in the classes of persons for whose benefit the funds are applied.

For the purposes of this paragraph, "benevolent and charitable institutions" includes, but is not limited to, nonprofit nursing homes licensed by the Department of Health and Human Services pursuant to Title 22, chapter 405, nonprofit residential care facilities licensed by the Department of Health and Human Services pursuant to Title 22, chapter 1663, nonprofit community mental health service facilities licensed by the Commissioner of Health and Human Services pursuant to Title 34-B, chapter 3 and nonprofit child care centers incorporated by this State as benevolent and charitable institutions. For the purposes of this paragraph, "nonprofit" refers to an institution that has been determined by the United States Internal Revenue Service to be exempt from taxation under Section 501(c)(3) of the Code. [2007, c. 627, §20 (AMD).]

B. The real estate and personal property owned and occupied or used solely for their own purposes by literary and scientific institutions are exempt from taxation. If any building or part of a building is used primarily for employee housing, that building, or that part of the building used for employee housing, is not exempt from taxation. [2007, c. 627, §20 (AMD).]

C. Further conditions to the right of exemption under paragraphs A and B are that:

(1) Any corporation claiming exemption under paragraph A must be organized and conducted exclusively for benevolent and charitable purposes;

(2) A director, trustee, officer or employee of an organization claiming exemption may not receive directly or indirectly any pecuniary profit from the operation of that organization, except as reasonable compensation for services in effecting its purposes or as a proper beneficiary of its strictly benevolent or charitable purposes;

(3) All profits derived from the operation of an organization claiming exemption and the proceeds from the sale of its property must be devoted exclusively to the purposes for which it is organized;

(4) The institution, organization or corporation claiming exemption under this section must file with the assessors upon their request a report for its preceding fiscal year in such detail as the assessors may reasonably require;

(5) An exemption may not be allowed under this section in favor of an agricultural fair association holding pari-mutuel racing meets unless it has qualified the next preceding year as a recipient of a stipend from the Stipend Fund provided in Title 7, section 86;

(6) An exemption allowed under paragraph A or B for real or personal property owned and occupied or used to provide federally subsidized residential rental housing is limited as follows: Federally subsidized residential rental housing placed in service prior to September 1, 1993 by other than a nonprofit housing corporation that is acquired on or after September 1, 1993 by a nonprofit housing corporation and the operation of which is not an unrelated trade or business to that nonprofit housing corporation is eligible for an exemption limited to 50% of the municipal assessed value of that property.

An exemption granted under this subparagraph must be revoked for any year in which the owner of the property is no longer a nonprofit housing corporation or the operation of the residential rental housing is an unrelated trade or business to that nonprofit housing corporation.

(a) For the purposes of this subparagraph, the following terms have the following meanings.

(i) "Federally subsidized residential rental housing" means residential rental housing that is subsidized through project-based rental assistance, operating assistance or interest rate subsidies paid or provided by or on behalf of an agency or department of the Federal Government.

(ii) "Nonprofit housing corporation" means a nonprofit corporation organized in the State that is exempt from tax under Section 501(c)(3) of the Code and has among its corporate purposes the provision of services to people of low income or the construction, rehabilitation, ownership or operation of housing.

(iii) "Residential rental housing" means one or more buildings, together with any facilities functionally related and subordinate to the building or buildings, located on one parcel of land and held in common ownership prior to the conversion to nonprofit status and containing 9 or more similarly constructed residential units offered for rental to the general public for use on other than a transient basis, each of which contains separate and complete facilities for living, sleeping, eating, cooking and sanitation.

(iv) "Unrelated trade or business" means any trade or business whose conduct is not substantially related to the exercise or performance by a nonprofit corporation of the purposes or functions constituting the basis for exemption under Section 501(c)(3) of the Code.

(b) Eligibility of the following property for exemption is not affected by the provisions of this subparagraph:

(i) Property used as a nonprofit nursing home, residential care facility licensed by the Department of Health and Human Services pursuant to Title 22, chapter 1663 or a community living arrangement as defined in Title 30-A, section 4357-A or any property owned by a nonprofit organization licensed or funded by the Department of Health and Human Services to provide services to or for the benefit of persons with mental illness or mental retardation;

(ii) Property used for student housing;

(iii) Property used for parsonages;

(iv) Property that was owned and occupied or used to provide residential rental housing that qualified for exemption under paragraph A or B prior to September 1, 1993; or

(v) Property exempt from taxation under other provisions of law; and

(7) In addition to the requirements of subparagraphs (1) to (4), an exemption is not allowed under paragraph A or B for real or personal property owned and occupied or used to provide residential rental housing that is transferred or placed in service on or after September 1, 1993, unless the property is owned by a nonprofit housing corporation and the operation of the residential rental housing is not an unrelated trade or business to the nonprofit housing corporation.

For the purposes of this subparagraph, the following terms have the following meanings.

(a) "Nonprofit housing corporation" means a nonprofit corporation organized in the State that is exempt from tax under Section 501(c)(3) of the Code and has among its corporate purposes the provision of services to people of low income or the construction, rehabilitation, ownership or operation of housing.

(b) "Residential rental housing" means one or more buildings, together with any facilities functionally related and subordinate to the building or buildings, containing one or more similarly constructed residential units offered for rental to the general public for use on other than a transient basis, each of which contains separate and complete facilities for living, sleeping, eating, cooking and sanitation.

(c) "Unrelated trade or business" means any trade or business whose conduct is not substantially related to the exercise or performance by a nonprofit organization of the purposes constituting the basis for exemption under Section 501(c)(3) of the Code. [2007, c. 627, §20 (AMD).]

D. [1979, c. 467, §3 (RP).]

E. The real estate and personal property owned, occupied and used for their own purposes by posts of the American Legion, Veterans of Foreign Wars, American Veterans, Sons of Union Veterans of the Civil War, Disabled American Veterans and Navy Clubs of the U.S.A. that are used solely by those organizations for meetings, ceremonials or instruction or to further the charitable activities of the organization, including all facilities that are appurtenant to that property and used in connection with those purposes, are exempt from taxation. If an organization is not the sole occupant of the property, the exemption granted under this paragraph applies only to that portion of the property owned, occupied and used by the organization for its purposes.

Further conditions to the right of exemption are that:

(1) A director, trustee, officer or employee of any organization claiming exemption may not receive directly or indirectly any pecuniary profit from the operation of that organization, except as reasonable compensation for services in effecting its purposes or as a proper beneficiary of its purposes;

(2) All profits derived from the operation of the organization and the proceeds from the sale of its property must be devoted exclusively to the purposes for which it is organized; and

(3) The institution, organization or corporation claiming exemption under this paragraph must file with the assessors upon their request a report for its preceding fiscal year in such detail as the assessors may reasonably require. [2007, c. 627, §20 (AMD).]

F. The real estate and personal property owned and occupied or used solely for their own purposes by chambers of commerce or boards of trade in this State are exempt from taxation.

Further conditions to the right of exemption are that:

(1) A director, trustee, officer or employee of any organization claiming exemption may not receive directly or indirectly any pecuniary profit from the operation of that organization, except as reasonable compensation for services in effecting its purposes or as a proper beneficiary of its purposes;

(2) All profits derived from the operation of the organization and the proceeds from the sale of its property must be devoted exclusively to the purposes for which it is organized; and

(3) The institution, organization or corporation claiming exemption under this paragraph must file with the assessors upon their request a report for its preceding fiscal year in such detail as the assessors may reasonably require. [2007, c. 627, §20 (AMD).]

G. Houses of religious worship, including vestries, and the pews and furniture within them; tombs and rights of burial; and property owned and used by a religious society as a parsonage up to the value of $20,000, and personal property not exceeding $6,000 in value are exempt from taxation, except that any portion of a parsonage that is rented is subject to taxation. For purposes of this paragraph, "parsonage" means the principal residence provided by a religious society for its cleric whether or not the principal residence is located within the same municipality as the house of religious worship where the cleric regularly conducts religious services. [2007, c. 627, §20 (AMD).]

H. Real estate and personal property owned by or held in trust for fraternal organizations, except college fraternities, operating under the lodge system that are used solely by those fraternal organizations for meetings, ceremonials or religious or moral instruction, including all facilities that are appurtenant to that property and used in connection with those purposes are exempt from taxation. If a building is used in part for those purposes and in part for any other purpose, only the part used for those purposes is exempt.

Further conditions to the right of exemption under this paragraph are that:

(1) A director, trustee, officer or employee of any organization claiming exemption may not receive directly or indirectly any pecuniary profit from the operation of that organization, except as reasonable compensation for services in effecting its purposes or as a proper beneficiary of its purposes;

(2) All profits derived from the operation of the organization and the proceeds from the sale of its property must be devoted exclusively to the purposes for which it is organized; and

(3) The institution, organization or corporation claiming exemption under this paragraph must file with the assessors upon their request a report for its preceding fiscal year in such detail as the assessors may reasonably require. [2007, c. 627, §20 (AMD).]

I. [1979, c. 467, §7 (RP).]

J. The real and personal property owned by one or more of the organizations in paragraphs A and B and E to H and occupied or used solely for their own purposes by one or more other such organizations are exempt from taxation. [2007, c. 627, §20 (AMD).]

K. Except as otherwise provided in this subsection, the real and personal property leased by and occupied or used solely for its own purposes by an incorporated benevolent and charitable organization that is exempt from taxation under section 501 of the Code and the primary purpose of which is the operation of a hospital licensed by the Department of Health and Human Services, a health maintenance organization or a blood bank are exempt from taxation. For property tax years beginning on or after April 1, 2012, the exemption provided by this paragraph does not include real property. [2009, c. 425, §1 (AMD).]

L. [2007, c. 627, §20 (RP).]

[2009, c. 425, §1 (AMD) .]

An organization or institution that desires exemption under this section must file a written application accompanied by written proof of entitlement for each parcel on or before the first day of April in the year in which the exemption is first requested with the assessors of the municipality in which the property would otherwise be taxable. If granted, the exemption continues in effect until the assessors determine that the organization or institution is no longer qualified. Proof of entitlement must indicate the specific basis upon which exemption is claimed. [2007, c. 627, §20 (AMD).]

SECTION HISTORY
1965, c. 13, (AMD). 1967, c. 64, (AMD). 1967, c. 372, (AMD). 1971, c. 111, (AMD). 1971, c. 475, (AMD). 1973, c. 719, (AMD). 1975, c. 771, §402 (AMD). 1977, c. 487, (AMD). 1979, c. 467, §§2-7 (AMD). 1991, c. 420, (AMD). 1993, c. 286, §1 (AMD). 1993, c. 286, §2 (AFF). 1993, c. 422, §§4,5 (AMD). 1993, c. 572, §1 (AMD). RR 1995, c. 2, §93 (COR). 1995, c. 366, §1 (AMD). 1995, c. 560, §K82 (AMD). 1995, c. 560, §K83 (AFF). 1997, c. 442, §3 (AMD). 1997, c. 668, §20 (AMD). 2001, c. 354, §3 (AMD). 2001, c. 596, §§B23,24 (AMD). 2001, c. 596, §B25 (AFF). 2003, c. 689, §§B6,7 (REV). 2005, c. 563, §16 (AMD). 2005, c. 645, §1 (AMD). 2007, c. 438, §19 (AMD). 2007, c. 627, §20 (AMD). 2009, c. 425, §1 (AMD).

§653. ESTATES OF VETERANS

The following estates of veterans are exempt from taxation: [1973, c. 66, §5 (AMD).]

1. Estates of veterans and servicemen.

A. [1973, c. 66, §6 (RP).]

B. [1973, c. 66, §6 (RP).]

C. The estates up to the just value of $6,000, having a taxable situs in the place of residence, of veterans who served in the Armed Forces of the United States:

(1) During any federally recognized war period, including the Korean Campaign, the Vietnam War, the Persian Gulf War, the periods from August 24, 1982 to July 31, 1984 and December 20, 1989 to January 31, 1990, Operation Enduring Freedom, Operation Iraqi Freedom and Operation New Dawn, or who were awarded the Armed Forces Expeditionary Medal, when they have reached the age of 62 years or when they are receiving any form of pension or compensation from the United States Government for total disability, service-connected or nonservice-connected, as a veteran. A veteran of the Vietnam War must have served on active duty for a period of more than 180 days, any part of which occurred after February 27, 1961 and before May 8, 1975 unless the veteran died in service or was discharged for a service-connected disability after that date. "Persian Gulf War" means service on active duty on or after August 2, 1990 and before or on the date that the United States Government recognizes as the end of that war period; or

(2) Who are disabled by injury or disease incurred or aggravated during active military service in the line of duty and are receiving any form of pension or compensation from the United States Government for total, service-connected disability.

The exemptions provided in this paragraph apply to the property of that veteran, including property held in joint tenancy with that veteran's spouse or held in a revocable living trust for the benefit of that veteran. [2013, c. 471, §1 (AMD).]

C-1. The estates up to the just value of $7,000, having a taxable situs in the place of residence of veterans who served in the Armed Forces of the United States during any federally recognized war period during or before World War I and who would be eligible for an exemption under paragraph C.

The exemption provided in this paragraph is in lieu of any exemption under paragraph C to which the veteran may be eligible and applies to the property of that veteran, including property held in joint tenancy with that veteran's spouse or held in a revocable living trust for the benefit of that veteran. [1995, c. 368, Pt. CCC, §2 (AMD); 1995, c. 368, Pt. CCC, §11 (AFF).]

D. The estates up to the just value of $6,000, having a taxable situs in the place of residence, of the unremarried widow or widower or minor child of any veteran who would be entitled to the exemption if living, or who is in receipt of a pension or compensation from the Federal Government as the widow or widower or minor child of a veteran.

The estates up to the just value of $6,000, having a taxable situs in the place of residence, of the parent of a deceased veteran who is 62 years of age or older and is an unremarried widow or widower who is in receipt of a pension or compensation from the Federal Government based upon the service-connected death of that parent's child.

The exemptions provided in this paragraph apply to the property of an unremarried widow or widower or minor child or parent of a deceased veteran, including property held in a revocable living trust for the benefit of that unremarried widow or widower or minor child or parent of a deceased veteran. [2007, c. 240, Pt. PPPP, §2 (AMD).]

D-1. The estates up to the just value of $50,000, having a taxable situs in the place of residence, for specially adapted housing units, of veterans who served in the Armed Forces of the United States during any federally recognized war period, including the Korean Campaign, the Vietnam War, the Persian Gulf War, the periods from August 24, 1982 to July 31, 1984 and December 20, 1989 to January 31, 1990, Operation Enduring Freedom, Operation Iraqi Freedom and Operation New Dawn, or who were awarded the Armed Forces Expeditionary Medal, and who are paraplegic veterans within the meaning of 38 United States Code, Chapter 21, Section 2101, and who received a grant from the United States Government for any such housing, or of the unremarried widows or widowers of those veterans. A veteran of the Vietnam War must have served on active duty for a period of more than 180 days, any part of which occurred after February 27, 1961 and before May 8, 1975, unless the veteran died in service or was discharged for a service-connected disability after that date. "Persian Gulf War" means service on active duty on or after August 2, 1990 and before or on the date that the United States Government

recognizes as the end of that war period. The exemption provided in this paragraph applies to the property of the veteran including property held in joint tenancy with a spouse or held in a revocable living trust for the benefit of that veteran. [2013, c. 471, §2 (AMD).]

D-2. The estates up to the just value of $7,000, having a taxable situs in the place of residence of the unremarried widow or widower or minor child of any veteran who would be entitled to an exemption under paragraph C-1, if living, or who is in receipt of a pension or compensation from the Federal Government as the widow or widower or minor child of a veteran, and who is the unremarried widow or widower or minor child of a veteran who served during any federally recognized war period during or before World War I.

The exemption provided in this paragraph is in lieu of any exemption under paragraph D to which the person may be eligible and applies to the property of that person, including property held in a revocable living trust for the benefit of that person. [2003, c. 702, §3 (AMD).]

D-3. The estates up to the just value of $7,000, having a taxable situs in the place of residence of the parent of a deceased veteran who is 62 years of age or older and is an unremarried widow or widower who is in receipt of a pension or compensation from the Federal Government based upon the service-connected death of that parent's child and who is receiving the pension or compensation from the Federal Government based upon the service-connected death of the parent's child during any federally recognized war period during or before World War I.

The exemption provided in this paragraph is in lieu of any exemption under paragraph D to which the person may be eligible and applies to the property of that person, including property held in a revocable living trust for the benefit of that person. [2003, c. 702, §4 (AMD).]

E. The word "veteran" as used in this subsection means any person, male or female, who was in active service in the Armed Forces of the United States and who, if discharged, retired or separated from the Armed Forces, was discharged, retired or separated under other than dishonorable conditions. [1995, c. 462, Pt. A, §68 (RPR).]

F. An exemption may not be granted to any person under this subsection unless the person is a resident of this State. [2007, c. 627, §21 (RPR).]

G. Any person who desires to secure exemption under this subsection shall make written application and file written proof of entitlement on or before the first day of April, in the year in which the exemption is first requested, with the assessors of the place in which the person resides. Notwithstanding Title 1, chapter 13, an application and proof of entitlement filed pursuant to this paragraph is confidential and may not be made available for public inspection. The application and proof of entitlement must be made available to the State Tax Assessor upon request. The assessors shall thereafter grant the exemption to any person who is so qualified and remains a resident of that place or until they are notified of reason or desire for discontinuance. [2013, c. 546, §8 (AMD).]

H. A municipality granting exemptions under this subsection is entitled to reimbursement from the State of 90% of that portion of the property tax revenue lost as a result of the exemptions that exceeds 3% of the total municipal property tax levy, upon submission of proof in a form satisfactory to the State Tax Assessor. Exemptions granted under this subsection that are reimbursable pursuant to section 661 are not eligible for reimbursement under this paragraph. [2007, c. 627, §22 (AMD).]

I. No property conveyed to any person for the purpose of obtaining exemption from taxation under this subsection may be so exempt, except property conveyed between husband and wife, and the obtaining of exemption by means of fraudulent conveyance shall be punished by a fine of not less than $100 and not more than 2 times the amount of the taxes evaded by the fraudulent conveyance, whichever amount is greater. [1989, c. 501, Pt. Z, (AMD).]

J. No person may be entitled to property tax exemption under more than one paragraph of this subsection. [1989, c. 501, Pt. Z, (AMD).]

K. In determining the local assessed value of the exemption, the assessor shall multiply the amount of the exemption by the ratio of current just value upon which the assessment is based as furnished in the assessor's annual return to the State Tax Assessor. [1975, c. 550, §4 (AMD).]

[2013, c. 471, §§1, 2 (AMD); 2013, c. 546, §8 (AMD) .]

2. **Cooperative housing corporations.** A cooperative housing corporation is entitled to an exemption to be applied against the valuation of property of the corporation that is occupied by qualifying shareholders. An application for exemption must include a list of all qualifying shareholders and any information required by the municipality to verify eligibility of qualifying shareholders and the applicable exemption amount. The application must be updated annually to reflect changes in eligibility. The exemption is equal to the total amount calculated under subsection 1 as if the qualifying shareholders were owners of the property. A cooperative housing corporation that receives an exemption pursuant to this section shall apportion the property tax reduction resulting from the exemption among the qualifying shareholders according to the proportion of the total exemption that each qualifying shareholder would be entitled to if the qualifying shareholder were the owner of property. Any supplemental assessment resulting from disqualification for exemption must be applied in the same manner against the qualifying shareholders for whom the disqualification applies. For the purposes of this subsection, the following terms have the following meanings.

A. "Cooperative housing corporation" means an entity organized for the purpose of owning residential real estate in which residents own shares that entitle them to inhabit a designated space within a residential dwelling. [2007, c. 418, §1 (NEW).]

B. "Qualifying shareholder" means a person who is a shareholder in a cooperative housing corporation who would qualify for an exemption under subsection 1 if the person were the owner of the property. [2007, c. 418, §1 (NEW).]

[2007, c. 418, §1 (NEW) .]

SECTION HISTORY
1967, c. 67, §5 (AMD). 1967, c. 144, (AMD). 1969, c. 110, §§1,2 (AMD). 1969, c. 341, (AMD). 1969, c. 590, §67 (AMD). 1971, c. 368, (AMD). 1971, c. 544, §122A (AMD). 1973, c. 66, §§5,6 (AMD). 1975, c. 432, §3 (AMD). 1975, c. 550, §§1-4 (AMD). 1977, c. 407, (AMD). 1977, c. 569, §§1-3 (AMD). 1981, c. 133, §§1-4 (AMD). 1981, c. 214, §1 (AMD). 1981, c. 523, §1 (AMD). 1981, c. 698, §179 (AMD). 1985, c. 785, §A110 (AMD). 1989, c. 501, §Z (AMD). 1989, c. 502, §§A127,A128 (AMD). 1989, c. 878, §A104 (AMD). RR 1991, c. 2, §132 (COR). 1991, c. 824, §A72 (AMD). 1993, c. 395, §11 (AMD). 1993, c. 427, §§6,7 (AMD). 1993, c. 680, §A29 (AMD). 1993, c. 739, §§1-3 (AMD). 1995, c. 281, §10 (AMD). 1995, c. 368, §§CCC1-4 (AMD). 1995, c. 368, §CCC11 (AFF). 1995, c. 462, §A68 (AMD). 1999, c. 462, §§2,3 (AMD). 2001, c. 396, §13 (AMD). 2003, c. 702, §§1-4 (AMD). 2005, c. 519, §MMM1 (AMD). 2005, c. 519, §MMM2 (AFF). 2005, c. 622, §4 (AMD). 2007, c. 240, Pt. PPPP, §§1, 2 (AMD). 2007, c. 418, §1 (AMD). 2007, c. 437, §7 (AMD). 2007, c. 437, §22 (AFF). 2007, c. 627, §§21, 22 (AMD). 2013, c. 222, §1 (AMD). 2013, c. 471, §§1, 2 (AMD). 2013, c. 546, §8 (AMD).

§654. ESTATES OF CERTAIN PERSONS

(REPEALED)

SECTION HISTORY

1973, c. 66, §§7,8 (AMD). 1975, c. 247, (AMD). 1975, c. 623, §53 (AMD). 1975, c. 765, §12 (AMD). 1975, c. 770, §202 (AMD). 1977, c. 420, (AMD). 1979, c. 732, §§24,31 (AMD). 1983, c. 777, §2 (AMD). 1987, c. 772, §14 (AMD). 1993, c. 708, §J13 (AMD). 1995, c. 545, §1 (AMD). 2003, c. 686, §1 (AMD). 2013, c. 416, §1 (RP).

§654-A. ESTATES OF LEGALLY BLIND PERSONS

1. **Exemption.** The residential real estate up to the just value of $4,000 of inhabitants of the State who are legally blind as determined by a properly licensed Doctor of Medicine, Doctor of Osteopathy or Doctor of Optometry is exempt from taxation.

[2013, c. 416, §2 (NEW) .]

2. **Revocable living trust.** The exemption provided by subsection 1 also applies to residential real estate held in a revocable living trust for the benefit of and occupied as a permanent residence by a person who is legally blind.

[2013, c. 416, §2 (NEW) .]

3. **Cooperative housing.** A cooperative housing corporation is also entitled to an exemption under subsection 1 to be applied against the valuation of property of the corporation that is occupied by qualifying shareholders. An application for exemption must include a list of all qualifying shareholders and any information required by the municipality to verify eligibility of qualifying shareholders and the applicable exemption amount. The application must be updated annually to reflect changes in eligibility. The exemption is equal to the total amount calculated under subsection 1 as if the qualifying shareholders were owners of the property. A cooperative housing corporation that receives an exemption pursuant to this subsection shall apportion the property tax reduction resulting from the exemption among the qualifying shareholders according to the proportion of the total exemption that each qualifying shareholder would be entitled to if the qualifying shareholder were the owner of the property. Any supplemental assessment resulting from disqualification for exemption must be applied in the same manner against the qualifying shareholders for whom the disqualification applies. For the purposes of this subsection, the following terms have the following meanings.

A. "Cooperative housing corporation" means an entity organized for the purpose of owning residential real estate in which residents own shares that entitle them to inhabit a designated space within a residential dwelling. [2013, c. 416, §2 (NEW).]

B. "Qualifying shareholder" means a person who is a shareholder in a cooperative housing corporation who would qualify for an exemption under subsection 1 if the person were the owner of the property. [2013, c. 416, §2 (NEW).]

[2013, c. 416, §2 (NEW) .]

4. **Multiple properties.** If a person entitled to the exemption under this section has property taxable in more than one place in this State, the proportion of the total exemption must be made in each place as the value of the property taxable in that place bears to the value of the whole of the property of that person taxable in the State.

[2013, c. 416, §2 (NEW) .]

5. **Fraudulent transfer.** Property conveyed to a person for the purpose of obtaining exemption from taxation under this section is not exempt. A person who makes a conveyance for the purpose of obtaining the exemption commits fraud and is subject to a fine of not less than $100 and not more than 2 times the amount of the taxes evaded by such fraudulent conveyance, whichever amount is greater.

[2013, c. 416, §2 (NEW) .]

SECTION HISTORY
2013, c. 416, §2 (NEW).

§655. PERSONAL PROPERTY

The following personal property is exempt from taxation:

1. **Personal property.**

A. Industrial inventories including raw materials, goods in process and finished work on hand; [1973, c. 592, §13 (RPR).]

B. Stock-in-trade, including inventory held for resale by a distributor, wholesaler, retail merchant or service establishment. "Stock-in-trade" also includes an unoccupied manufactured home, as defined in Title 10, section 9002, subsection 7, paragraph A or C, that was not previously occupied at its present location, that is not connected to water or sewer and that is owned and offered for sale by a person licensed for the retail sale of manufactured homes pursuant to Title 10, chapter 951, subchapter 2; [2005, c. 652, §1 (AMD); 2005, c. 652, §3 (AFF).]

C. Agricultural produce and forest products, including logs, pulpwood, woodchips and lumber; [1973, c. 592, §13 (RPR).]

D. Livestock, including farm animals, neat, cattle and fowl; [1973, c. 592, §13 (RPR).]

E. The household furniture, including television sets and musical instruments of each person in any one household; and his wearing apparel, farming utensils and mechanical tools necessary for his business; [1973, c. 592, §13 (RPR).]

F. All radium used in the practice of medicine; [1973, c. 592, §13 (RPR).]

G. Property in the possession of a common carrier while in interstate transportation or held en route awaiting further transportation to the destination named in a through bill of lading; [1973, c. 592, §13 (RPR).]

H. Vessels built, in the process of construction, or undergoing repairs, which are within the State on the first day of each April and are owned by persons residing out of the State. "Vessels" as used in this paragraph shall not be construed to include pleasure vessels and boats; [1973, c. 592, §13 (RPR).]

I. Pleasure vessels and boats in the State on the first day of each April whose owners reside out of the State, and which are left in this State by the owners for the purpose of repair or storage, except those regularly kept in the State during the preceding year; [1973, c. 592, §13 (RPR).]

J. Personal property in another state or country and legally taxed there; [1973, c. 592, §13 (RPR).]

K. Vehicles exempt from excise tax in accordance with section 1483; [1973, c. 592, §13 (RPR).]

L. Registered snowmobiles as defined in Title 12, section 13001, subsection 25; [2003, c. 414, Pt. B, §49 (AMD); 2003, c. 614, §9 (AFF).]

M. All farm machinery used exclusively in production of hay and field crops to the aggregate actual market value not exceeding $10,000, excluding motor vehicles. Motor vehicle shall mean any self-propelled vehicle; [1977, c. 263, (AMD).]

N. Water pollution control facilities and air pollution control facilities as defined in section 656, subsection 1, paragraph E; [2005, c. 652, §1 (AMD); 2005, c. 652, §3 (AFF).]

O. All beehives; [1973, c. 788, §182 (RPR).]

P. All items of individually owned personal property with a just value of less than $1,000, except:

(1) Items used for industrial or commercial purposes; and

(2) Vehicles as defined in section 1481 that are not subject to an excise tax; [2007, c. 627, §23 (AMD).]

Q. [1983, c. 777, §3 (RP).]

R. [1983, c. 632, Pt. A, §5 (RP); 1983, c. 632, Pt. B, §5 (RP).]

S. Mining property as provided in section 2854; and [2005, c. 652, §1 (AMD); 2005, c. 652, §3 (AFF).]

T. Trail-grooming equipment registered under Title 12, section 13113. [2005, c. 652, §1 (NEW); 2005, c. 652, §3 (AFF).]

[2007, c. 627, §23 (AMD) .]

SECTION HISTORY
1965, c. 139, (AMD). 1965, c. 331, (AMD). 1969, c. 96, (AMD). 1969, c. 117, (AMD). 1969, c. 414, §5 (AMD). 1969, c. 562, (AMD). 1971, c. 524, §1 (AMD). 1973, c. 230, (AMD). 1973, c. 589, (AMD). 1973, c. 592, §13 (AMD). 1973, c. 613, §21 (AMD). 1973, c. 788, §§180,182 (AMD). 1977, c. 263, (AMD). 1977, c. 456, (AMD). 1983, c. 92, §§A1,B7,B8 (AMD). 1983, c. 555, §1 (AMD). 1983, c. 632, §§A4,A5,B5 (AMD). 1983, c. 777, §3 (AMD). 1991, c. 546, §9 (AMD). 1995, c. 476, §1 (AMD). 1995, c. 476, §2 (AFF). 1997, c. 24, §U1 (AMD). 1997, c. 180, §1 (AMD). 2003, c. 414, §B49 (AMD). 2003, c. 414, §D7 (AFF). 2003, c. 614, §9 (AFF). 2005, c. 652, §1 (AMD). 2005, c. 652, §3 (AFF). 2007, c. 627, §23 (AMD).

§656. REAL ESTATE

The following real estate is exempt from taxation:

1. Real estate.

A. The aqueducts, pipes and conduits of any corporation supplying a municipality with water are exempt from taxation, when such municipality takes water therefrom for the extinguishment of fires without charge.

B. Mines of gold, silver or baser metals, when opened and in the process of development, are exempt from taxation for 10 years from the time of such opening. This exemption does not apply to the taxation of the lands or the surface improvements of such mines; [1983, c. 555, §2 (RPR).]

C. The landing area of a privately owned airport, the use of which is approved by the Department of Transportation, is exempt from taxation when the owner grants free use of that landing area to the public. [1995, c. 504, Pt. B, §9 (AMD).]

D. [1971, c. 98, §1 (RP).]

E. Pollution control facilities.

(1) Water pollution control facilities having a capacity to handle at least 4,000 gallons of waste per day, certified as such by the Commissioner of Environmental Protection, and all parts and accessories thereof.

As used in this paragraph, unless the context otherwise indicates, the following terms have the following meanings.

(a) "Facility" means any disposal system or any treatment works, appliance, equipment, machinery, installation or structures installed, acquired or placed in operation primarily for the purpose of reducing, controlling or eliminating water pollution caused by industrial, commercial or domestic waste.

(b) "Disposal system" means any system used primarily for disposing of or isolating industrial, commercial or domestic waste and includes thickeners, incinerators, pipelines or conduits, pumping stations, force mains and all other constructions, devices, appurtenances and facilities used for collecting or conducting water borne industrial, commercial or domestic waste to a point of disposal, treatment or isolation, except that which is necessary to the manufacture of products.

(c) "Industrial waste" means any liquid, gaseous or solid waste substance capable of polluting the waters of the State and resulting from any process, or the development of any process, of industry or manufacture.

(d) "Treatment works" means any plant, pumping station, reservoir or other works used primarily for the purpose of treating, stabilizing, isolating or holding industrial, commercial or domestic waste.

(e) "Commercial waste" means any liquid, gaseous or solid waste substance capable of polluting the waters of the State and resulting from any activity which is primarily commercial in nature.

(f) "Domestic waste" means any liquid, gaseous or solid waste substance capable of polluting the waters of the State and resulting from any activity which is primarily domestic in nature.

(2) Air pollution control facilities, certified as such by the Commissioner of Environmental Protection, and all parts and accessories thereof.

As used in this paragraph, unless the context otherwise indicates, the following terms have the following meanings.

(a) "Facility" means any appliance, equipment, machinery, installation or structures installed, acquired or placed in operation primarily for the purpose of reducing, controlling, eliminating or disposing of industrial air pollutants.

Facilities such as air conditioners, dust collectors, fans and similar facilities designed, constructed or installed solely for the benefit of the person for whom installed or the personnel of that person may not be deemed air pollution control facilities.

(3) The Commissioner of Environmental Protection shall issue a determination regarding certification on or before April 1st for any air or water pollution control facility for which the commissioner has received a complete application on or before December 15th of the preceding year. [2007, c. 438, §20 (AMD).]

F. [1979, c. 467, §8 (RP).]

G. [1975, c. 765, §13 (RP).]

H. [1977, c. 542, §2 (RP).]

I. Mining property as provided in section 2854. [1983, c. 555, §3 (NEW).]

J. An animal waste storage facility. For the purposes of this section, "animal waste storage facility" means a structure or pit constructed and used solely for storing manure, animal bedding waste or other wastes generated by animal production. For a facility to be eligible for this exemption, the Commissioner

of Agriculture, Conservation and Forestry must certify that a nutrient management plan has been prepared in accordance with Title 7, section 4204 for the farm utilizing that animal waste storage facility. [1999, c. 530, §9 (NEW); 2011, c. 657, Pt. W, §6 (REV).]

[2007, c. 438, §20 (AMD); 2011, c. 657, Pt. W, §6 (REV) .]

SECTION HISTORY
1971, c. 98, §1 (AMD). 1971, c. 524, §2 (AMD). 1971, c. 562, (AMD). 1971, c. 593, §23 (AMD). 1971, c. 618, §12 (AMD). 1973, c. 261, (AMD). 1975, c. 765, §13 (AMD). 1977, c. 542, §2 (AMD). 1979, c. 467, §8 (AMD). 1981, c. 711, §8 (AMD). 1983, c. 555, §§2,3 (AMD). 1983, c. 777, §4 (AMD). 1985, c. 298, (AMD). 1989, c. 890, §§A9,40 (AMD). 1991, c. 546, §10 (AMD). 1995, c. 504, §B9 (AMD). 1999, c. 530, §9 (AMD). 2007, c. 438, §20 (AMD). 2011, c. 657, Pt. W, §6 (REV).

§657. PURPOSE

(REPEALED)

SECTION HISTORY
1969, c. 444, (NEW). 1971, c. 503, §2 (RP).

§658. APPLICATION

(REPEALED)

SECTION HISTORY
1969, c. 444, (NEW). 1971, c. 503, §2 (RP).

§659. RECOVERY BY A MUNICIPALITY

(REPEALED)

SECTION HISTORY
1969, c. 444, (NEW). 1971, c. 503, §2 (RP).

§660. LEGISLATIVE REVIEW OF EXEMPTIONS

(REPEALED)

SECTION HISTORY
1977, c. 490, §3 (NEW). 1977, c. 696, §266 (AMD). 1979, c. 687, §4 (RPR). 2001, c. 396, §14 (RP).

§661. REIMBURSEMENT FOR EXEMPTIONS

As required by the Constitution of Maine, Article IV, Part 3, Section 23, the Treasurer of State shall reimburse each municipality 50% of the property tax revenue loss suffered by that municipality during the previous calendar year as a result of statutory property tax exemptions or credits enacted after April 1, 1978. The property tax revenue loss shall be determined pursuant to the following procedure. [1981, c. 133, §5 (NEW).]

1. **Filing claim.** If a municipality suffers property tax revenue loss as a result of exemptions and credits enacted after April 1, 1978, it may file a claim for reimbursement by November 1st of the following year with the State Tax Assessor on the form prescribed by the State Tax Assessor in section 383. The form shall contain the following information:

A. The total amount of property taxes levied by the municipality in the previous calendar year; [1981, c. 133, §5 (NEW).]

B. The valuation of the property taxed by the municipality which resulted in paragraph A; and [1981, c. 133, §5 (NEW).]

C. The valuation of the property which is exempt as a result of exemptions and credits enacted after April 1, 1978. [1981, c. 133, §5 (NEW).]

[1981, c. 133, §5 (NEW) .]

2. **Valuation.** The State Tax Assessor shall add the valuation as determined in subsection 1, paragraph B, to the valuation as determined in subsection 1, paragraph C, and divide the sum into the figure determined in subsection 1, paragraph A.

[1981, c. 133, §5 (NEW) .]

3. **Amount of tax revenue loss.** The State Tax Assessor shall apply the rate in subsection 2 to the valuation of the exempt property to determine the amount of tax revenue loss.

[1981, c. 133, §5 (NEW) .]

4. **Payment.** The Treasurer of State shall pay to the municipality 50% of the property tax revenue loss by December 15th of the year following the year in which property tax revenue was lost by the municipality.

[1981, c. 133, §5 (NEW) .]

5. **Unorganized territory.** The unorganized territory shall be entitled to reimbursement under this section in the same manner provided by this section for municipalities. The amount of reimbursement due shall be paid into the Unorganized Territory Education and Services Fund established in chapter 115.

[1985, c. 459, Pt. B, §4 (NEW) .]

SECTION HISTORY
1981, c. 133, §5 (NEW). 1981, c. 523, §2 (AMD). 1985, c. 459, §B4 (AMD).

Subchapter 4-A: HOMESTEAD PROPERTY TAX EXEMPTIONS HEADING: PL 1991, C. 15 (RP)

§671. DEFINITIONS

(REPEALED)

SECTION HISTORY
1989, c. 534, §B1 (NEW). 1991, c. 15, (RP). 1991, c. 546, §40 (AFF).

§672. PERMANENT RESIDENCY; FACTUAL DETERMINATION BY MUNICIPAL ASSESSOR

(REPEALED)

SECTION HISTORY
1989, c. 534, §B1 (NEW). 1989, c. 753, §§1,2 (AMD). 1991, c. 15, (RP). 1991, c. 546, §40 (AFF).

§673. EXEMPTION OF HOMESTEADS

(REPEALED)

SECTION HISTORY
1989, c. 534, §B1 (NEW). 1989, c. 753, §§3,4 (AMD). 1989, c. 871, §3 (AMD). 1989, c. 875, §E46 (AMD). 1991, c. 15, (RP). 1991, c. 546, §40 (AFF).

§674. FORMS

(REPEALED)

SECTION HISTORY
1989, c. 534, §B1 (NEW). 1991, c. 15, (RP). 1991, c. 546, §40 (AFF).

§675. APPLICATION

(REPEALED)

SECTION HISTORY
1989, c. 534, §B1 (NEW). 1989, c. 753, §5 (AMD). 1991, c. 15, (RP). 1991, c. 546, §40 (AFF).

§676. DUTY OF MUNICIPAL ASSESSOR

(REPEALED)

SECTION HISTORY
1989, c. 534, §B1 (NEW). 1989, c. 753, §6 (AMD). 1991, c. 15, (RP). 1991, c. 546, §40 (AFF).

§677. HOMESTEAD EXEMPTIONS; APPROVAL; REFUSAL; HEARINGS

(REPEALED)

SECTION HISTORY
1989, c. 534, §B1 (NEW). 1989, c. 753, §7 (RPR). 1991, c. 15, (RP). 1991, c. 546, §40 (AFF).

§678. LIEN IMPOSED ON PROPERTY OF PERSON CLAIMING EXEMPTION ALTHOUGH NOT PERMANENT RESIDENT

(REPEALED)

SECTION HISTORY
1989, c. 534, §B1 (NEW). 1989, c. 753, §7 (RPR). 1991, c. 15, (RP). 1991, c. 546, §40 (AFF).

Subchapter 4-B: MAINE RESIDENT HOMESTEAD PROPERTY TAX EXEMPTION HEADING: PL 1997, C. 643, PT. HHH, §3 (NEW)

§681. DEFINITIONS

As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings. [1997, c. 643, Pt. HHH, §3 (NEW); 1997, c. 643, Pt. HHH, §10 (AFF).]

1. **Applicant.** "Applicant" means an individual who has applied for a homestead property tax exemption pursuant to this subchapter.

[1997, c. 643, Pt. HHH, §3 (NEW); 1997, c. 643, Pt. HHH, §10 (AFF) .]

1-A. **Cooperative housing corporation.** "Cooperative housing corporation" means an entity organized for the purpose of owning residential real estate in which residents own shares that entitle the shareholder to inhabit a certain space within a residential dwelling.

[2005, c. 647, §1 (NEW); 2005, c. 647, §5 (AFF) .]

1-B. **Cooperative property.** "Cooperative property" means the real property, including mobile and manufactured homes, owned by a cooperative housing corporation for the primary purpose of residential use.

[2005, c. 647, §1 (NEW); 2005, c. 647, §5 (AFF) .]

2. **Homestead.** "Homestead" means any residential property, including cooperative property, in this State assessed as real property owned by an applicant or held in a revocable living trust for the benefit of the applicant and occupied by the applicant as the applicant's permanent residence or owned by a cooperative housing corporation and occupied as a permanent residence by a resident who is a qualifying shareholder. A "homestead" does not include any real property used solely for commercial purposes.

[2005, c. 647, §2 (AMD); 2005, c. 647, §5 (AFF) .]

3. **Permanent residence.** "Permanent residence" means that place where an individual has a true, fixed and permanent home and principal establishment to which the individual, whenever absent, has the intention of returning. An individual may have only one permanent residence at a time and, once a permanent residence is established, that residence is presumed to continue until circumstances indicate otherwise.

[1997, c. 643, Pt. HHH, §3 (NEW); 1997, c. 643, Pt. HHH, §10 (AFF) .]

4. **Permanent resident.** "Permanent resident" means an individual who has established a permanent residence. For purposes of this subchapter, a person on active duty serving in the Armed Forces of the United States who is permanently stationed at a military or naval post, station or base in this State is deemed to be a permanent resident. A member of the Armed Forces of the United States stationed in the State who applies for an exemption shall present certification from the commander of the member's post, station or base or from the commander's designated agent that the member is permanently stationed at that post, station or base. For purposes of this subsection, "a person on active duty serving in the Armed Forces of the United States" does not include a member of the National Guard or the Reserves of the United States Armed Forces.

[2009, c. 418, §1 (AMD); 2009, c. 418, §3 (AFF) .]

5. **Qualifying shareholder.** "Qualifying shareholder" means a person who is a:

A. Shareholder in a cooperative housing corporation that owns a homestead in this State; [2005, c. 647, §3 (NEW); 2005, c. 647, §5 (AFF).]

B. Shareholder for the preceding 12 months in the cooperative housing corporation specified in paragraph A; and [2005, c. 647, §3 (NEW); 2005, c. 647, §5 (AFF).]

C. Permanent resident of this State. [2005, c. 647, §3 (NEW); 2005, c. 647, §5 (AFF).]

[2005, c. 647, §3 (NEW); 2005, c. 647, §5 (AFF) .]

SECTION HISTORY

1997, c. 643, §HHH3 (NEW). 1997, c. 643, §HHH10 (AFF). 2005, c. 647, §§1-3 (AMD). 2005, c. 647, §5 (AFF). 2009, c. 418, §1 (AMD). 2009, c. 418, §3 (AFF).

§682. PERMANENT RESIDENCY; FACTUAL DETERMINATION BY ASSESSOR

The assessor shall determine whether an applicant has a permanent residence in this State. In making a determination as to the intent of an individual to establish a permanent residence in this State, the assessor may consider the following: [1997, c. 643, Pt. HHH, §3 (NEW); 1997, c. 643, Pt. HHH, §10 (AFF).]

1. **Formal declarations.** Formal declarations of the applicant or any other individual;

[1997, c. 643, Pt. HHH, §3 (NEW); 1997, c. 643, Pt. HHH, §10 (AFF) .]

2. **Informal statements.** Informal statements of the applicant or any other individual;

[1997, c. 643, Pt. HHH, §3 (NEW); 1997, c. 643, Pt. HHH, §10 (AFF) .]

3. **Place of employment.** The place of employment of the applicant;

[1997, c. 643, Pt. HHH, §3 (NEW); 1997, c. 643, Pt. HHH, §10 (AFF) .]

4. **Previous permanent residence.** The previous permanent residence of the applicant and the date the previous permanent residency was terminated;

[1997, c. 643, Pt. HHH, §3 (NEW); 1997, c. 643, Pt. HHH, §10 (AFF) .]

5. **Voter registration.** The place where the applicant is registered to vote;

[1997, c. 643, Pt. HHH, §3 (NEW); 1997, c. 643, Pt. HHH, §10 (AFF) .]

6. **Driver's license.** The place of issuance to the applicant of a driver's license and the address listed on the license;

[1997, c. 643, Pt. HHH, §3 (NEW); 1997, c. 643, Pt. HHH, §10 (AFF) .]

7. **Certificate of motor vehicle registration.** The place of issuance of a certificate of registration of a motor vehicle owned by the applicant and the address listed on the certificate;

[1997, c. 643, Pt. HHH, §3 (NEW); 1997, c. 643, Pt. HHH, §10 (AFF) .]

8. **Income tax returns.** The residence claimed on any income tax return filed by the applicant;

[1997, c. 643, Pt. HHH, §3 (NEW); 1997, c. 643, Pt. HHH, §10 (AFF) .]

9. **Motor vehicle excise tax.** The place of payment of a motor vehicle excise tax by the applicant; or

[1997, c. 643, Pt. HHH, §3 (NEW); 1997, c. 643, Pt. HHH, §10 (AFF) .]

10. **Military residence.** A declaration by the applicant of permanent residence registered with any branch of the Armed Forces of the United States.

[1997, c. 643, Pt. HHH, §3 (NEW); 1997, c. 643, Pt. HHH, §10 (AFF) .]

SECTION HISTORY

1997, c. 643, §HHH3 (NEW). 1997, c. 643, §HHH10 (AFF).

§683. EXEMPTION OF HOMESTEADS

1. **Exemption amount.** Except for assessments for special benefits, the just value of $10,000 of the homestead of a permanent resident of this State who has owned a homestead in this State for the preceding 12 months is exempt from taxation. In determining the local assessed value of the exemption, the assessor shall multiply the amount of the exemption by the ratio of current just value upon which the assessment is based as furnished in the assessor's annual return pursuant to section 383. If the title to the homestead is held by the applicant jointly or in common with others, the exemption may not exceed $10,000 of the just value of the homestead, but may be apportioned among the owners who reside on the property to the extent of their respective interests. A municipality responsible for administering the homestead exemption has no obligation to create separate accounts for each partial interest in a homestead owned jointly or in common.

A. [2005, c. 2, Pt. F, §5 (AFF); 2005, c. 2, Pt. F, §1 (RP).]

B. [2005, c. 2, Pt. F, §5 (AFF); 2005, c. 2, Pt. F, §1 (RP).]

C. [2005, c. 2, Pt. F, §5 (AFF); 2005, c. 2, Pt. F, §1 (RP).]

[2009, c. 213, Pt. YYY, §1 (AMD); 2009, c. 652, Pt. A, §63 (AFF) .]

1-A. **Local assessed value of the exemption.**

[2005, c. 2, Pt. F, §5 (AFF); 2005, c. 2, Pt. F, §2 (RP) .]

2. **Exemption in addition to other exemptions.** The exemption provided in this subchapter is in addition to the exemptions provided in sections 653 and 654-A.

[2013, c. 416, §3 (AMD) .]

3. **Effect on state valuation.** Fifty percent of the just value of homesteads exempt under this subchapter must be included in the annual determination of state valuation under sections 208 and 305.

[2005, c. 2, Pt. F, §3 (AMD); 2005, c. 2, Pt. F, §5 (AFF) .]

4. **Property tax rate.** Fifty percent of the value of homestead exemptions under this subchapter must be included in the total municipal valuation used to determine the municipal tax rate. The municipal tax rate as finally determined may be applied to only the taxable portion of each homestead qualified for that tax year.

[2005, c. 2, Pt. F, §3 (AMD); 2005, c. 2, Pt. F, §5 (AFF) .]

5. **Determination of exemption for cooperative housing corporation.** A cooperative housing corporation may apply for an exemption under this subchapter to be applied against the valuation of property of the corporation that is occupied by qualifying shareholders. The application must include a list of all qualifying shareholders and must be updated annually to reflect changes in the ownership and residency of qualifying shareholders. The exemption is equal to the amount specified in subsection 1 multiplied by the number of units in the cooperative property occupied by qualifying shareholders. A cooperative housing corporation that receives an exemption pursuant to this section shall apportion the property tax reduction resulting from the exemption among the qualifying shareholders on a per unit basis. Any supplemental assessment resulting from disqualification for exemption must be applied in the same manner against the qualifying shareholders for whom the disqualification applies.

[2005, c. 647, §4 (NEW); 2005, c. 647, §5 (AFF) .]

SECTION HISTORY

1997, c. 643, §HHH3 (NEW). 1997, c. 643, §HHH10 (AFF). 2003, c. 20, §§BB1,2 (AMD). 2003, c. 20, §BB3 (AFF). 2005, c. 2, §§F1-3 (AMD). 2005, c. 2, §F5 (AFF). 2005, c. 647, §4 (AMD). 2005, c. 647, §5 (AFF). 2009, c. 213, Pt. YYY, §1 (AMD). 2009, c. 213, Pt. YYY, §2 (AFF). 2009, c. 652, Pt. A, §63 (AFF). 2013, c. 416, §3 (AMD).

§684. FORMS; APPLICATION

1. **Generally.** The bureau shall furnish to the assessor of each municipality a sufficient number of printed forms to be filed by applicants for an exemption under this subchapter and shall determine the content of the forms. A municipality shall provide to its inhabitants reasonable notice of the availability of application forms. An individual claiming an exemption under this subchapter for the first time shall file the application form with the assessor or the assessor's representative. The application must be filed on or before April 1st of the year on which the taxes are based.

[2007, c. 438, §21 (AMD) .]

2. **False filing.** An individual who knowingly gives false information for the purpose of claiming a homestead exemption under this subchapter commits a Class E crime. Except for a person on active duty serving in the Armed Forces of the United States who is permanently stationed at a military or naval post, station or base in the State, an individual who claims to be a permanent resident of this State under this subchapter who also claims to be a permanent resident of another state for the tax year for which an application for a homestead exemption is made commits a Class E crime.

[2009, c. 418, §2 (AMD); 2009, c. 418, §3 (AFF) .]

3. **Continuation of eligibility.** The assessor shall evaluate annually the ongoing eligibility of property for which a homestead exemption has been approved under this subchapter. The evaluation must be based on the status of the property on April 1st of the year on which the homestead exemption is based. The evaluation must include, but is not limited to, a review of whether the ownership of the property has changed in any manner that would disqualify the property for an exemption under this subchapter or whether the owner has ceased to use the property as a homestead. Unless the assessor determines that the property is no longer entitled to an exemption under this subchapter, the owner is entitled to receive the exemption without having to reapply. If the assessor determines that the property is no longer entitled to an exemption under this subchapter, the assessor shall notify the owner as provided in section 686 that the property is no longer entitled to an exemption under this subchapter.

[2003, c. 13, §1 (AMD) .]

4. **Owner notification.** An owner of property receiving an exemption under this subchapter shall notify the assessor promptly when the ownership or use of the property changes so as to change the qualification of the property for an exemption under this subchapter.

[1997, c. 643, Pt. HHH, §3 (NEW); 1997, c. 643, Pt. HHH, §10 (AFF) .]

SECTION HISTORY
1997, c. 643, §HHH3 (NEW). 1997, c. 643, §HHH10 (AFF). 2003, c. 13, §1 (AMD). 2007, c. 438, §21 (AMD). 2009, c. 418, §2 (AMD). 2009, c. 418, §3 (AFF).

§685. DUTY OF ASSESSOR; REIMBURSEMENT BY STATE

1. **Examination and identification.** The assessor shall examine each application for homestead exemption that is timely filed with the assessor, determine whether the property is entitled to an exemption under this subchapter and identify the exemption in the municipal valuation.

[1997, c. 643, Pt. HHH, §3 (NEW); 1997, c. 643, Pt. HHH, §10 (AFF) .]

2. **Entitlement to reimbursement by the State; calculation.** A municipality that has approved homestead exemptions under this subchapter may recover from the State 50% of the taxes lost by reason of the exemptions upon proof in a form satisfactory to the bureau. The bureau shall reimburse the Unorganized Territory Education and Services Fund for 50% of taxes lost by reason of the exemption.

[2005, c. 2, Pt. F, §4 (AMD); 2005, c. 2, Pt. F, §5 (AFF) .]

3. **Information provided to State; deviations in assessment ratio.** The assessor shall provide by June 1st, annually, any relevant information requested by the bureau for the purpose of determining the actual assessment ratio for developed parcels in use in a municipality. The certified ratio declared by the municipality must be considered accurate by the bureau if it is within 10% of the assessment ratio last determined by the bureau in its annual report of ratio studies involving developed parcels of property. The assessor may submit additional information on the relevant assessment ratio to the bureau in order to prove that a different ratio should apply. The bureau may accept a certified ratio that deviates more than 10% from the last reported developed parcel ratio only if the information submitted by the municipality clearly indicates that the certified ratio is more accurate than the assessment ratio contained in the bureau's most recent annual report.

[1997, c. 643, Pt. HHH, §3 (NEW); 1997, c. 643, Pt. HHH, §10 (AFF) .]

4. **Estimated and final payments by the State.** Reimbursement to municipalities must be made in the following manner.

A. The bureau shall estimate the amount of reimbursement required under this section for each municipality and certify 75% of the estimated amount to the Treasurer of State by August 1st, annually. The Treasurer of State shall pay by August 15th, annually, the amount certified to each municipality entitled to reimbursement. [2009, c. 571, Pt. MM, §1 (AMD); 2009, c. 571, Pt. MM, §2 (AFF).]

B. A municipality claiming reimbursement under this section shall submit a claim to the bureau by November 1st of the year in which the exemption applies or within 30 days of commitment of taxes, whichever occurs later. The bureau shall review the claims and determine the total amount to be paid. The bureau shall certify and the Treasurer of State shall pay by July 15th of the year following the year in which the exemption applies the difference between the estimated payment issued and the amount that the bureau finally determines for the year in which the exemption applies. If the total amount of reimbursement to which a municipality is entitled is less than the amount received under paragraph A, the municipality shall repay the excess to the State by December 30th of that year, or the amount may be offset against the amount of state-municipal revenue sharing due the municipality under Title 30-A, section 5681. [2009, c. 571, Pt. MM, §1 (AMD); 2009, c. 571, Pt. MM, §2 (AFF).]

[2009, c. 571, Pt. MM, §1 (AMD); 2009, c. 571, Pt. MM, §2 (AFF) .]

5. **Reimbursement for state mandated costs.** The bureau shall reimburse municipalities and the Unorganized Territory Education and Services Fund for state mandated costs in the manner provided in Title 30-A, section 5685.

[1997, c. 643, Pt. HHH, §3 (NEW); 1997, c. 643, Pt. HHH, §10 (AFF) .]

SECTION HISTORY
1997, c. 643, §HHH3 (NEW). 1997, c. 643, §HHH10 (AFF). 2005, c. 2, §F4 (AMD). 2005, c. 2, §F5 (AFF). 2009, c. 571, Pt. MM, §1 (AMD). 2009, c. 571, Pt. MM, §2 (AFF).

§686. DENIAL OF HOMESTEAD EXEMPTION; APPEALS

If the assessor determines that a property is not entitled to a homestead exemption under this subchapter, the assessor shall promptly provide a notice of denial, including the reasons for the denial, to the applicant by either personal delivery or regular mail. An applicant may appeal a denial of an exemption under this subchapter using the procedures provided in subchapter VIII. If the assessor determines that a property receiving an exemption under this subchapter any year within the 10 preceding years was not eligible for the exemption, the assessor shall immediately notify the bureau in writing. [1997, c. 643, Pt. HHH, §3 (NEW); 1997, c. 643, Pt. HHH, §10 (AFF).]

SECTION HISTORY
1997, c. 643, §HHH3 (NEW). 1997, c. 643, §HHH10 (AFF).

§687. SUPPLEMENTAL ASSESSMENT

If the assessor notifies the bureau under section 686, or the bureau otherwise determines that a property improperly received an exemption under this subchapter for any of the 10 years immediately preceding the determination, the assessor shall supplementally assess the property for which the exemption was improperly received, plus costs and interest. The supplemental assessment must be assessed and collected pursuant to section 713-B. The bureau shall deduct the value of the portion of the supplemental assessment that pertains to any funds previously reimbursed to the municipality under section 685 from the next reimbursement issued to the municipality. [1997, c. 643, Pt. HHH, §3 (NEW); 1997, c. 643, Pt. HHH, §10 (AFF).]

SECTION HISTORY
1997, c. 643, §HHH3 (NEW). 1997, c. 643, §HHH10 (AFF).

§688. EFFECT OF DETERMINATION OF RESIDENCE

A determination of permanent residence made for purposes of this subchapter is not binding on the bureau with respect to the administration of Part 8 and has no effect on determination of domicile for purposes of the Maine individual income tax. [1997, c. 643, Pt. HHH, §3 (NEW); 1997, c. 643, Pt. HHH, §10 (AFF).]

SECTION HISTORY
1997, c. 643, §HHH3 (NEW). 1997, c. 643, §HHH10 (AFF).

§689. AUDITS; DETERMINATIONS OF BUREAU

The bureau has the authority to audit the records of a municipality to ensure compliance with this subchapter. The bureau may independently review the records of a municipality to determine if homestead exemptions have been properly approved. If the bureau determines that a homestead exemption was improperly approved, the bureau shall ensure, either by setoff against other payments due the municipality

or otherwise, that the municipality is not reimbursed for the exemption. A municipality that is aggrieved by a determination of the bureau under this subchapter may appeal pursuant to section 151. [1997, c. 643, Pt. HHH, §3 (NEW); 1997, c. 643, Pt. HHH, §10 (AFF).]

SECTION HISTORY
1997, c. 643, §HHH3 (NEW). 1997, c. 643, §HHH10 (AFF).

Subchapter 4-C: BUSINESS EQUIPMENT TAX EXEMPTION HEADING: PL 2005, C. 623, §1 (NEW)

§691. DEFINITIONS; EXEMPTION LIMITATIONS

1. **Definitions.** As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings.

A. "Eligible business equipment" means qualified property that, in the absence of this subchapter, would first be subject to assessment under this Part on or after April 1, 2008. "Eligible business equipment" includes, without limitation, repair parts, replacement parts, replacement equipment, additions, accessions and accessories to other qualified business property that first became subject to assessment under this Part before April 1, 2008 if the part, addition, equipment, accession or accessory would, in the absence of this subchapter, first be subject to assessment under this Part on or after April 1, 2008. "Eligible business equipment" also includes inventory parts.

"Eligible business equipment" does not include:

(1) Office furniture, including, without limitation, tables, chairs, desks, bookcases, filing cabinets and modular office partitions;

(2) Lamps and lighting fixtures used primarily for the purpose of providing general purpose office or worker lighting;

(3) Property owned or used by an excluded person;

(4) Telecommunications personal property subject to the tax imposed by section 457;

(5) Gambling machines or devices, including any device, machine, paraphernalia or equipment that is used or usable in the playing phases of any gambling activity as that term is defined in Title 8, section 1001, subsection 15, whether that activity consists of gambling between persons or gambling by a person involving the playing of a machine. "Gambling machines or devices" includes, without limitation:

(a) Associated equipment as defined in Title 8, section 1001, subsection 2;

(b) Computer equipment used directly and primarily in the operation of a slot machine as defined in Title 8, section 1001, subsection 39;

(c) An electronic video machine as defined in Title 17, section 1831, subsection 4;

(d) Equipment used in the playing phases of lottery schemes; and

(e) Repair and replacement parts of a gambling machine or device;

(6) Property located at a retail sales facility and used primarily in a retail sales activity unless the property is owned by a business that operates a retail sales facility in the State exceeding 100,000 square feet of interior customer selling space that is used primarily for retail sales and whose Maine-based operations derive less than 30% of their total annual revenue on a calendar year basis from sales that are made at a retail sales facility located in the State. For purposes of this subparagraph, the following terms have the following meanings:

(a) "Primarily" means more than 50% of the time;

(b) "Retail sales activity" means an activity associated with the selection and purchase of goods or services or the rental of tangible personal property. "Retail sales activity" does not include production as defined in section 1752, subsection 9-B; and

(c) "Retail sales facility" means a structure used to serve customers who are physically present at the facility for the purpose of selecting and purchasing goods or services at retail or for renting tangible personal property. "Retail sales facility" does not include a separate structure that is used as a warehouse or call center facility;

(7) Property that is not entitled to an exemption by reason of the additional limitations imposed by subsection 2; or

(8) Personal property that would otherwise be entitled to exemption under this subchapter used primarily to support a telecommunications antenna used by a telecommunications business subject to the tax imposed by section 457. [2009, c. 571, Pt. II, §1 (AMD); 2009, c. 571, Pt. II, §5 (AFF).]

B. "Excluded person" means:

(1) A public utility as defined in Title 35-A, section 102, subsection 13;

(2) A person that provides radio paging service as defined in Title 35-A, section 102, subsection 15;

(3) A person that provides mobile telecommunications services as defined in Title 35-A, section 102, subsection 9-A;

(4) A cable television company as defined in Title 30-A, section 2001, subsection 2;

(5) A person that provides satellite-based direct television broadcast services; or

(6) A person that provides multichannel, multipoint television distribution services. [2005, c. 623, §1 (NEW).]

C. "Exempt business equipment" means eligible business equipment that is exempt under this subchapter. [2005, c. 623, §1 (NEW).]

D. "Inventory parts" includes repair parts, replacement parts, replacement equipment, additions, accessions and accessories on hand but not in service and stocks or inventories of repair parts, replacement parts, replacement equipment, additions, accessions and accessories on hand but not in service and other machinery and equipment on hand for future use but not in service if acquired after April 1, 2007, regardless of when placed in service. [2005, c. 623, §1 (NEW).]

E. "Municipal tax increment percentage" means, with respect to tax increment financing districts, the specified percentage of captured assessed value retained as provided in Title 30-A, section 5227 and allocated to the municipality for the municipality's own authorized project costs as provided in Title 30-A, section 5225. With respect to tax increment financing districts authorized pursuant to Title 30-A, former chapter 207, "municipal tax increment percentage" means the specified percentage of captured assessed value retained as provided in Title 30-A, former section 5254, subsection 1 and allocated to the municipality for the municipality's own authorized project costs as provided in Title 30-A, former section 5252, subsection 8. [2005, c. 623, §1 (NEW).]

F. "Qualified property" means tangible personal property that:

(1) Is used or held for use exclusively for a business purpose by the person in possession of it or, in the case of construction in progress or inventory parts, is intended to be used exclusively for a business purpose by the person who will possess that property; and

(2) Either:

(a) Was subject to an allowance for depreciation under the Code on April 1st of the property tax year for which a claim for exemption under this subchapter is filed or would have been subject to an allowance for depreciation under the Code as of that date but for the fact that the property has been fully depreciated; or

(b) In the case of construction in progress or inventory parts, would be subject under the Code to an allowance for depreciation when placed in service or would have been subject to an allowance for depreciation under the Code as of that date but for the fact that the property has been fully depreciated.

"Qualified property" also includes all property that is affixed or attached to a building or other real estate if the property is used primarily to further a particular trade or business activity taking place in that building or on that real estate.

"Qualified property" does not include a building or components or attachments to a building if they are used primarily to serve the building as a building, regardless of the particular trade or activity taking place in or on the building. "Qualified property" also does not include land improvements if they are used primarily to further the use of the land as land, regardless of the particular trade or business activity taking place in or on the land. In the case of construction in progress or inventory parts, the term "used" means "intended to be used." "Qualified property" also does not include any vehicle registered for on-road use on which a tax assessed pursuant to chapter 111 has been paid or any watercraft registered for use on state waters on which a tax assessed pursuant to chapter 112 has been paid. [2005, c. 623, §1 (NEW).]

G. "TIF exempt business equipment" means exempt business equipment that is located within a tax increment financing district. [2005, c. 623, §1 (NEW).]

[2009, c. 571, Pt. II, §1 (AMD); 2009, c. 571, Pt. II, §5 (AFF) .]

2. **Additional limitations.** The exemptions provided pursuant to this subchapter are limited pursuant to this subsection.

A. Exemption for certain energy facilities under this subchapter is limited as follows.

(1) The exemption provided by this subchapter does not apply to a natural gas pipeline, including pumping or compression stations, storage depots and appurtenant facilities used in the transportation, delivery or sale of natural gas, but not including a pipeline that is less than a mile in length and is owned by a consumer of natural gas delivered through the pipeline.

(2) The exemption provided in this subchapter does not apply to property used to produce or transmit energy primarily for sale. Energy is primarily for sale if during the immediately preceding property tax year 2/3 or more of the useful energy is directly or indirectly sold and transmitted through the facilities of a transmission and distribution utility.

(3) For purposes of this paragraph, unless the context otherwise indicates, the following terms have the following meanings.

(a) "Transmission and distribution utility" has the same meaning as in Title 35-A, section 102, subsection 20-B.

(b) "Useful energy" is energy in any form that does not include waste heat, efficiency losses, line losses or other energy dissipation. [2005, c. 623, §1 (NEW).]

B. Pollution control facilities that are entitled to exemption pursuant to section 656, subsection 1, paragraph E are not entitled to an exemption under this subchapter, except if:

(1) The property is entitled to an exemption under section 656, subsection 1, paragraph E but has not yet been certified for exemption under that paragraph;

(2) The property has been placed in service after the December 1st immediately preceding April 1st of the tax year for which the exemption is sought but prior to April 1st of the property tax year for which the exemption is sought; and

(3) The taxpayer has submitted the required application for certification to the Commissioner of Environmental Protection prior to April 1st.

The exemption under this subchapter continues for property that meets the requirements of subparagraphs (1), (2) and (3) only until the certification for exemption under section 656, subsection 1, paragraph E has been granted. If the State Tax Assessor or an assessor denies an exemption on the ground that the property in question is entitled to exemption under section 656, subsection 1, paragraph E and the taxpayer appeals the denial, the State Tax Assessor or assessor shall, at the taxpayer's request, allow the taxpayer up to one year to obtain a statement from the Commissioner of Environmental Protection that the property at issue is not exempt under section 656, subsection 1, paragraph E. If the taxpayer timely produces such a statement or otherwise demonstrates that the property is not exempt under section 656, subsection 1, paragraph E, the State Tax Assessor or an assessor shall allow the exemption under this subchapter, but only for the year in question. [2005, c. 623, §1 (NEW).]

[2005, c. 623, §1 (NEW) .]

SECTION HISTORY
2005, c. 623, §1 (NEW). 2007, c. 437, §8 (AMD). 2009, c. 487, Pt. B, §14 (AMD). 2009, c. 571, Pt. II, §1 (AMD). 2009, c. 571, Pt. II, §5 (AFF).

§692. EXEMPTION OF BUSINESS EQUIPMENT

1. **Eligible business equipment exempt.** Eligible business equipment is exempt from all taxation under this Part, except chapters 111 and 112.

[2005, c. 623, §1 (NEW) .]

2. **Just value of exemption.** In determining the just value of exempt business equipment, the assessor shall determine the just value of the property in the same manner as prescribed in section 701-A as if the property were subject to taxation.

[2005, c. 623, §1 (NEW) .]

3. **Effect on state valuation.** The exemption has the following effect on state valuation.

A. Except as provided in paragraph B, the percentage of just value of exempt business equipment to be included in the annual determination of state valuation under sections 208 and 305 for tax year 2008 and subsequent tax years is as follows:

(1) The applicable percentage specified in section 694, subsection 2, paragraph A for exempt business equipment for which the municipality receives reimbursement under section 694, subsection 2, paragraph A;

(2) The applicable percentage calculated under section 694, subsection 2, paragraph B for exempt business equipment for which the municipality receives reimbursement under section 694, subsection 2, paragraph B; and

(3) Zero for exempt business equipment for which the municipality receives reimbursement under section 694, subsection 2, paragraph C. [2007, c. 438, §22 (AMD).]

B. In the case of a municipality that has one or more tax increment financing districts authorized pursuant to Title 30-A, chapter 206, subchapter 1 and effective under Title 30-A, section 5226, subsection 3 prior to April 1, 2008 or authorized pursuant to Title 30-A, former chapter 207 and effective under Title 30-A, former section 5253, subsection 1, paragraph F prior to April 1, 2008, for the 2008 tax year and subsequent tax years, the percentage of just value of TIF exempt business equipment located in such a tax increment financing district that must be included in the annual determination of

state valuation pursuant to paragraph A, subparagraph (1) or (2) is decreased, but not below zero, by a percentage amount equal to the municipal tax increment percentage for the tax increment financing district in which the TIF exempt business equipment is located. [2007, c. 438, §23 (AMD).]

[2007, c. 438, §§22, 23 (AMD) .]

4. **Property tax rate.** The following percentages of the value of exempt business equipment must be included in the total municipal valuation used to determine the municipal tax rate for 2008 and subsequent tax years:

A. The applicable percentage specified in section 694, subsection 2, paragraph A for exempt business equipment for which the municipality is entitled to receive reimbursement under section 694, subsection 2, paragraph A; [2005, c. 623, §1 (NEW).]

B. The applicable percentage calculated under section 694, subsection 2, paragraph B for exempt business equipment for which the municipality receives reimbursement under section 694, subsection 2, paragraph B; and [2005, c. 623, §1 (NEW).]

C. The applicable percentage calculated under section 694, subsection 2, paragraph C for exempt business equipment for which the municipality receives reimbursement under section 694, subsection 2, paragraph C. [2005, c. 623, §1 (NEW).]

For purposes of this subsection, the value of exempt business equipment must be adjusted by the percentage of just value upon which the assessment of the total value of all assessed property in the municipality is based, as certified pursuant to section 383.

[2007, c. 627, §24 (AMD) .]

SECTION HISTORY
2005, c. 623, §1 (NEW). 2007, c. 438, §§22, 23 (AMD). 2007, c. 627, §24 (AMD).

§693. FORMS; REPORTING

1. **Reporting.** On or before May 1st of each year, a taxpayer claiming an exemption under this section shall file a report with the assessor of the taxing jurisdiction in which the property would otherwise be subject to taxation on April 1st of that year. The report must identify the property for which exemption is claimed that would otherwise be subject to taxation on April 1st of that year and must be made on a form prescribed by the State Tax Assessor or substitute form approved by the State Tax Assessor. The State Tax Assessor shall furnish copies of the form to each municipality in the State and the form must be made available to taxpayers prior to April 1st annually. The assessor of the taxing jurisdiction may require the taxpayer to sign the form and make oath to its truth. If the report is not filed by April 1st, the filing deadline is automatically extended to May 1st without the need for the taxpayer to request or the assessor to grant that extension. Upon written request, the assessor may at any time grant further extensions of time to file the report. If a taxpayer fails to file the report in a timely manner, including any extensions of time, the taxpayer may not obtain an exemption for that property under this subchapter for that tax year. The assessor of the taxing jurisdiction may require in writing that a taxpayer answer in writing all reasonable inquiries as to the property for which exemption is requested. A taxpayer has 30 days from receipt of such an inquiry to respond. Upon written request, a taxpayer is entitled to a 30-day extension to respond to the inquiry and the assessor may at any time grant additional extensions upon written request. The answer to any such inquiry is not binding on the assessor.

All notices and requests provided pursuant to this subsection must be made by personal delivery or certified mail and must conspicuously state the consequences of the taxpayer's failure to respond to the notice or request in a timely manner.

If an exemption has already been accepted and the State Tax Assessor subsequently determines that the property is not entitled to exemption, a supplemental assessment must be made within 3 years of the original assessment date with respect to the property in compliance with section 713, without regard to the limitations contained in that section regarding the justification necessary for a supplemental assessment.

[2013, c. 544, §1 (AMD); 2013, c. 544, §7 (AFF) .]

2. **False filing.** An individual who knowingly gives false information for the purpose of claiming an exemption under this subchapter commits a Class E crime.

[2005, c. 623, §1 (NEW) .]

3. **Continuation of eligibility.** A person must annually file the report required by this section for all eligible business equipment, even though there may be no substantive change in the property from one year to the next.

[2005, c. 623, §1 (NEW) .]

4. **Information confidential.**

[2013, c. 544, §7 (AFF); 2013, c. 544, §2 (RP) .]

SECTION HISTORY
2005, c. 623, §1 (NEW). 2007, c. 435, §1 (AMD). 2007, c. 437, §9 (AMD). 2007, c. 695, Pt. A, §43 (AMD). 2013, c. 368, Pt. O, §§7, 8 (AMD). 2013, c. 368, Pt. O, §12 (AFF). 2013, c. 385, §§2, 3 (AFF). 2013, c. 544, §§1, 2 (AMD). 2013, c. 544, §7 (AFF).

§694. DUTY OF ASSESSOR; REIMBURSEMENT BY STATE

1. **Examination and identification.** The assessor shall examine each report pursuant to section 693 that is timely filed, determine whether the property identified in the report is entitled to an exemption under this subchapter and determine the just value of the property.

[2013, c. 544, §3 (AMD); 2013, c. 544, §7 (AFF) .]

2. **Entitlement to reimbursement by State; calculation.** Reimbursement is calculated as follows.

A. Notwithstanding section 661, upon proof in a form satisfactory to the bureau, unless a municipality chooses reimbursement under paragraph B, a municipality that has accepted a valid exemption under this subchapter is entitled to recover from the State the applicable percentage of property tax revenue lost by reason of the exemption. Except as otherwise provided in this subsection, the applicable percentage is:

(1) For property tax years beginning April 1, 2008, 100%;

(2) For property tax years beginning April 1, 2009, 90%;

(3) For property tax years beginning April 1, 2010, 80%;

(4) For property tax years beginning April 1, 2011, 70%;

(5) For property tax years beginning April 1, 2012, 60%; and

(6) For property tax years beginning April 1, 2013 and for subsequent tax years, 50%. [2005, c. 623, §1 (NEW).]

B. In the case of a municipality that chooses reimbursement under this paragraph in which the personal property factor exceeds 5%, the applicable percentage for exempt business equipment is 50% plus an amount equal to 1/2 of the personal property factor. For purposes of this paragraph, "personal property

factor" means the percentage derived from a fraction, the numerator of which is the value of business personal property in the municipality, whether taxable or exempt, and the denominator of which is the value of all taxable property in the municipality plus the value of exempt business equipment. For purposes of this paragraph, the taxable value of exempt business equipment is the value that would have been assessed on that equipment if it were taxable. [2013, c. 544, §4 (AMD); 2013, c. 544, §7 (AFF).]

C. In the case of a municipality that has one or more tax increment financing districts authorized pursuant to Title 30-A, chapter 206, subchapter 1 and effective under Title 30-A, section 5226, subsection 3 prior to April 1, 2008 or authorized pursuant to Title 30-A, former chapter 207 and effective under Title 30-A, former section 5253, subsection 1, paragraph F, prior to April 1, 2008, the applicable percentage with respect to TIF exempt business equipment is 50% plus a percentage amount equal to the percentage amount, if any, by which the municipal tax increment percentage for the tax increment financing district in which the TIF exempt business equipment is located exceeds 50%. This paragraph applies only when it will result in a greater percentage of reimbursement for the TIF exempt business equipment than would be provided under the greater of paragraph A or B. [2007, c. 627, §26 (AMD).]

[2013, c. 544, §4 (AMD); 2013, c. 544, §7 (AFF) .]

3. **Reimbursement to unorganized territory education and services.** The bureau shall calculate the reimbursement to the Unorganized Territory Education and Services Fund for property tax revenue lost by reason of the exemption in the same manner as it does for municipalities and at the same percentages as are applicable to municipalities.

[2007, c. 627, §27 (AMD) .]

4. **Information provided to State; deviations in assessment ratio.**

[2007, c. 627, §28 (RP) .]

5. **Payments by State.** Reimbursements to municipalities must be made as described in this subsection. A municipality claiming reimbursement under this section shall submit a claim to the bureau by November 1st of the year in which the exemption applies or within 30 days of commitment of taxes, whichever occurs later. The bureau shall review the claims and determine the total amount to be paid. The bureau shall certify and the Treasurer of State shall pay by December 15th of the year in which the exemption applies the amount that the bureau determines for that tax year. Municipal claims that are timely filed after November 1st must be paid as soon as reasonably possible after the December 15th payment date.

[2005, c. 623, §1 (NEW) .]

SECTION HISTORY
2005, c. 623, §1 (NEW). 2007, c. 438, §§24, 25 (AMD). 2007, c. 627, §§25-28 (AMD). 2013, c. 368, Pt. O, §§9, 10 (AMD). 2013, c. 368, Pt. O, §12 (AFF). 2013, c. 385, §§2, 3 (AFF). 2013, c. 544, §§3, 4 (AMD). 2013, c. 544, §7 (AFF).

§695. DENIAL OF EXEMPTION; APPEALS

If the assessor determines that a property is not entitled to an exemption under this subchapter, the assessor shall provide a written notice of denial prior to the tax commitment date in that municipality, including the reasons for the denial, to the applicant by either personal delivery or certified mail. An applicant may contest a denial by the assessor of an exemption under this subchapter either by using the procedures provided in subchapter 8 or by pursuing such other actions or proceedings by which other property tax

exemptions under this chapter may be reviewed or adjudicated. If the assessor determines that a property receiving an exemption under this subchapter in any year within the 3 preceding years was not eligible for the exemption, the assessor shall immediately notify the bureau in writing. [2005, c. 623, §1 (NEW).]

SECTION HISTORY
2005, c. 623, §1 (NEW).

§696. SUPPLEMENTAL ASSESSMENT

If the assessor makes a determination under section 695 that property receiving an exemption under this subchapter was not entitled to an exemption under this subchapter, the assessor shall by means of a supplemental assessment assess the property for which the exemption was improperly received, plus costs and interest. The taxpayer may contest a supplemental assessment under this subchapter either by using the procedures provided in subchapter 8 or by pursuing such other actions or proceedings by which other property tax exemptions under this chapter may be reviewed or adjudicated. The supplemental assessment must be assessed and collected pursuant to section 713. The bureau shall deduct the amount of the portion of the supplemental assessment that pertains to any funds previously reimbursed to the municipality under section 694 from the next reimbursement issued to the municipality. [2005, c. 623, §1 (NEW).]

SECTION HISTORY
2005, c. 623, §1 (NEW).

§697. AUDITS; DETERMINATION OF BUREAU

The bureau may audit the records of a municipality to ensure compliance with this subchapter. The bureau may independently review the records of a municipality to determine if exemptions have been properly approved. If the bureau determines that an exemption was improperly approved for any of the 3 years immediately preceding the determination, the bureau shall ensure, by setoff against other payments due the municipality under this subchapter or subchapter 4-B, that the municipality is not reimbursed for the exemption. [2005, c. 623, §1 (NEW).]

SECTION HISTORY
2005, c. 623, §1 (NEW).

§698. APPEALS

The bureau shall send notice of its determination that an exemption was improperly or erroneously approved by the municipality to the taxpayer, in the manner provided for in section 151. The taxpayer may seek reconsideration pursuant to section 151 of any such decision. Notwithstanding any other provision of law, if a taxpayer does not timely request reconsideration of the bureau's decision under section 151, the local taxing jurisdiction must issue a supplemental assessment with respect to such property within 90 days after the bureau's determination. The taxpayer may not appeal that supplemental assessment except as to issues unrelated to the applicability of the exemption. Notwithstanding any other provision of law, if a taxpayer appeals a decision of the bureau to disqualify an exemption and does not prevail in that appeal, the local taxing jurisdiction must issue a supplemental assessment with respect to the property at issue within 90 days after the appeal has been resolved in the bureau's favor. The taxpayer may not appeal that supplemental assessment except as to issues unrelated to the applicability of the exemption. Notwithstanding any other provision of law, if a taxpayer appeals a decision of the bureau that an exemption was improperly or erroneously approved and the taxpayer prevails in that appeal, the bureau shall promptly restore any reimbursement to the municipality that was not made or was set off or otherwise denied the municipality under section 697. [2005, c. 623, §1 (NEW).]

SECTION HISTORY
2005, c. 623, §1 (NEW).

§699. LEGISLATIVE FINDINGS; INTENT

1. **Findings.** The Legislature finds that encouragement of the growth of capital investment in this State is in the public interest and promotes the general welfare of the people of the State. The Legislature further finds that the high cost of owning qualified business property in this State is a disincentive to the growth of capital investment in this State. The Legislature further finds that the tax exemption set forth in this subchapter is a reasonable means of overcoming this disincentive and will encourage capital investment in this State.

[2005, c. 623, §1 (NEW) .]

2. **Intent.** It is the intent of the Legislature to fund fully transfers to the Disproportionate Tax Burden Fund under section 700-A, subsection 1 and reimbursements under the business equipment tax reimbursement program under section 6652, subsection 4, paragraph B.

[2005, c. 623, §1 (NEW) .]

SECTION HISTORY
2005, c. 623, §1 (NEW).

§700. REIMBURSEMENT FOR STATE-MANDATED COSTS

The bureau shall reimburse municipalities and the Unorganized Territory Education and Services Fund for state-mandated costs in the manner provided in Title 30-A, section 5685. [2005, c. 623, §1 (NEW).]

SECTION HISTORY
2005, c. 623, §1 (NEW).

§700-A. ADDITIONAL MUNICIPAL COMPENSATION

1. **Transfers to Disproportionate Tax Burden Fund.** Pursuant to section 699, subsection 2 and in order to provide additional compensation to municipalities affected by property tax exemptions provided under this subchapter, the Treasurer of State shall make the following transfers as provided in section 700-B to the Disproportionate Tax Burden Fund established in Title 30-A, section 5681, subsection 3:

A. In fiscal year 2009-10, $2,000,000; [2005, c. 623, §1 (NEW).]

B. In fiscal year 2010-11, $2,500,000; [2005, c. 623, §1 (NEW).]

C. In fiscal year 2011-12, $3,000,000; [2005, c. 623, §1 (NEW).]

D. In fiscal year 2012-13, $3,500,000; and [2005, c. 623, §1 (NEW).]

E. In fiscal year 2013-14 and subsequent fiscal years, $4,000,000. [2005, c. 623, §1 (NEW).]

[2005, c. 623, §1 (NEW) .]

SECTION HISTORY
2005, c. 623, §1 (NEW).

§700-B. ADJUSTMENTS TO REVENUE

1. **Certification.** By June 30, 2009 and each subsequent year, the State Tax Assessor shall certify to the State Controller amounts certified to the Treasurer of State as reimbursements to be paid to municipalities during the fiscal year under section 694, subsection 5. The Treasurer of State shall certify to the State Controller payments due under section 700-A.

[2005, c. 623, §1 (NEW) .]

2. **Transfer.** The State Controller shall transfer amounts certified under subsection 1 to the Business Equipment Tax Reimbursement reserve account established, maintained and administered by the State Controller from General Fund undedicated revenue. The assessor and the Treasurer of State shall pay amounts required under section 694, subsection 5 and section 700-A.

[2009, c. 213, Pt. S, §10 (AMD); 2009, c. 213, Pt. S, §16 (AFF) .]

SECTION HISTORY
2005, c. 623, §1 (NEW). 2009, c. 213, Pt. S, §10 (AMD). 2009, c. 213, Pt. S, §16 (AFF).

Subchapter 5: POWERS AND DUTIES OF ASSESSORS

§701. RULES FOR ASSESSMENT

In the assessment of all taxes, assessors shall govern themselves by this chapter and, when applicable, chapter 102 and shall obey all warrants received by them while in office. [1973, c. 620, §14 (AMD).]

SECTION HISTORY
1973, c. 620, §14 (AMD).

§701-A. JUST VALUE DEFINED

In the assessment of property, assessors in determining just value are to define this term in a manner that recognizes only that value arising from presently possible land use alternatives to which the particular parcel of land being valued may be put. In determining just value, assessors must consider all relevant factors, including without limitation the effect upon value of any enforceable restrictions to which the use of the land may be subjected including the effect on value of designation of land as significant wildlife habitat under Title 38, section 480-BB, current use, physical depreciation, sales in the secondary market, functional obsolescence and economic obsolescence. Restrictions include but are not limited to zoning restrictions limiting the use of land, subdivision restrictions and any recorded contractual provisions limiting the use of lands. The just value of land is determined to arise from and is attributable to legally permissible use or uses only. [2007, c. 389, §1 (AMD).]

For the purpose of establishing the valuation of unimproved acreage in excess of an improved house lot, contiguous parcels and parcels divided by road, powerline or right-of-way may be valued as one parcel when: each parcel is 5 or more acres; the owner gives written consent to the assessor to value the parcels as one parcel; and the owner certifies that the parcels are not held for sale and are not subdivision lots. [1993, c. 317, §1 (NEW); 1993, c. 317, §2 (AFF).]

SECTION HISTORY
1969, c. 246, (NEW). 1985, c. 764, §13 (AMD). 1993, c. 317, §1 (AMD). 1993, c. 317, §2 (AFF). 1999, c. 478, §2 (AMD). 2007, c. 389, §1 (AMD).

§702. ASSESSORS' LIABILITY

Assessors of municipalities and primary assessing areas are not responsible for the assessment of any tax which they are by law required to assess; but the liability shall rest solely with the municipality for whose benefit the tax was assessed, and the assessors shall be responsible only for their own personal faithfulness and integrity. [1973, c. 620, §14 (AMD).]

SECTION HISTORY
1973, c. 620, §14 (AMD).

§703. SELECTMEN TO ACT AS ASSESSORS

If any municipality does not choose assessors and is not a part of a primary assessing area, the selectmen are the assessors, and each of them must be sworn as an assessor. A selectman who is an assessor pursuant to this paragraph may resign the position of assessor without resigning the office of selectman. The position of assessor must then be filled by appointment pursuant to Title 30-A, section 2602, subsection 2. [1991, c. 270, §4 (AMD).]

SECTION HISTORY
1973, c. 620, §14 (AMD). 1991, c. 270, §4 (AMD).

§704. DELINQUENT ASSESSORS; VIOLATION

Any assessor who refuses to assess a state, county or municipal tax as required by law, or shall knowingly omit or fail to perform any duty imposed upon him by law, commits a civil violation for which a forfeiture not to exceed $100 may be adjudged. [1977, c. 696, §267 (RPR).]

SECTION HISTORY
1977, c. 696, §267 (RPR).

§705. COUNTY COMMISSIONERS MAY APPOINT ASSESSORS; PROCEDURE

If for 3 months after any warrant for a state or county tax has been issued, a municipality which is not part of a primary assessing area or is not a primary assessing area has neglected to choose assessors, or the assessors chosen have neglected to assess and certify such tax, the Treasurer of State or of the county may so notify the county commissioners. [1973, c. 620, §15 (AMD).]

On receipt of such notification the county commissioners shall appoint 3 or more suitable persons in the county to be assessors for such municipality. New warrants shall be issued to such assessors, which said warrants shall supersede the state and county warrants originally issued to the assessors of the delinquent municipality.

Assessors appointed under this section shall be duly sworn; shall be subject to the same duties and penalties as other assessors; and shall assess upon the polls and estates of the municipality its due proportion of state and county taxes, and such reasonable charges for time and expense in making the assessment as the county commissioners may approve, which said charges shall be paid from the county treasury.

SECTION HISTORY
1973, c. 620, §15 (AMD).

§706. TAXPAYERS TO LIST PROPERTY, NOTICE, PENALTY, VERIFICATION

Before making an assessment, the assessor or assessors, the chief assessor of a primary assessing area or the State Tax Assessor in the case of the unorganized territory may give seasonable notice in writing to all persons liable to taxation or qualifying for exemption pursuant to subchapter 4-C in the municipality, primary

assessing area or the unorganized territory to furnish to the assessor or assessors, chief assessor or State Tax Assessor true and perfect lists of all their estates of which they were possessed on the first day of April of the same year. [2013, c. 544, §5 (AMD); 2013, c. 544, §7 (AFF).]

The notice to owners may be by mail directed to the last known address of the taxpayer or by any other method that provides reasonable notice to the taxpayer. [1977, c. 509, §13 (RPR).]

If notice is given by mail and the taxpayer does not furnish the list, the taxpayer is barred of the right to make application to the assessor or assessors, chief assessor or State Tax Assessor or any appeal from an application for any abatement of those taxes, unless the taxpayer furnishes the list with the application and satisfies the assessing authority or authority to whom an appeal is made that the taxpayer was unable to furnish the list at the time appointed. [2013, c. 544, §5 (AMD); 2013, c. 544, §7 (AFF).]

The assessor or assessors, chief assessor or State Tax Assessor may require the person furnishing the list to make oath to its truth, which oath any of them may administer. [2013, c. 544, §5 (AMD); 2013, c. 544, §7 (AFF).]

The assessor or assessors, chief assessor or State Tax Assessor may require the taxpayer to answer in writing all proper inquiries as to the nature, situation and value of the taxpayer's property liable to be taxed in the State or subject to exemption pursuant to subchapter 4-C. As may be reasonably necessary to ascertain the value of property according to the income approach to value pursuant to the requirements of section 208-A or generally accepted assessing practices, these inquiries may seek information about income and expenses, manufacturing or operational efficiencies, manufactured or generated sales price trends or other related information. A taxpayer has 30 days from receipt of such an inquiry to respond. Upon written request, a taxpayer is entitled to a 30-day extension to respond to the inquiry and the assessor may at any time grant additional extensions upon written request. Information provided by the taxpayer in response to an inquiry that is proprietary information, and clearly labeled by the taxpayer as proprietary and confidential information, is confidential and is exempt from the provisions of Title 1, chapter 13. An assessor of the taxing jurisdiction may not allow the inspection of or otherwise release such proprietary information to anyone other than the State Tax Assessor, who shall treat such proprietary information as subject to section 191, subsection 1, except that the exemption provided in section 191, subsection 2, paragraph I does not apply to such proprietary information. As used in this subsection, "proprietary information" means information that is a trade secret or production, commercial or financial information the disclosure of which would impair the competitive position of the person submitting the information and would make available information not otherwise publicly available and information protected from disclosure by federal or state law or regulations. A person who knowingly violates the confidentiality provisions of this paragraph commits a Class E crime. [2013, c. 544, §5 (NEW); 2013, c. 544, §7 (AFF).]

A taxpayer's refusal or neglect to answer inquiries bars an appeal, but the answers are not conclusive upon the assessor or assessors, chief assessor or State Tax Assessor. [2013, c. 544, §5 (NEW); 2013, c. 544, §7 (AFF).]

If the assessor or assessors, chief assessor or State Tax Assessor fail to give notice by mail, the taxpayer is not barred of the right to make application for abatement; however, upon demand the taxpayer shall answer in writing all proper inquiries as to the nature, situation and value of the taxpayer's property liable to be taxed in the State. A taxpayer's refusal or neglect to answer the inquiries and subscribe the same bars an appeal, but the list and answers are not conclusive upon the assessor or assessors, chief assessor or the State Tax Assessor. [2013, c. 544, §5 (AMD); 2013, c. 544, §7 (AFF).]

SECTION HISTORY
1969, c. 579, §§3-5 (AMD). 1973, c. 536, §23 (AMD). 1973, c. 620, §16 (AMD). 1973, c. 695, §12 (RPR). 1975, c. 623, §54 (AMD). 1977, c. 509, §13 (RPR). 1981, c. 30, §§1,2 (AMD). 2013, c. 544, §5 (AMD). 2013, c. 544, §7 (AFF).

§707. EXEMPT PROPERTY; INVENTORY REQUIRED

Assessors shall include in their inventory, but not in the tax list, every 5 years beginning in 1963:

1. **Neat cattle.**

[1981, c. 706, §10 (RP) .]

2. **Property of veterans.** The value of the real property of veterans, their widows, widowers and minor children not taxed;

[2005, c. 218, §9 (AMD) .]

3. **Houses of religious worship.** The value of the real estate of all houses of religious worship and parsonages not taxed;

4. **Property of benevolent and charitable institutions.** The value of all real property of benevolent and charitable institutions not taxed;

5. **Property of literary institutions.** The value of all real property of literary and scientific institutions not taxed;

6. **Property of governmental units.** The value of the real property of the United States, the State of Maine and any public municipal corporation;

7. **Other property.** The value of all other real property not taxed.

SECTION HISTORY
1981, c. 706, §10 (AMD). 2005, c. 218, §9 (AMD).

§708. ASSESSORS TO VALUE REAL ESTATE AND PERSONAL PROPERTY

The assessors and the chief assessor of a primary assessing area shall ascertain as nearly as may be the nature, amount and value as of the first day of each April of the real estate and personal property subject to be taxed, and shall estimate and record separately the land value, exclusive of buildings, of each parcel of real estate. [1973, c. 620, §17 (AMD).]

SECTION HISTORY
1973, c. 620, §17 (AMD).

§708-A. CERTIFICATION OF VALUATION LISTS

(REPEALED)

SECTION HISTORY
1973, c. 620, §18 (NEW). 1987, c. 497, §13 (RP).

§709. ASSESSMENT AND COMMITMENT

The assessors shall assess upon the estates in their municipality all municipal taxes and their due proportion of any state or county tax payable during the municipal year for which municipal taxes are being raised, make perfect lists thereof and commit the same, when completed and signed by a majority of them, to the tax collector of their municipality, if any, otherwise to the sheriff of the county or his deputy, with a warrant under their hands, in the form prescribed by section 753. [1975, c. 651, §7 (AMD).]

SECTION HISTORY

1969, c. 433, §97 (AMD). 1971, c. 46, §1 (AMD). 1973, c. 66, §9 (AMD). 1975, c. 651, §7 (AMD).

§709-A. PRIMARY ASSESSING AREAS; ASSESSMENT AND COMMITMENT

The municipal officers after receipt of the valuation lists from the primary assessing areas shall assess upon the estates in their municipality all municipal taxes and their due proportion of any state or county tax, make perfect lists thereof and commit the same, when completed and signed by a majority of them, to the tax collector of their municipality, if any, otherwise to the sheriff of the county or his deputy, with a warrant under their hands in the form prescribed by section 753. [1973, c. 788, §184 (AMD).]

The municipal officers may delegate the preparation of such lists to any municipal employee, appropriately designated in writing, or may contract with the primary assessing area for the preparation of such lists. [1973, c. 620, §19 (NEW).]

SECTION HISTORY
1973, c. 620, §19 (NEW). 1973, c. 788, §184 (AMD).

§709-B. EXTENSION OF COMMITMENT TIME LIMIT FOR 1977

(REPEALED)

SECTION HISTORY
1977, c. 48, §5 (NEW). 1977, c. 625, §10 (RP).

§710. OVERLAY

The assessors or, in primary assessing areas, the municipal officers may assess on the estates such sum above the sum necessary for them to assess, not exceeding 5% thereof as a fractional division renders convenient, and certify that fact to their municipal treasurer. [1973, c. 695, §13 (AMD).]

SECTION HISTORY
1973, c. 66, §9 (AMD). 1973, c. 620, §20 (AMD). 1973, c. 695, §13 (AMD).

§711. ASSESSMENT RECORD

The assessors or, in primary assessing areas, the municipal officers shall make a record of their assessment and of the invoice and valuation from which it was made. Before the taxes are committed to the officer for collection, they shall deposit such record, or a copy of it, in the assessor's office, or, in the case of a primary assessing area, with the municipal clerk, there to remain. Any place where the assessors usually meet to transact business and keep their papers or books is considered their office. An assessor, the municipal officers or any other municipal official with custodial authority over the assessing records shall make the entire assessing record related to any taxable property within the municipality available to the owner of that property upon request in a timely manner. [2005, c. 187, §1 (AMD).]

SECTION HISTORY
1973, c. 620, §20 (AMD). 1973, c. 695, §14 (AMD). 1977, c. 509, §§14,15 (AMD). 2005, c. 187, §1 (AMD).

§712. CERTIFICATE OF ASSESSMENT

When the assessors or, in primary assessing areas, the municipal officers have assessed any tax and committed it to the tax collector, they shall return to the appropriate treasurer a certificate thereof with the name of such officer. [1973, c. 695, §14 (AMD).]

SECTION HISTORY
1973, c. 620, §20 (AMD). 1973, c. 695, §14 (AMD).

§713. SUPPLEMENTAL ASSESSMENTS

Supplemental assessments may be made within 3 years from the last assessment date whenever it is determined that any estates liable to taxation have been omitted from assessment or any tax on estates is invalid or void by reason of illegality, error or irregularity in assessment. A supplemental assessment may be made during the municipal year whenever, through error or inadvertance, the assessors have omitted from their assessment or commitment taxes duly raised by the municipality or its proportion of any state or county tax payable during the municipal year. In municipalities not a part of a primary assessing area, the assessors for the time being may, by a supplement to the invoice and valuation and the list of assessments, assess such estates for their due proportion of such tax, according to the principles on which the previous assessment was made. In primary assessing areas, the chief assessor may, by a supplement to the valuation list, certify the valuation of such estates to the municipal officers who shall assess such estates according to the principles upon which the previous assessment was made. [1979, c. 31, (AMD).]

Such supplemental assessments shall be committed to the collector for the time being with a certificate as provided in sections 709 and 709-A stating that they were invalid or void or omitted and that the powers in the previous warrant, naming the date of it, are extended thereto. The tax collector has the same power, and is under the same obligation to collect them, as if they had been contained in the original list. Interest shall accrue on all unpaid balances of any supplemental tax, beginning on the 60th day after the date of commitment of the supplemental tax to the collector or the date interest accrues for delinquent taxes under the original commitment, whichever occurs later. The rate of interest shall be the same as specified by the municipality for the current tax year, in accordance with section 505, subsection 4. [1979, c. 612, (AMD).]

All assessments shall be valid, notwithstanding that by such supplemental assessment the whole amount exceeds the sum to be assessed by more than 5%.

The lien on real estate created by section 552 may be enforced as provided in section 948.

Persons subjected to a tax under this section shall be deemed to have received sufficient notice if the notice required by section 706 was given.

SECTION HISTORY
1973, c. 66, §10 (AMD). 1973, c. 620, §20 (AMD). 1973, c. 695, §15 (AMD). 1979, c. 31, (AMD). 1979, c. 612, (AMD).

§713-A. CERTAIN SUPPLEMENTAL ASSESSMENTS

Notwithstanding section 713, when a municipality has foreclosed on a parcel of real estate and the owner recovers the real estate because of errors in the lien and foreclosure process, supplemental assessments may be made for any year back to the year of the foreclosure which is determined to be erroneous. [1987, c. 289, (NEW).]

SECTION HISTORY
1987, c. 289, (NEW).

§713-B. PENALTIES ASSESSED AS SUPPLEMENTAL ASSESSMENTS

Penalties imposed under section 581 or 1112 may be assessed as supplemental assessments pursuant to section 713 regardless of the number of years applicable in determining the penalty. [1993, c. 452, §6 (NEW).]

SECTION HISTORY
1993, c. 452, §6 (NEW).

§714. STATE-MUNICIPAL REVENUE SHARING AID

The assessors shall deduct from the total amount required to be assessed an amount equal to the amount that the municipal officers estimate will be received under Title 30-A, section 5681, during the municipal fiscal year. [1987, c. 737, Pt. C, §§78, 106 (AMD); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD).]

SECTION HISTORY
1971, c. 478, §2 (NEW). 1987, c. 737, §§C78,C106 (AMD). 1989, c. 6, (AMD). 1989, c. 9, §2 (AMD). 1989, c. 104, §§C8,C10 (AMD).

Subchapter 5-A: UNDEVELOPED LAND VALUATION (HEADING: PL 1989, C. 871, §4 (RP); §23 (AFF))

§721. PURPOSE

(REPEALED)

In order to encourage a more uniform and accurate approach to the local valuation of undeveloped land, this subchapter provides assessors with a benchmark value of undeveloped land in the region within which their local jurisdiction is located, and requires assessors to establish the basis for deviations from this benchmark value. [1989, c. 411, §§1, 2 (NEW); 1989, c. 871, §23 (AFF); 1989, c. 871, §4 (RP).]

SECTION HISTORY
1989, c. 411, §§1, 2 (NEW). 1989, c. 871, §4 (RP). 1989, c. 871, §23 (AFF). 1991, c. 546, §§38, 44 (AFF).

§722. DEFINITIONS

(REPEALED)

As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings. [1989, c. 411, §§1, 2 (NEW); 1989, c. 871, §23 (AFF); 1989, c. 871, §4 (RP).]

SECTION HISTORY
1989, c. 411, §§1,2 (NEW). 1989, c. 871, §4 (RP). 1989, c. 871, §23 (AFF). 1991, c. 546, §§38, 44 (AFF).

§723. APPLICABILITY

(REPEALED)

This subchapter shall have mandatory application to parcels consisting of at least 5 acres of undeveloped land. The approach to valuing the undeveloped land applies exclusively to the portion of the parcel determined to be undeveloped land. [1989, c. 411, §§1, 2 (NEW); 1989, c. 871, §23 (AFF); 1989, c. 871, §4 (RP).]

SECTION HISTORY
1989, c. 411, §§1,2 (NEW). 1989, c. 871, §4 (RP). 1989, c. 871, §23 (AFF). 1991, c. 546, §§38, 44 (AFF).

§724. BASE LAND VALUES

(REPEALED)

The Bureau of Revenue Services shall annually, before March 1st, establish by rule base land values for undeveloped land by region for the entire State. One base value per region will be established. The values established by March 1st are to apply to the tax year based on the status of property as of April 1st of the same calendar year. Regions will be determined by the Bureau of Revenue Services and shall not divide minor civil divisions. The availability of adequate sales data and locational relationships shall be considered in determining regions. The base land value for undeveloped land by region will be the mean value per acre computed from sales data for the region. [1989, c. 411, §§1, 2 (NEW); 1989, c. 871, §23 (AFF); 1989, c. 871, §4 (RP).]

SECTION HISTORY
1989, c. 411, §§1,2 (NEW). 1989, c. 871, §4 (RP). 1989, c. 871, §23 (AFF). 1991, c. 546, §§38, 44 (AFF).

§725. SALES DATA

(REPEALED)

The sales data for use in determining the mean value per acre will be obtained from declaration of value forms transmitted, pursuant to section 4641-D, to the Bureau of Revenue Services. Sales occurring during the 3-year period ending June 30th of the year prior to the March 1st deadline are to be considered. Based on information provided to the Bureau of Revenue Services, only sales which meet the following criteria are to be included in determining the mean value per acre: [1989, c. 411, §§1, 2 (NEW); 1989, c. 871, §23 (AFF); 1989, c. 871, §4 (RP).]

SECTION HISTORY
1989, c. 411, §§1,2 (NEW). 1989, c. 871, §4 (RP). 1989, c. 871, §23 (AFF). 1991, c. 546, §§38, 44 (AFF).

§726. VALUATION OF LAND

(REPEALED)

In determining the just value of undeveloped land, an assessor is to consider the base land value for the region. If an assessor finds that the just value of undeveloped land for any or all parcels containing at least 5 acres of undeveloped land within the local tax jurisdiction is different from the base land value, the assessor has the burden of establishing a reasonable alternative analysis of value to arrive at just value for the local jurisdiction. Such analysis is to be in writing and available for public inspection. When used for assessment purposes, the base land value is to be applied only to the portion of the parcel which is undeveloped. The assessor is to determine those areas of a parcel which are undeveloped land; areas which are associated with improvements or structures are to be excluded. The assessment book, or property record cards if utilized

by the jurisdiction, shall indicate that amount of any parcel which is determined to be undeveloped land. [1989, c. 411, §§1, 2 (NEW); 1989, c. 871, §23 (AFF); 1989, c. 871, §4 (RP); 1991, c. 546, §§38, 44 (AFF).]

SECTION HISTORY
1989, c. 411, §§1,2 (NEW). 1989, c. 871, §4 (RP). 1989, c. 871, §23 (AFF). 1991, c. 546, §§38, 44 (AFF).

Subchapter 6: POWERS AND DUTIES OF TAX COLLECTORS

§751. STATE AND COUNTY TAXES; COLLECTION

State and county taxes shall be collected by the tax collector and paid by him to the treasurer of his municipality as other taxes are paid.

§752. -- PAYMENT

On or before the first day of September in each year, the Treasurer of State shall issue his warrant to the treasurer of each municipality requiring him to transmit and pay to the Treasurer of State, on or before the time fixed by law, that municipality's proportion of the state tax for the current year. Warrants for county taxes shall be issued by the county treasurers in the same manner with proper changes.

§753. MUNICIPAL TAX COMMITMENT; FORM

The State Tax Assessor shall annually, before April 1st, prescribe the form of the municipal tax commitment to be used by municipal assessors in committing property taxes to the municipal tax collector. [1975, c. 78, §21 (AMD).]

SECTION HISTORY
1973, c. 66, §§11-14 (AMD). 1973, c. 620, §§21-23 (AMD). 1973, c. 625, §245 (AMD). 1973, c. 695, §16 (AMD). 1975, c. 33, (RPR). P&SL 1975, c. 78, §21 (AMD).

§754. -- LOST OR DESTROYED

When a warrant for the collection of taxes has been lost or destroyed, the assessors or, in the case of primary assessing areas, the municipal officers may issue a new warrant, which shall have the same force as the original. [1973, c. 695, §17 (AMD).]

SECTION HISTORY
1973, c. 620, §24 (AMD). 1973, c. 695, §17 (AMD).

§755. BOND

The municipal officers shall require each tax collector to give a corporate surety bond for the faithful discharge of his duty, to the inhabitants of the municipality, in the sum, and with such sureties as the municipal officers approve. The tax collector may furnish a bond signed by individuals if such individuals submit to the municipal officers a detailed sworn statement as to their personal financial ability, which shall be found acceptable by the municipal officers. [1973, c. 695, §18 (RPR).]

Such bond shall, after its approval and acceptance, be recorded by the clerk in the municipal records, and such record shall be prima facie evidence of the contents of such bond, but a failure to so record shall be no defense in any action upon such bond. [1973, c. 695, §18 (RPR).]

SECTION HISTORY
1973, c. 620, §25 (AMD). 1973, c. 695, §18 (RPR).

§756. COMPENSATION

When municipalities choose tax collectors, they may agree what sum shall be allowed for performance of their duties. If the basis of compensation agreed upon is a percentage of tax collections, such percentage shall be computed only upon the cash collections of taxes committed to him. Tax liens filed but not discharged prior to the time that the tax collector is to perfect his collections and the amounts paid by the municipality to the tax collector upon the sale of tax deeds shall not be included in computing such percentage. Nothing in this section shall be construed as relieving the tax collector from the duty of perfecting liens for the benefit of the municipality by one of the methods prescribed by law in all cases where taxes on real estate remain unpaid.

§757. RECEIPTS FOR TAXES

When a tax is paid to a tax collector, he shall prepare a receipt for each payment; and upon reasonable request therefor, shall furnish a copy of such receipt to the taxpayer.

§757-A. COLLECTOR TO FURNISH CERTIFICATE TO BOAT REGISTRATION APPLICANTS

(REPEALED)

SECTION HISTORY
1967, c. 480, §2 (NEW). 1969, c. 558, §2 (RP).

§758. NOTIFICATION TO ASSESSORS OF INVALID TAX

Tax collectors and municipal treasurers on receipt of information that a tax may be invalid by reason of error, omission or irregularity in assessment shall at once notify the assessors or the chief assessor of the primary assessing area in writing stating the name of the proper party to be assessed, if known, and the reason why such tax is believed to be invalid, in order that a supplemental assessment may be made. [1973, c. 620, §26 (AMD).]

SECTION HISTORY
1973, c. 620, §26 (AMD).

§759. ACCOUNTING; PENALTIES

Every tax collector shall, on the last day of each month, pay to the municipal treasurer all moneys collected by him, and once in 2 months at least shall exhibit to the municipal officers a just and true account of all moneys received on taxes committed to him and excise taxes collected by him, and produce the treasurer's receipt for money by him paid. For each neglect, he forfeits to the municipality $100 to be recovered by the municipal officers thereof in a civil action.

§759-A. PROHIBITION ON COMMINGLING FUNDS

A tax collector is prohibited from commingling personal funds with any funds collected for a municipality while performing the duty of tax collector. [2009, c. 193, §3 (NEW).]

SECTION HISTORY
2009, c. 193, §3 (NEW).

§760. PERFECTION OF COLLECTIONS

Municipal assessors, or municipal officers in the case of primary assessing areas, shall specify in the collector's warrant the date on or before which the tax collector shall perfect his collections. Such date shall not be less than one year from the date of the commitment of taxes. In the event that no time is specified in the collector's warrant, tax collectors shall perfect their collections within 2 years after the date of the commitment of taxes. [1973, c. 695, §19 (AMD).]

SECTION HISTORY
1973, c. 620, §27 (AMD). 1973, c. 695, §19 (AMD).

§760-A. MINOR OR BURDENSOME AMOUNTS

1. **Not collected.** After the date for perfection of collections, municipal officers may discharge collectors from any obligation to collect unpaid personal property taxes that the municipal officers determine are too small or too burdensome to collect economically and authorize the municipal treasurer to remove those taxes from the municipal books.

[1991, c. 231, (NEW) .]

2. **Discharged.** Collectors shall identify the unpaid taxes discharged under subsection 1 on the tax lists.

[1991, c. 231, (NEW) .]

SECTION HISTORY
1991, c. 231, (NEW).

§761. -- FAILURE; ACTION

An action against a tax collector for failure to perfect his tax collections shall be commenced within 6 years after the date of such collector's warrant.

§762. COLLECTIONS COMPLETED BY NEW COLLECTORS

When new tax collectors are chosen and sworn before the former officers have perfected their collections, the latter shall complete the same, as if others had not been chosen and sworn.

§763. SETTLEMENT PROCEDURE; REMOVAL FROM MUNICIPALITY; RESIGNATION

When a tax collector asks the municipal officers to resign the position of tax collector, or when a tax collector has removed, or in the judgment of the municipal officers is about to remove from the municipality before the time set for perfecting his collections, said officers may settle with him for the money that he has received on his tax lists, demand and receive of him such lists, and discharge him therefrom. Said officers may appoint another tax collector, and the assessors or, in the case of primary assessing areas, the municipal officers shall make a new warrant and deliver it to him with said lists, to collect the sums due thereon, and he shall have the same power in their collection as the original tax collector. [1973, c. 695, §20 (AMD).]

If such tax collector refuses to deliver the tax lists and to pay all moneys in his hands collected by him, when duly demanded, he shall be subject to section 894, and is liable to pay what remains due on the tax lists, said sum to be recovered by the municipal officers in a civil action.

SECTION HISTORY
1967, c. 358, (AMD). 1973, c. 620, §28 (AMD). 1973, c. 695, §20 (AMD).

§764. -- INCAPACITY

When a tax collector becomes mentally ill, has a guardian or by bodily infirmities is incapable of performing the duties of his office before completing the collection, the municipal officers may demand and receive the tax lists from any person in possession thereof, settle for the money received thereon and discharge said tax collector from further liability. The tax lists may be committed to a new tax collector.

§765. -- DEATH

If a tax collector dies without perfecting the collection of taxes committed to him, his executor or administrator, within 2 months after his acceptance of the trust, shall settle with the municipal officers for what was received by the deceased in his lifetime. For the amount so received, such executor or administrator is chargeable as the deceased would be if living. If he fails to so settle when he has sufficient assets in his hands, he shall be chargeable with the whole sum committed to the deceased for collection.

§766. WARRANT FOR COMPLETION OF COLLECTION; FORM

The State Tax Assessor shall prescribe the form of the warrant to be used by the assessors or municipal officers for the completion of the collection of taxes under sections 763 to 765. [1975, c. 765, §14 (RPR).]

SECTION HISTORY
1973, c. 620, §§29-30 (AMD). 1975, c. 765, §14 (RPR).

Subchapter 7: POWERS AND DUTIES OF SHERIFFS

§801. SHERIFF MAY COLLECT TAXES

If at the time of the completion of the assessment a tax collector has not been chosen or appointed, or if the tax collector neglects to collect a state or county tax, the sheriff of the county shall collect it, on receiving an assessment thereof, with a warrant under the hands of the municipal assessors, or in the case of primary assessing areas, the municipal officers, or the assessors appointed in accordance with section 705, as the case may be. [1973, c. 695, §21 (AMD).]

SECTION HISTORY
1973, c. 620, §31 (AMD). 1973, c. 695, §21 (AMD).

§802. PROCEEDINGS BY SHERIFF

The sheriff or his deputy, on receiving the assessment and warrant for collection provided for in section 801, shall forthwith post in some public place in the municipality assessed, an attested copy of such assessment and warrant, and shall make no distress for any of such taxes until after 30 days therefrom. Any person paying his tax to such sheriff within that time shall pay 5% over and above his tax for sheriff's fees, but those who do not pay within that time shall be distrained or arrested by such officer, as by tax collectors. The same fees shall be paid for travel and service of the sheriff, as in other cases of distress.

§803. SHERIFF'S DUTY IN RESPECT TO WARRANT; ALIAS WARRANT

On each execution or warrant of distress issued in accordance with sections 891 and 895, and delivered to a sheriff or his deputy, he shall make return of his doings to such treasurer, with such money, if any, that he has received by virtue thereof. If he neglects to comply with any direction of such warrant or execution, he shall pay the whole sum mentioned therein. When it is returned unsatisfied, or satisfied in part only, such treasurer may issue an alias for the sum remaining due on the return of the first; and so on, as often as occasion occurs.

An officer executing an alias warrant against a delinquent tax collector may arrest the tax collector and proceed as on execution for debt. Such delinquent tax collector shall have the same rights and privileges as a debtor arrested or committed on execution in favor of a private creditor.

Subchapter 8: ABATEMENT

§841. ABATEMENT PROCEDURES

1. **Error or mistake.** The assessors, either upon written application filed within 185 days from commitment stating the grounds for an abatement or on their own initiative within one year from commitment, may make such reasonable abatement as they consider proper to correct any illegality, error or irregularity in assessment, provided that the taxpayer has complied with section 706.

The municipal officers, either upon written application filed after one year but within 3 years from commitment stating the grounds for an abatement or on their own initiative within that time period, may make such reasonable abatement as they consider proper to correct any illegality, error or irregularity in assessment, provided the taxpayer has complied with section 706. The municipal officers may not grant an abatement to correct an error in the valuation of property.

[1993, c. 133, §1 (RPR) .]

2. **Hardship or poverty.** The municipal officers, or the State Tax Assessor for the unorganized territory, within 3 years from commitment, may, on their own knowledge or on written application, make such abatements as they believe reasonable on the real and personal taxes on the primary residence of any person who, by reason of hardship or poverty, is in their judgment unable to contribute to the public charges. The municipal officers, or the State Tax Assessor for the unorganized territory, may extend the 3-year period within which they may make abatements under this subsection.

Municipal officers or the State Tax Assessor for the unorganized territory shall:

A. Provide that any person indicating an inability to pay all or part of taxes that have been assessed because of hardship or poverty be informed of the right to make application under this subsection; [2013, c. 424, Pt. A, §24 (RPR).]

B. Assist individuals in making application for abatement; [2013, c. 424, Pt. A, §24 (RPR).]

C. Make available application forms for requesting an abatement based on hardship or poverty and provide that those forms contain notice that a written decision will be made within 30 days of the date of application; [2013, c. 424, Pt. A, §24 (RPR).]

D. Provide that persons are given the opportunity to apply for an abatement during normal business hours; [2013, c. 424, Pt. A, §24 (RPR).]

E. Provide that all applications, information submitted in support of the application, files and communications relating to an application for abatement and the determination on the application for abatement are confidential. Hearings and proceedings held pursuant to this subsection must be in executive session; [2013, c. 424, Pt. A, §24 (RPR).]

F. Provide to any person applying for abatement under this subsection, notice in writing of their decision within 30 days of application; and [2013, c. 424, Pt. A, §24 (RPR).]

G. Provide that any decision made under this subsection include the specific reason or reasons for the decision and inform the applicant of the right to appeal and the procedure for requesting an appeal. [2013, c. 424, Pt. A, §24 (RPR).]

For the purpose of this subsection, the municipal officers may set off or otherwise treat as available benefits provided to an applicant under chapter 907 when determining if the applicant is able to contribute to the public charges.

[2013, c. 424, Pt. A, §24 (RPR) .]

3. **Inability to pay after 2 years.** If after 2 years from the date of assessment a collector is satisfied that a tax upon real or personal property committed to him for collection cannot be collected by reason of the death, absence, poverty, insolvency, bankruptcy or other inability of the person assessed to pay, he shall notify the municipal officers thereof in writing, under oath, stating the reason why that tax cannot be collected. The municipal officers, after due inquiry, may abate that tax or any part thereof.

[1979, c. 73, (RPR) .]

4. **Veteran's widow or widower or minor child.** Notwithstanding failure to comply with section 706 or section 1181, the assessors, on written application within one year from the date of commitment, may make such abatement as they think proper in the case of the unremarried widow or widower or the minor child of a veteran, if the widow, widower or child would be entitled to an exemption under section 653, subsection 1, paragraph D, except for her or his failure to make application and file proof within the time set by section 653, subsection 1, paragraph G, provided that the veteran died during the 12-month period preceding the April 1st for which the tax was committed.

[2005, c. 218, §10 (AMD) .]

5. **Certification; record.** Whenever an abatement is made, other than by the State Tax Assessor, the abating authority shall certify it in writing to the collector, and that certificate shall discharge the collector from further obligation to collect the tax so abated. When the abatement is made, other than an abatement made under subsection 2, a record setting forth the name of the party or parties benefited, the amount of the abatement and the reasons for the abatement shall, within 30 days, be made and kept in suitable book form open to the public at reasonable times. A report of the abatement shall be made to the municipality at its annual meeting or to the mayor and aldermen of cities by the first Monday in each March.

[1987, c. 772, §16 (RPR) .]

6. **Appeals.** The decision of a chief assessor of a primary assessing area or the State Tax Assessor shall not be deemed "final agency action" under the Maine Administrative Procedure Act, Title 5, chapter 375.

[1979, c. 73, (NEW) .]

7. **Assessors defined.** For the purposes of this subchapter the word "assessors" includes assessor, chief assessor of a primary assessing area and State Tax Assessor for the unorganized territory.

[2001, c. 396, §15 (AMD) .]

8. **Approval of the Governor.** The State Tax Assessor may abate taxes under this section only with the approval of the Governor or the Governor's designee.

[1999, c. 521, Pt. A, §4 (AMD) .]

SECTION HISTORY
1973, c. 66, §15 (AMD). 1975, c. 765, §§14-A (AMD). 1977, c. 44, §1 (AMD). 1977, c. 479, §15 (AMD). 1977, c. 509, §16 (RPR). 1977, c. 694, §§688-692 (AMD). 1979, c. 73, (RPR). 1987, c. 70, (AMD). 1987, c. 772, §§15,16 (AMD). 1989, c. 508, §10 (AMD). 1991, c. 16, §1 (AMD). 1991, c. 16, §2 (AFF). 1993, c. 133, §1 (AMD). 1999, c. 521, §A4 (AMD). 2001, c. 396, §15 (AMD). 2005, c. 169, §1 (AMD). 2005, c. 218, §10 (AMD). 2011, c. 552, §1 (AMD). 2011, c. 624, §1 (AMD). 2013, c. 424, Pt. A, §24 (AMD).

§841-A. ABATEMENT BY MUNICIPAL OFFICERS; PROCEDURE

(REPEALED)

SECTION HISTORY
1973, c. 620, §32 (NEW). 1973, c. 695, §§22,23 (AMD). 1973, c. 788, §185 (AMD). 1977, c. 44, §§2,3 (AMD). 1977, c. 479, §16 (AMD). 1977, c. 509, §16 (RP).

§841-B. LAND CLASSIFICATION APPEALS BOARD; PURPOSE; COMPOSITION

(REPEALED)

SECTION HISTORY
1979, c. 666, §20 (NEW). 1983, c. 556, §17 (AMD). 1983, c. 812, §271 (AMD). 1983, c. 855, §4 (AMD). 1985, c. 295, §54 (RPR). 1985, c. 764, §14 (RP). 1985, c. 785, §A111 (AMD). 1985, c. 819, §A37 (RP).

§841-C. HEARING

(REPEALED)

SECTION HISTORY
1979, c. 666, §21 (NEW). 1983, c. 556, §18 (AMD). 1983, c. 855, §5 (AMD). 1985, c. 764, §15 (RP).

§842. NOTICE OF DECISION

The assessors or municipal officers shall give to any person applying to them for an abatement of taxes notice in writing of their decision upon the application within 10 days after they take final action thereon. The notice of decision must include the reason or reasons supporting the decision to approve or deny the abatement request and state that the applicant has 60 days from the date the notice is received to appeal the decision. It must also identify the board or agency designated by law to hear the appeal. If the assessors or municipal officers, before whom an application in writing for the abatement of a tax is pending, fail to give written notice of their decision within 60 days from the date of filing of the application, the application is deemed to have been denied, and the applicant may appeal as provided in sections 843 and 844, unless the applicant has in writing consented to further delay. Denial in this manner is final action for the purposes of notification under this section but failure to send notice of decision does not affect the applicant's right of appeal. This section does not apply to applications for abatement made under section 841, subsection 2. [2013, c. 182, §1 (AMD).]

SECTION HISTORY
1977, c. 509, §17 (AMD). 1985, c. 764, §16 (AMD). 1987, c. 772, §17 (AMD). 1991, c. 546, §11 (AMD). 2001, c. 396, §16 (AMD). 2013, c. 182, §1 (AMD).

§843. APPEALS

1. **Municipalities.** If a municipality has adopted a board of assessment review and the assessors or the municipal officers refuse to make the abatement asked for, the applicant may apply in writing to the board of assessment review within 60 days after notice of the decision from which the appeal is being taken or after the application is deemed to have been denied, and, if the board thinks the applicant is over-assessed, the applicant is granted such reasonable abatement as the board thinks proper. Except with regard to nonresidential property or properties with an equalized municipal valuation of $1,000,000 or greater

either separately or in the aggregate, either party may appeal from the decision of the board of assessment review directly to the Superior Court, in accordance with Rule 80B of the Maine Rules of Civil Procedure. If the board of assessment review fails to give written notice of its decision within 60 days of the date the application is filed, unless the applicant agrees in writing to further delay, the application is deemed denied and the applicant may appeal to Superior Court as if there had been a written denial.

[1995, c. 262, §4 (AMD) .]

1-A. **Nonresidential property of $1,000,000 or greater.** With regard to nonresidential property or properties with an equalized municipal valuation of $1,000,000 or greater either separately or in the aggregate, either party may appeal the decision of the local board of assessment review or the primary assessing area board of assessment review to the State Board of Property Tax Review within 60 days after notice of the decision from which the appeal is taken or after the application is deemed to be denied, as provided in subsections 1 and 2. The board shall hold a hearing de novo. If the board thinks that the applicant is over-assessed, it shall grant such reasonable abatement as the board thinks proper. For the purposes of this section, "nonresidential property" means property that is used primarily for commercial, industrial or business purposes, excluding unimproved land that is not associated with a commercial, industrial or business use.

[1995, c. 262, §4 (AMD) .]

2. **Primary assessing areas.** If a primary assessing area has adopted a board of assessment review and the assessors or municipal officers refuse to make the abatement asked for, the applicant may apply in writing to the board of assessment review within 60 days after notice of the decision from which the appeal is being taken or after the application is deemed to have been denied, and if the board thinks the applicant is over-assessed, the applicant is granted such reasonable abatement as the board thinks proper. Except with regard to nonresidential property or properties with an equalized municipal valuation of $1,000,000 or greater, either separately or in the aggregate, either party may appeal the decision of the board of assessment review directly to the Superior Court, in accordance with the Maine Rules of Civil Procedure, Rule 80B. If the board of assessment review fails to give written notice of its decision within 60 days of the date the application was filed, unless the applicant agrees in writing to further delay, the application is deemed denied and the applicant may appeal to the Superior Court as if there had been a written denial.

[2001, c. 396, §17 (AMD) .]

3. **Notice of decision.** Any agency to which an appeal is made under this section is subject to the provisions for notice of decision in section 842.

[1991, c. 546, §12 (NEW) .]

4. **Payment requirements for taxpayers.** If the taxpayer has filed an appeal under this section without having paid an amount of current taxes equal to the amount of taxes paid in the next preceding tax year, as long as that amount does not exceed the amount of taxes due in the current tax year or the amount of taxes in the current tax year not in dispute, whichever is greater, by or after the due date or according to a payment schedule mutually agreed to in writing by the taxpayer and the municipal officers, the appeal process must be suspended until the taxes, together with any accrued interest and costs, have been paid. If an appeal is in process upon expiration of a due date or written payment schedule date for payment of taxes in a particular municipality, without the appropriate amount of taxes having been paid, whether the taxes are due for the year under appeal or a subsequent tax year, the appeal process must be suspended until the appropriate amount of taxes described in this subsection, together with any accrued interest and costs, has been paid. This subsection does not apply to property with a valuation of less than $500,000.

[2009, c. 434, §16 (AMD) .]

SECTION HISTORY

1973, c. 536, §24 (AMD). 1973, c. 625, §246 (AMD). 1977, c. 509, §18 (RPR). 1977, c. 694, §693 (AMD). 1981, c. 30, §§3,4 (AMD). 1981, c. 364, §21 (AMD). 1981, c. 698, §180 (AMD). 1985, c. 764, §17 (AMD). 1991, c. 546, §12 (AMD). 1993, c. 242, §1 (AMD). 1993, c. 395, §12 (AMD). 1995, c. 262, §4 (AMD). 2001, c. 396, §17 (AMD). 2001, c. 436, §1 (AMD). 2001, c. 436, §2 (AFF). 2009, c. 434, §16 (AMD).

§843-A. APPEALS TO FORESTRY APPEAL BOARD

(REPEALED)

SECTION HISTORY
1965, c. 426, §2 (NEW). 1973, c. 592, §15 (RP). 1973, c. 625, §247 (AMD). 1973, c. 645, §4 (REEN). 1977, c. 549, §8 (RP).

§843-B. HEARING

(REPEALED)

SECTION HISTORY
1965, c. 426, §2 (NEW). 1973, c. 592, §15 (RP). 1973, c. 645, §5 (REEN). 1977, c. 549, §8 (RP).

§844. APPEALS TO COUNTY COMMISSIONERS

1. **Municipalities without board of assessment review.** Except when the municipality or primary assessing area has adopted a board of assessment review, if the assessors or the municipal officers refuse to make the abatement asked for, the applicant may apply to the county commissioners within 60 days after notice of the decisions from which the appeal is being taken or within 60 days after the application is deemed to have been denied. If the commissioners think that the applicant is over-assessed, the applicant is granted such reasonable abatement as the commissioners think proper. If the applicant has paid the tax, the applicant is reimbursed out of the municipal treasury, with costs in either case. If the applicant fails, the commissioners shall allow costs to the municipality, taxed as in a civil action in the Superior Court, and issue their warrant of distress against the applicant for collection of the amount due the municipality. The commissioners may require the assessors or municipal clerk to produce the valuation by which the assessment was made or a copy of it. Either party may appeal from the decision of the county commissioners to the Superior Court, in accordance with the Maine Rules of Civil Procedure, Rule 80B. If the county commissioners fail to give written notice of their decision within 60 days of the date the application is filed, unless the applicant agrees in writing to further delay, the application is deemed denied and the applicant may appeal to the Superior Court as if there had been a written denial.

[2001, c. 396, §18 (AMD) .]

1-A. **County board of assessment review.** The county commissioners in a county may establish a county board of assessment review to hear all appeals to the county commissioners. The board has the powers and duties of a municipal board of assessment review, including those provided under section 844-M.

[1995, c. 262, §6 (NEW) .]

2. **Nonresidential property of $1,000,000 or greater.** Notwithstanding subsection 1, the applicant may appeal the decision of the assessors or the municipal officers on a request for abatement with respect to nonresidential property or properties having an equalized municipal valuation of $1,000,000 or greater, either separately or in the aggregate, to the State Board of Property Tax Review within 60 days after notice of the decision from which the appeal is taken or after the application is deemed to be denied. If the State Board of Property Tax Review determines that the applicant is over-assessed, it shall grant such reasonable abatement

as it determines proper. For the purposes of this subsection, "nonresidential property" means property that is used primarily for commercial, industrial or business purposes, excluding unimproved land that is not associated with a commercial, industrial or business use.

[2011, c. 548, §13 (AMD) .]

3. **Notice of decision.** An appeal to the county commissioners is subject to the provisions for notice of decision in section 842.

[1991, c. 546, §13 (NEW) .]

4. **Payment requirements for taxpayers.** If the taxpayer has filed an appeal under this section without having paid an amount of current taxes equal to the amount of taxes paid in the next preceding tax year, as long as that amount does not exceed the amount of taxes due in the current tax year or the amount of taxes in the current tax year not in dispute, whichever is greater, by or after the due date, or according to a payment schedule mutually agreed to in writing by the taxpayer and the municipal officers, the appeal process must be suspended until the taxes, together with any accrued interest and costs, have been paid. If an appeal is in process upon expiration of a due date or written payment schedule date for payment of taxes in a particular municipality, without the appropriate amount of taxes having been paid, whether the taxes are due for the year under appeal or a subsequent tax year, the appeal process must be suspended until the appropriate amount of taxes described in this subsection, together with any accrued interest and costs, has been paid. This subsection does not apply to property with a valuation of less than $500,000.

[2009, c. 434, §17 (AMD) .]

SECTION HISTORY
1973, c. 536, §25 (AMD). 1973, c. 592, §16 (RP). 1973, c. 625, §248 (AMD). 1973, c. 645, §6 (RPR). 1977, c. 509, §19 (AMD). 1979, c. 666, §22 (AMD). 1981, c. 30, §5 (AMD). 1981, c. 364, §22 (AMD). 1985, c. 764, §18 (RPR). 1985, c. 819, §§A38,39 (AMD). 1991, c. 546, §13 (AMD). 1993, c. 242, §2 (AMD). 1993, c. 395, §13 (AMD). 1995, c. 262, §§5-8 (AMD). 2001, c. 396, §18 (AMD). 2003, c. 72, §1 (AMD). 2003, c. 72, §2 (AFF). 2009, c. 434, §17 (AMD). 2011, c. 548, §13 (AMD).

§844-A. BOARD OF ASSESSMENT REVIEW

(REPEALED)

SECTION HISTORY
1973, c. 592, §17 (NEW). 1973, c. 645, §7 (RP).

§844-B. DEFINITIONS

(REPEALED)

SECTION HISTORY
1973, c. 592, §17 (NEW). 1973, c. 645, §7 (RP).

§844-C. COMPOSITION

(REPEALED)

SECTION HISTORY
1973, c. 592, §17 (NEW). 1973, c. 645, §7 (RP).

§844-D. JURISDICTION

(REPEALED)

SECTION HISTORY
1973, c. 592, §17 (NEW). 1973, c. 645, §7 (RP).

§844-E. ASSIGNMENT OF HEARING

(REPEALED)

SECTION HISTORY
1973, c. 460, §18 (AMD). 1973, c. 592, §17 (NEW). 1973, c. 645, §7 (RP).

§844-F. PLACE OF HEARING

(REPEALED)

SECTION HISTORY
1973, c. 592, §17 (NEW). 1973, c. 645, §7 (RP).

§844-G. APPEAL TO STATE BOARD OF ASSESSMENT REVIEW

(REPEALED)

SECTION HISTORY
1973, c. 460, §18 (AMD). 1973, c. 592, §17 (NEW). 1973, c. 645, §7 (RP).

§844-H. HEARING PROCEDURE

(REPEALED)

SECTION HISTORY
1973, c. 592, §17 (NEW). 1973, c. 645, §7 (RP).

§844-I. PRODUCTION OF DOCUMENTS

(REPEALED)

SECTION HISTORY
1973, c. 592, §17 (NEW). 1973, c. 645, §7 (RP).

§844-J. EVIDENCE

(REPEALED)

SECTION HISTORY
1973, c. 592, §17 (NEW). 1973, c. 645, §7 (RP).

§844-K. COMPENSATION

(REPEALED)

SECTION HISTORY
1973, c. 592, §17 (NEW). 1973, c. 645, §7 (RP).

§844-L. APPEAL TO THE SUPERIOR COURT

(REPEALED)

SECTION HISTORY
1973, c. 592, §17 (NEW). 1973, c. 645, §7 (RP).

§844-M. COUNTY BOARD OF ASSESSMENT REVIEW

1. **Organization.** A county board of assessment review, as authorized by section 844, subsection 1-A, consists of 5 or 7 members, at least one of whom must be a licensed real estate appraiser and one of whom must be a member of the general public, who serve staggered terms of at least 3 but no more than 5 years. The terms must be determined by rule of the board. The board shall elect annually a chair and a secretary from among its members. A county official or the spouse of a county official may not be a member of the board. Any question of whether a particular issue involves a conflict of interest sufficient to disqualify a member from voting on that issue must be decided by a majority vote of the members, excluding the member who is being challenged. The county commissioners may dismiss a member of the board for cause before the member's term expires.

[1995, c. 262, §9 (NEW) .]

2. **Meetings; records.** The chair shall call meetings of the board as required. The chair shall also call meetings of the board when requested to do so by a majority of the board members or by the county commissioners. A majority of the board's members constitutes a quorum. The chair shall preside at the meetings of the board and is the official spokesperson of the board. The secretary shall maintain a permanent record of the board meetings, the correspondence of the board and the records that are required as part of the various proceedings brought before the board. The records maintained or prepared by the secretary must be filed in the county commissioners' office and subject to public inspection in accordance with Title 1, chapter 13, unless excepted from the definition of public records under Title 1, section 402, subsection 3 or otherwise exempt from disclosure under Title 1, chapter 13.

[1995, c. 262, §9 (NEW) .]

3. **Hearing.** The board shall adopt rules to establish the procedure for the conduct of a hearing; however, the chair may waive any rule upon good cause shown.

[1995, c. 262, §9 (NEW) .]

4. **Evidence.** The board shall receive oral or documentary evidence and, as a matter of policy, provide for the exclusion of irrelevant, immaterial or unduly repetitious evidence. Each party may present its case or defense by oral or documentary evidence, submit rebuttal evidence and conduct cross-examination that is required for a full and true disclosure of the facts.

[1995, c. 262, §9 (NEW) .]

5. **Testimony; record; notice.** The transcript or tape recording of testimony, if such a transcript or tape recording has been prepared by the board, and the exhibits, with all papers and requests filed in the proceeding, constitute the record. Decisions become a part of the record and must include a statement of findings and conclusions, as well as the reasons or basis for those findings and conclusions, upon the material issues of fact, law or discretion presented and the appropriate order, relief or denial of relief. If the board determines that the applicant is over-assessed, it shall grant such reasonable abatement as the board determines proper. Notice of a decision must be mailed or hand delivered to all parties and the county commissioners within 10 days of the board's decision.

[1995, c. 262, §9 (NEW) .]

6. **Appeals.** A party may appeal the decision of the county board of assessment review to the Superior Court in accordance with the Maine Rules of Civil Procedure, Rule 80B. If the county board of assessment review fails to give written notice of its decision within 60 days of the date the application was filed, unless the applicant agrees in writing to further delay, the application is deemed denied and the applicant may appeal to the Superior Court as if there had been a written denial.

[1995, c. 262, §9 (NEW) .]

SECTION HISTORY
1995, c. 262, §9 (NEW).

§844-N. PRIMARY ASSESSING AREA BOARD OF ASSESSMENT REVIEW

1. **Organization.** A primary assessing area board of assessment review, as authorized by section 471-A, consists of 5 or 7 members who serve staggered terms of at least 3 but no more than 5 years. The terms must be determined by rule of the board. The board shall elect annually a chair and a secretary from among its members. A municipal officer or the spouse of a municipal officer may not be a member of the board. Any question of whether a particular issue involves a conflict of interest sufficient to disqualify a member from voting on that issue must be decided by a majority vote of the members, excluding the member who is being challenged. The municipal officers or the executive committee, where applicable, may dismiss a member of the board for cause before the member's term expires.

[1995, c. 262, §9 (NEW) .]

2. **Meetings; records.** The chair shall call meetings of the board as required. The chair shall also call meetings of the board when requested to do so by a majority of the board members or by the municipal officers or the executive committee, where applicable. A majority of the board's members constitutes a quorum. The chair shall preside at the meetings of the board and is the official spokesperson of the board. The secretary shall maintain a permanent record of the board meetings, the correspondence of the board and the records that are required as part of the various proceedings brought before the board. The records maintained or prepared by the secretary must be filed in the primary assessing area board of assessment review office and subject to public inspection in accordance with Title 1, chapter 13, unless excepted from the definition of public records under Title 1, section 402, subsection 3 or otherwise exempt from disclosure under Title 1, chapter 13.

[1995, c. 262, §9 (NEW) .]

3. **Hearing.** The board shall adopt rules to establish the procedure for the conduct of a hearing; however, the chair may waive any rule upon good cause shown.

[1995, c. 262, §9 (NEW) .]

4. **Evidence.** The board shall receive oral or documentary evidence and, as a matter of policy, provide for the exclusion of irrelevant, immaterial or unduly repetitious evidence. Each party may present its case or defense by oral or documentary evidence, submit rebuttal evidence and conduct cross-examination that is required for a full and true disclosure of the facts.

[1995, c. 262, §9 (NEW) .]

5. **Testimony; record; notice.** The transcript or tape recording of testimony, if such a transcript or tape recording has been prepared by the board, and the exhibits, with all papers and requests filed in the proceeding, constitute the record. Decisions become a part of the record and must include a statement of findings and conclusions, as well as the reasons or basis for those findings and conclusions, upon the material issues of fact, law or discretion presented and the appropriate order, relief or denial of relief. If the

board determines that the applicant is over-assessed, it shall grant such reasonable abatement as the board determines proper. Notice of a decision must be mailed or hand delivered to all parties and the municipal officers or the executive committee, where applicable, within 10 days of the board's decision.

[1995, c. 262, §9 (NEW) .]

SECTION HISTORY
1995, c. 262, §9 (NEW).

§845. APPEALS; TO SUPERIOR COURT

(REPEALED)

SECTION HISTORY
1977, c. 509, §20 (AMD). 1977, c. 694, §694 (RP).

§846. -- HEARING

(REPEALED)

SECTION HISTORY
1971, c. 622, §125A (RP). 1973, c. 592, §18 (NEW). 1973, c. 645, §8 (AMD). 1977, c. 694, §695 (RP).

§847. -- COMMISSIONER'S HEARING AND REPORT

(REPEALED)

SECTION HISTORY
1977, c. 694, §696 (RP).

§848. -- TRIAL

(REPEALED)

SECTION HISTORY
1973, c. 592, §19 (AMD). 1973, c. 645, §9 (AMD). 1977, c. 509, §21 (AMD). 1977, c. 694, §697 (RP).

§848-A. ASSESSMENT RATIO EVIDENCE

Reports of assessment ratios contained in assessment ratio studies of the Bureau of Revenue Services are prima facie evidence of what the reported ratio is in fact, unless a party to proceedings related to a protested assessment establishes that the ratio was derived or established in a manner contrary to law or proves the existence of a different ratio. [2001, c. 396, §19 (AMD).]

In any proceedings relating to a protested assessment, it is a sufficient defense of the assessment that it is accurate within reasonable limits of practicality, except when a proven deviation of 10% or more from the relevant assessment ratio of the municipality or primary assessing area exists. [2001, c. 396, §19 (AMD).]

SECTION HISTORY
1969, c. 343, §2 (NEW). 1973, c. 625, §249 (AMD). 1977, c. 509, §22 (RPR). 1997, c. 526, §14 (AMD). 2001, c. 396, §19 (AMD).

§849. -- JUDGMENT AND EXECUTION

Claims for abatement on several parcels of real estate may be embraced in one appeal, but judgment shall be rendered and execution shall issue for the amount of taxes due on each separate parcel. [1977, c. 509, §23 (RPR).]

The lien created by statute on real estate to secure the payment of taxes shall be continued for 60 days after the rendition of judgment, and may be enforced by sale of said real estate on execution, in the same manner as attachable real estate may be sold under Title 14, section 2201, and with the same right of redemption. [1977, c. 509, §23 (RPR).]

SECTION HISTORY
1973, c. 592, §20 (AMD). 1973, c. 625, §250 (AMD). 1973, c. 645, §10 (AMD). 1977, c. 509, §23 (RPR). 1977, c. 694, §698 (AMD).

§850. ASSESSMENT OF COSTS

(REPEALED)

SECTION HISTORY
1985, c. 764, §19 (NEW). 1995, c. 262, §10 (RP).

Subchapter 9: DELINQUENT TAXES

Article 1: GENERAL PROVISIONS

§891. COLLECTION OF DELINQUENT STATE AND COUNTY TAXES

When the time for the payment of a state or county tax has expired and it is unpaid, the Treasurer of State or of the county shall give notice thereof to the treasurer of any delinquent municipality, and unless such tax shall be paid within 60 days, the Treasurer of State or of the county may issue his warrant to the sheriff of the county, returnable in 90 days, requiring him to levy by distress and sale upon the real and personal property of any of the inhabitants of the municipality. The sheriff or his deputy shall execute such warrants, observing the regulations provided for satisfying warrants against delinquent collectors prescribed by sections 803, 896 and 897.

§891-A. SCHOOL SUBSIDIES WITHHELD FROM DELINQUENT MUNICIPALITIES

When any state tax assessed upon any city, town or plantation remains unpaid, such city, town or plantation may be precluded from drawing from the Treasurer of State the school subsidy set apart for such city, town or plantation so long as such tax remains unpaid. [1973, c. 556, §8 (NEW).]

SECTION HISTORY
1973, c. 556, §8 (NEW).

§892. INTEREST ON DELINQUENT STATE TAXES

Beginning with the first day of January, following the date on which state taxes are levied, interest shall accrue on any unpaid balances that are then due. All provisions of law that relate to the collection of such taxes shall apply to the collection of interest on overdue taxes. [1981, c. 706, §11 (AMD).]

SECTION HISTORY
1977, c. 27, §7 (AMD). 1981, c. 706, §11 (AMD).

§892-A. INTEREST ON DELINQUENT COUNTY TAXES

Interest shall accrue on all unpaid balances of the county tax that are then due, beginning on the 60th day after the date for payment set by the county commissioners under Title 30-A, section 706. County taxes, not paid prior to the 60th day after the date for payment, are delinquent. [1987, c. 737, Pt. C, §§79, 106 (AMD); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD).]

The rate of interest shall be specified by vote of the county commissioners and a notification of this rate shall be included in the warrant to assessors required under Title 30-A, section 706. The rate of interest may not exceed the rate of interest established by the State Tax Assessor under section 186. The specified rate of interest shall apply to delinquent taxes committed during the taxable year until those taxes are paid in full and the interest shall be added to and become part of the taxes. [1987, c. 737, Pt. C, §§79, 106 (AMD); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 63, (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD).]

SECTION HISTORY
1977, c. 27, §8 (NEW). 1981, c. 142, (AMD). 1983, c. 595, (AMD). 1987, c. 737, §§C79,C106 (AMD). 1989, c. 6, (AMD). 1989, c. 9, §2 (AMD). 1989, c. 63, (AMD). 1989, c. 104, §§C8,C10 (AMD).

§893. COLLECTOR LIABLE TO INHABITANTS

A delinquent tax collector shall at all times be answerable to the inhabitants of his municipality for all sums which they have been obliged to pay by means of his deficiency and for all consequent damages.

§894. DELINQUENT TAX COLLECTORS; FORFEITURE

Any tax collector who refuses to collect a state, county or municipal tax as required by law, or who shall knowingly omit or fail to perform any duty imposed upon him by law, commits a civil violation for which a forfeiture not to exceed $100 may be adjudged. [1977, c. 696, §268 (RPR).]

SECTION HISTORY
1977, c. 696, §268 (RPR).

§895. WARRANT FORM; FOR COMPLETION OF COLLECTION BY TREASURER

The State Tax Assessor shall prescribe the form of the warrant for use by the municipal treasurer where the tax collector has failed to collect and pay the taxes to the treasurer as required. [1975, c. 765, §15 (RPR).]

SECTION HISTORY
1973, c. 620, §33 (AMD). 1975, c. 765, §15 (RPR).

§896. PERSONAL PROPERTY DISTRAINED; SOLD AS ON EXECUTION

Any officer selling personal property, distrained under a treasurer's warrant against a tax collector or against the inhabitants of a municipality, shall proceed as in the sale of such property on execution.

§897. REAL ESTATE LEVIED ON; SOLD AS ON EXECUTION

When a treasurer's warrant of distress is levied on the real estate of a delinquent tax collector or against the inhabitants of a municipality, the officer shall proceed as in the sale of such property on execution.

§898. COLLECTOR TO ACCOUNT WHEN TAKEN ON EXECUTION

When any tax collector is taken on execution under section 895, the municipal officers may demand of him a true copy of the tax lists, with the evidence of all payments made thereon. If he complies with this demand, he shall receive such credit as the municipal officers, on inspection of the tax lists, adjudge him entitled to, and account for the balance; but if he refuses, he shall forthwith be committed to jail by the officer who so took him or by a warrant from a justice of the peace, there to remain until he complies. [1987, c. 736, §56 (AMD).]

SECTION HISTORY
1981, c. 456, §A120 (AMD). 1987, c. 736, §56 (AMD).

§899. MUNICIPALITIES MAY CHOOSE ANOTHER TAX COLLECTOR

The same municipality may, at any time, proceed to the choice of another collector, to complete the collection of taxes, who shall be sworn and give the security required of the first collector. The assessors or, in the case of primary assessing areas, the municipal officers shall deliver to him the uncollected assessments, with a proper warrant for their collection, and he shall proceed as prescribed. [1973, c. 695, §24 (AMD).]

SECTION HISTORY
1973, c. 620, §34 (AMD). 1973, c. 695, §24 (AMD).

§900. PAYMENTS TO FORMER COLLECTOR IN DISPUTE; PROCEDURE

When the tax of any person named in said tax lists does not thereby appear to have been paid, but such person declares that it was paid to the former tax collector, the new tax collector shall not distrain or commit him without a vote of the municipal officers.

§901. REMEDY OF OWNERS OF PROPERTY TAKEN FOR DEFAULT OF OTHERS

When the estate of an inhabitant of a municipality, who is not a tax collector thereof, is levied upon and taken as mentioned in section 891, he may maintain an action against such municipality, and recover the full value of the estate so levied on, with interest at the rate of 20% from the time it was taken, with costs. Such value may be proved by any other legal evidence, as well as by the result of the sale under such levy.

§902. AMENDMENTS PERMITTED IN ACTIONS TO COLLECT TAXES

At the trial of any action for the collection of taxes, or of any civil action involving the validity of any sale of real estate for nonpayment of taxes, or involving any tax lien certificate under sections 942 and 943 and the title to real estate acquired upon foreclosure of the tax lien mortgage, if it shall appear that the tax in question was lawfully assessed, the court may permit the tax collector or other officer to amend his record, return, deed or certificate in accordance with the fact, when circumstantial errors or defects appear therein, provided the rights of 3rd parties are not injuriously affected thereby. If a deed be so amended, and the amended deed be thereupon recorded, it shall have the same effect as if it had been originally made in its amended form.

§903. DEFENDANT ESTOPPED TO DENY TITLE; EXCEPTIONS

In all civil actions to enforce the collection of a tax on real estate, if it appears that on April 1st of the year for which such tax was assessed, the record title to the real estate listed was in the defendant, he shall not deny his title thereto. If any owner of real estate who has conveyed the same shall forthwith file a copy of the description as given in his deed with the date thereof and the name and last known address of his grantee, in the registry of deeds where such deed should be recorded, he shall be free from any liability under this section.

§904. TREASURER'S RECEIPT AS EVIDENCE OF REDEMPTION

The municipal treasurer's receipt or certificate of payment of a sufficient sum to redeem any real estate taxed shall be legal evidence of such payment and redemption.

§905. MUNICIPALITIES MAY SET OFF MONEYS DUE AGAINST TAXES

Subject to the approval of the municipal officers, the treasurer or any disbursing officer of any municipality may, and if so requested by the tax collector shall, withhold payment of any money then due and payable to any taxpayer whose taxes are due and wholly or partially unpaid, to an amount not in excess of the unpaid taxes together with any interest and costs. The sum withheld shall be paid to the tax collector, who shall, if required, give a receipt in writing therefor to the officer withholding payment and to the taxpayer. The tax collector's rights under this section shall not be affected by any assignment or trustee process.

§906. APPLICATION OF PAYMENTS TO UNPAID TAXES

The municipal officers of a municipality may, upon request of the municipal treasurer or the tax collector, require that any tax payment received from an individual as payment for any property tax be applied against outstanding or delinquent taxes due on that property in chronological order beginning with the oldest unpaid tax bill. Taxes may not be applied to a period for which an abatement request or appeal has not been resolved unless approved in writing by the taxpayer. [1985, c. 653, (NEW).]

SECTION HISTORY
1985, c. 653, (NEW).

Article 2: ENFORCEMENT OF LIEN ON REAL ESTATE

§941. CIVIL ACTION WITH SPECIAL ATTACHMENTS; PROCEDURE

The lien on real estate created by section 552 may be enforced in the following manner.

The tax collector may, after the expiration of 8 months and within one year from the date of original commitment of the tax or, in the case of deferred taxes pursuant to chapter 908-A, after the due and payable date established pursuant to section 6271, subsection 5, give to the person against whom the tax is assessed, or leave at the person's last and usual place of abode, or send by registered mail to the person's last known address, a notice in writing signed by said tax collector stating the amount of the tax, describing the real estate on which the tax is assessed and demanding the payment of such tax within 10 days after service of such notice. [2009, c. 489, §1 (AMD).]

After the expiration of said 10 days a civil action for the collection of the tax may be brought in the county where the real estate lies, against the person to whom said tax is assessed. Such action may be brought in the name of the tax collector or the municipal officers may in writing direct the action to be brought in the name of the municipality. Such action shall be begun by a writ of attachment commanding the officer serving it to specially attach the real estate upon which the lien is claimed, which shall be served as other writs of attachment to enforce liens on real estate.

The complaint in such action shall contain a statement of such tax, a description of the real estate contained in said notice and an allegation that a lien is claimed on said real estate to secure the payment of the tax. If no service is made upon the defendant, or if it shall appear that other persons are interested in such real estate, the court shall order such notice of said action as appears proper and shall allow such other persons to become parties thereto.

If it shall appear upon trial of said action that the tax was legally assessed on said real estate, and is unpaid, and that there is an existing lien on said real estate for the payment of the tax, judgment shall be rendered for the tax, interest and costs of suit against the defendants and against the real estate attached, and execution shall issue thereon to be enforced by the sale of such real estate in the manner provided for in a sale on execution of real estate attached on original writs. In all actions brought in the Superior Court under this section or section 1284, full costs shall be recovered notwithstanding the amount of the judgment be $20 or less.

Any person interested in the real estate may redeem it at any time within one year after its sale by the officer on that execution by paying the amount for which it was sold with interest at the rate determined by the State Tax Assessor pursuant to section 186. [1981, c. 706, §12 (AMD).]

This section shall not affect any other provision of law for the enforcement and collection of taxes upon real estate.

SECTION HISTORY
1981, c. 706, §12 (AMD). 2009, c. 489, §1 (AMD).

§942. TAX LIEN CERTIFICATE; PROCEDURE

Except as provided in section 942-A, liens on real estate created by section 552, in addition to other methods established by law, may be enforced in the following manner. [1987, c. 358, §3 (AMD).]

The tax collector may, after the expiration of 8 months and within one year after the date of original commitment of a tax or, in the case of deferred taxes pursuant to chapter 908-A, after the due and payable date established pursuant to section 6271, subsection 5, give to the person against whom the tax is assessed, or leave at the person's last and usual place of abode, or send by certified mail, return receipt requested, to the person's last known address, a notice in writing signed by the tax collector or bearing the tax collector's facsimile signature, stating the amount of the tax, describing the real estate on which the tax is assessed, alleging that a lien is claimed on the real estate to secure the payment of the tax, and demanding the payment of the tax within 30 days after service or mailing of the notice with $3 for the tax collector for making the demand together with the certified mail, return receipt requested, fee. In the case of taxes supplementally assessed, the tax collector may give that notice after the expiration of 8 months and within one year after the date of commitment of the supplementally assessed taxes. If an owner or occupant of real estate to whom the real estate is taxed dies before that demand is made on that owner or occupant, the demand may be made upon the personal representative of that owner's or occupant's estate or upon any of that owner's or occupant's heirs or devisees. [2009, c. 489, §2 (AMD).]

After the expiration of the 30 days and within 10 days thereafter, the tax collector shall record in the registry of deeds of the county or registry district where the real estate is situated a tax lien certificate signed by the tax collector or bearing his facsimile signature, setting forth the amount of the tax, a description of the real estate on which the tax is assessed and an allegation that a lien is claimed on the real estate to secure the payment of the tax, that a demand for payment of the tax has been made in accordance with this section, and that the tax remains unpaid. When the undivided real estate of a deceased person has been assessed to his heirs or devisees without designating any of them by name it will be sufficient to record in said registry a tax lien certificate in the name of the heirs or the devisees of said decedent without designating them by name. [1979, c. 613, §2 (AMD).]

At the time of the recording of the tax lien certificate in the registry of deeds, in all cases the tax collector shall file with the municipal treasurer a true copy of the tax lien certificate and shall hand deliver or send by certified mail, return receipt requested, to each record holder of a mortgage on that real estate, to the holder's last known address, a true copy of the tax lien certificate. If the real estate has not been assessed to its record owner, the tax collector shall send by certified mail, return receipt requested, a true copy of the tax lien certificate to the record owner. [1993, c. 422, §6 (AMD).]

The costs to be paid by the taxpayer are the sum of the fees for recording and discharge of the lien as established by Title 33, section 751, 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. In the case of a lien in effect pursuant to chapter 908-A, the costs to be paid include interest in the amount established under section 6271, subsection 3. Upon redemption, the municipality shall prepare and record a discharge of the tax lien mortgage. [2009, c. 489, §3 (AMD).]

The municipality shall pay the tax collector $3 for the notice, $1 for filing the tax lien certificate and the amount paid for certified mail, return receipt requested, fees. The fees for recording the tax lien certificate and for discharging the tax lien mortgage must be paid by the municipality to the register of deeds. [1995, c. 57, §6 (AMD).]

SECTION HISTORY
1973, c. 536, §26 (AMD). 1975, c. 770, §§203,204 (AMD). 1977, c. 422, §2 (AMD). 1977, c. 479, §§17-18 (AMD). 1977, c. 630, §§7,8 (AMD). 1979, c. 114, (AMD). 1979, c. 613, §§1,2 (AMD). 1983, c. 407, §§2,3 (AMD). 1987, c. 358, §3 (AMD). 1991, c. 846, §9 (AMD). 1993, c. 422, §6 (AMD). 1995, c. 57, §6 (AMD). 2009, c. 489, §§2, 3 (AMD).

§942-A. AGGREGATE TAX LIEN CERTIFICATE FOR TIME-SHARE UNITS; PROCEDURE

Liens created by section 552 on time-share units owned by the same person and in the same time-share project, in addition to other methods established by law, may be enforced in the following manner if requested by the taxpayer prior to notification of filing of a tax lien certificate. [1987, c. 358, §4 (NEW).]

1. **Aggregate notice.** If a taxpayer owns more than one time-share unit in the same project, the tax collector may send the notice required by section 942 to be sent before filing the tax lien certificate as one aggregate notice covering all time-share units owned by that taxpayer. The tax collector must specifically describe all units on which the taxes are due and which will be covered by the tax lien certificate by listing each unit in the notice or by appending to the notice a list or computer printout describing the units. The notice must state if a list or printout is appended.

[1987, c. 358, §4 (NEW) .]

2. **Aggregate tax lien certificate.** If a taxpayer owns more than one time-share unit in the same project, the tax collector shall specifically describe all units covered by the aggregate tax lien certificate by listing each unit on the certificate or by appending to the certificate a list or computer printout describing the units. The certificate must state if a list or printout is appended.

[1987, c. 358, §4 (NEW) .]

3. **Total or partial discharge.** The taxpayer may discharge all the liens included in the aggregate tax lien certificate by payment of all the taxes due on all the tax liens, plus the fees required by subsection 4. The taxpayer may discharge less than all the liens included in the aggregate tax lien certificate by payment of all the taxes due on one or more of the time-share units, plus the fees required by subsection 5 for each partial discharge.

[1987, c. 358, §4 (NEW) .]

4. **Total discharge.** The taxpayer shall pay the following fees for the total discharge of liens covered by the aggregate tax lien certificate:

A. Thirty-five cents per time-share unit listed for the tax collector, for making one aggregate notice and demand for payment of all the assessed taxes on all time-share units owned by the taxpayer together with the certified mail, return receipt requested, fee; [1987, c. 358, §4 (NEW).]

B. The fees established by Title 33, section 751 for the register of deeds for recording one aggregate tax lien certificate; [1991, c. 846, §10 (AMD).]

C. The fees established by Title 33, section 751 for the register of deeds for recording one aggregate discharge of the tax lien mortgage; [1991, c. 846, §10 (AMD).]

D. Ten dollars; and [1987, c. 358, §4 (NEW).]

E. Three dollars established by section 943 for sending one aggregate notice 30 to 45 days prior to the foreclosing date of the tax lien mortgage if that notice is actually sent and all the certified mail, return receipt requested, fees. [1987, c. 358, §4 (NEW).]

[1991, c. 846, §10 (AMD) .]

5. **Partial discharge.** The taxpayer shall pay the following fees for the partial discharge of liens covered by the aggregate tax lien certificate:

A. Thirty-five cents per time-share unit listed for the tax collector for making one aggregate notice and demand for payment of all the assessed taxes on all time-share units owned by the taxpayer together with the certified mail, return receipt requested, fee; [1987, c. 358, §4 (NEW).]

B. The fees established by Title 33, section 751 for the register of deeds for recording one aggregate tax lien certificate; [1991, c. 846, §11 (AMD).]

C. 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; [1991, c. 846, §11 (AMD).]

D. Ten dollars; and [1987, c. 358, §4 (NEW).]

E. Three dollars established by section 943 for sending one aggregate notice 30 to 45 days prior to the foreclosing date of the tax lien mortgage if that notice is actually sent and all the certified mail, return receipt requested, fees. [1987, c. 358, §4 (NEW).]

[1991, c. 846, §11 (AMD) .]

6. **Application.** This section applies to all taxes assessed on time-share units on or after April 1, 1986.

[1987, c. 358, §4 (NEW) .]

7. **Effect on foreclosure procedure.** A partial discharge does not affect the foreclosure date for any liens not discharged.

[1987, c. 358, §4 (NEW) .]

SECTION HISTORY
1987, c. 358, §4 (NEW). 1991, c. 846, §§10,11 (AMD).

§943. TAX LIEN MORTGAGE; REDEMPTION; DISCHARGE; FORECLOSURE

The filing of the tax lien certificate in the registry of deeds shall create a tax lien mortgage on said real estate to the municipality in which the real estate is situated having priority over all other mortgages, liens, attachments and encumbrances of any nature, and shall give to said municipality all the rights usually incident to a mortgagee, except that the municipality shall not have any right of possession of said real estate until the right of redemption shall have expired.

The filing of the tax lien certificate in the registry of deeds shall be sufficient notice of the existence of the tax lien mortgage.

In the event that the tax, interest and costs underlying the tax lien are paid within the period of redemption, the municipal treasurer or assignee of record shall prepare and record a discharge of the tax lien mortgage in the same manner as is now provided for the discharge of real estate mortgages, except that a facsimile signature of the treasurer or treasurer's assignee may be used. [2011, c. 104, §1 (AMD).]

If the tax lien mortgage, together with interest and costs, shall not be paid within 18 months after the date of the filing of the tax lien certificate in the registry of deeds, the said tax lien mortgage shall be deemed to have been foreclosed and the right of redemption to have expired.

The municipal treasurer shall notify the party named on the tax lien mortgage and each record holder of a mortgage on the real estate not more than 45 days nor less than 30 days before the foreclosing date of the tax lien mortgage, in a writing signed by the treasurer or bearing the treasurer's facsimile signature and left at the holder's last and usual place of abode or sent by certified mail, return receipt requested, to the holder's last known address of the impending automatic foreclosure and indicating the exact date of foreclosure. For sending this notice, the municipality is entitled to receive $3 plus all certified mail, return receipt requested, fees. These costs must be added to and become a part of the tax. If notice is not given in the time period specified in this section to the party named on the tax lien mortgage or to any record holder of a mortgage, the person not receiving timely notice may redeem the tax lien mortgage until 30 days after the treasurer does provide notice in the manner specified in this section. [1993, c. 422, §7 (AMD).]

Beginning with taxes that are assessed after April 1, 1985, the notice of impending automatic foreclosure shall be substantially in the following form:

STATE OF MAINE
NOTICE OF IMPENDING AUTOMATIC FORECLOSURE
Title 36, M.R.S.A. Section 943

IMPORTANT: DO NOT DISREGARD
THIS NOTICE. YOU WILL LOSE
YOUR PROPERTY UNLESS YOU PAY
YOUR 19 PROPERTY TAXES,
INTEREST AND COSTS.

TO:

You are the party named on a tax lien certificate filed on , 19 , and recorded in Book , Page in the County Registry of Deeds. This filing has created a tax lien mortgage on the real estate described therein.

On , 19 , the tax lien mortgage will be foreclosed and your right to recover your property by paying the taxes, interest and costs that are owed will expire.

IF THE TAX LIEN FORECLOSES,
THE MUNICIPALITY WILL OWN
YOUR PROPERTY.

If you cannot pay the property taxes you owe please contact me to discuss this notice.

Municipal Treasurer

After the expiration of the 18-month period for redemption, the mortgagee of record of said real estate or his assignee and the owner of record if the said real estate has not been assessed to him or the person claiming under him shall, in the event the notice provided for said mortgagee and said owner has not been given as provided in section 942, have the right to redeem the said real estate within 3 months after receiving actual knowledge of the recording of the tax lien certificate by payment or tender of the amount of the tax lien mortgage, together with interest and costs, and the tax lien mortgage shall then be discharged by the owner thereof in the manner provided.

The tax lien mortgage shall be prima facie evidence in all courts in all proceedings by and against the municipality, its successors and assigns, of the truth of the statements therein and after the period of redemption has expired, of the title of the municipality to the real estate therein described, and of the regularity and validity of all proceedings with reference to the acquisition of title by such tax lien mortgage and the foreclosure thereof.

Whenever the person against whom the tax is assessed shall have died after the tax has been committed and prior to the expiration of the 18-months period of foreclosure and such person shall have left a will offered for probate, the probate judge of the county wherein said will is offered upon petition of any devisee of the real estate on which said tax is unpaid may grant a period of redemption not to exceed 60 days

following the final allowance or disallowance of said will. Notice of said petition shall be given to the tax collector of the town wherein said property is located and a certified copy of the court order shall be filed in the registry of deeds of the county wherein the property is located.

A discharge of a municipal tax lien mortgage given after the right of redemption has expired, which discharge has been recorded in the Registry of Deeds for more than one year, terminates all title of the municipality derived from such tax lien mortgage or any other recorded tax lien mortgage for which the right of redemption expired 10 years or more prior to the foreclosure date of this discharged lien, unless the municipality has conveyed any interest based upon the title acquired from any of the affected liens. This paragraph applies to discharges of municipal tax lien mortgages given after October 1, 1935. [1991, c. 245, §1 (AMD); 1991, c. 245, §2 (AFF).]

When a municipality conveys the premises back to the former record titleholder or to a successor of that holder who obtained title before the foreclosure for a consideration of the taxes and costs due, the rights of the other parties claiming an interest of record in the premises at the time of foreclosure, including mortgagees, lien creditors or other secured parties, are revived as if the tax lien mortgage had not been foreclosed. [1993, c. 373, §4 (NEW).]

SECTION HISTORY
1973, c. 368, (AMD). 1975, c. 474, §1 (AMD). 1975, c. 770, §205 (AMD). 1977, c. 630, §9 (AMD). 1981, c. 29, (AMD). 1983, c. 407, §4 (AMD). 1985, c. 364, §1 (NEW). 1985, c. 364, §1 (AMD). 1989, c. 766, (AMD). 1991, c. 245, §1 (AMD). 1991, c. 245, §2 (AFF). 1993, c. 373, §4 (AMD). 1993, c. 422, §7 (AMD). 2011, c. 104, §1 (AMD).

§943-A. APPLICATION FOR ABATEMENT

Each notice under sections 942 and 1281 that is sent by a municipality or the State Tax Assessor to a person on whose primary residence taxes have been assessed must contain a statement that that person may apply for an abatement of those taxes if the person cannot pay the taxes that have been assessed because of poverty or hardship. [2011, c. 624, §2 (AMD).]

SECTION HISTORY
1985, c. 364, §2 (NEW). 2005, c. 169, §2 (AMD). 2011, c. 624, §2 (AMD).

§943-B. CREDIT REPORTING; PAYMENT DURING REDEMPTION PERIOD

If a municipality takes action under section 942 or 943 to enforce a lien in effect pursuant to chapter 908-A that results in a record of a lien in a party's name being placed in that party's file with a consumer reporting agency, that lien must be considered inaccurate information under 15 United States Code, Section 1681i if the party submits proof to the consumer reporting agency that the deferred taxes were paid during the 18-month redemption period provided for in section 943. [2013, c. 588, Pt. C, §20 (AMD).]

SECTION HISTORY
2009, c. 489, §4 (NEW). 2013, c. 588, Pt. C, §20 (AMD).

§944. FORECLOSURE FOR EQUITABLE RELIEF, PROCEDURE

A tax lien mortgage filed in accordance with sections 942 and 943 may be foreclosed by an action for equitable relief in the following manner.

1. **Waiver of foreclosure.** The municipal treasurer, when so authorized by the inhabitants of the municipality, or in the case of a city by the legislative body thereof, may waive the foreclosure of a tax lien mortgage by recording a waiver of foreclosure in the registry of deeds in which the tax lien certificate is recorded before the right of redemption therefrom shall have expired.

The tax lien mortgage, after the recording of such waiver, shall then continue to be in full force and effect.

2. **Form.** The waiver of foreclosure must be substantially in the following form:

The foreclosure of the tax lien mortgage on real estate for a tax assessed against ..... to ..... dated ..... (name) (name of municipality) and recorded in ..... registry of deeds in Book ...., Page .... is hereby waived.

Dated this ..... date of ..... 20..

..... A.B. .....
Treasurer of .....

State of Maine
..... ss. ..... 20....

Then personally appeared the above named ..... A.B. ..... Treasurer and acknowledged the foregoing instrument to be a free act and deed in the Treasurer's said capacity.

Before me, ...
.....
Notary Public

The form required by this subsection must be dated, signed by the treasurer or bear the treasurer's facsimile signature and notarized.

A charge to the municipality of 50¢ for the waiver of foreclosure and the charges of the registry of deeds for the recording of the waiver in accordance with the fees set forth in Title 33, section 751, subsection 1 must be included in the amount secured by the tax lien mortgage.

[2011, c. 104, §2 (AMD) .]

3. **Foreclosure of tax lien mortgage.** If said tax lien mortgage together with interest and costs shall not be paid within 6 months after the date of recording the waiver of foreclosure thereof, the tax lien mortgage may be foreclosed in an action for equitable relief.

4. **Right of redemption.** In such action the court shall provide a period for the exercise of the right of redemption from the tax lien mortgage which shall expire in not less than 90 days from the decree of the court and in no event before the expiration of 18 months from the date of filing of the tax lien certificate in the registry of deeds as provided in section 942.

SECTION HISTORY
1981, c. 557, §4 (AMD). 1987, c. 736, §57 (AMD). 2011, c. 104, §2 (AMD).

§945. FORECLOSURE IN ACTION FOR EQUITABLE RELIEF; ALTERNATIVE PROCEDURE; CLASS ACTION

In addition to and as an alternative to the proceedings for foreclosure of a tax lien mortgage under section 944, a municipality may, provided a waiver of foreclosure thereof has been recorded in accordance with section 944, foreclose any tax lien mortgage held by the municipality for a period of at least 4 years from the date of filing of the tax lien certificate in the registry of deeds by an action in rem for equitable relief in the following manner:

1. **Action in rem for equitable relief.** Such actions may be commenced on or before the first day of April in each year and each such action shall relate only to tax lien mortgages arising from taxes assessed in a given year. The action in rem for equitable relief shall be entitled substantially as follows: (Name of municipality) against all persons having, or claiming to have, an interest in sundry parcels of real estate in (name of municipality) for the foreclosure of tax lien mortgages arising from taxes assessed in the year ..... the defendants in said action shall be described as aforesaid in lieu of naming them.

2. **Complaint.** The municipality shall set forth in substance in the complaint the following:

A. That the municipality holds the tax lien mortgages referred to in the complaint;

B. That the tax lien mortgages arose from taxes assessed in a given year;

C. That the real estate described in the tax lien mortgages is located in (name of municipality), and the tax lien mortgages are recorded in a named registry of deeds.

D. The municipality shall further set forth in the complaint with respect to each tax lien mortgage in substance the following:

That a tax of $..... was duly assessed against ..... (name of person) on real estate bounded and described as follows:..... for the year ....; that on .... (date) a tax lien certificate thereon was recorded in .... County registry of deeds in Book ...., Page ....; that on .... (date) a waiver of foreclosure thereof was recorded in said registry of deeds in Book ...., Page ....; that said tax of $....., costs to date of $....., together with interest at ..... percent per annum from ..... (date) is and still remains unpaid.

3. **Notice.** The court shall order that notice of the pendency of the complaint be given to the defendants:

A. By publication of a true copy of the complaint and the order of notice thereon, attested by the clerk of courts, in a newspaper published or printed in whole or in part in the county where the municipality is situated, if any, or if none, in the state paper, once a week for 3 successive weeks with the last publication not less than 30 days before the time set for appearance of the defendants;

B. By posting a true copy of the complaint and the order of notice thereof, attested by the clerk of courts, in at least 3 public places within the municipality not less than 30 days before the time set for appearance of the defendants; and

C. By mailing a copy of the published notice to the defendants at their last known addresses.

4. **No personal judgment.** In such action, no personal judgment against a defendant shall be entered. Each person answering the complaint shall have the right to the severance of the action as to the parcel of real estate in which he is interested.

§946. ACTION FOR EQUITABLE RELIEF AFTER PERIOD OF REDEMPTION; PROCEDURE

A municipality which has become the purchaser at a sale of real estate for nonpayment of taxes or which as to any real estate has pursued the alternative method for the enforcement of liens for taxes provided in sections 942 and 943, whether in possession of such real estate or not, after the period of redemption from such sale or lien has expired, may maintain an action for equitable relief against any and all persons who claim or may claim some right, title or interest in the premises adverse to the estate of such municipality.

Any purchaser or his successors in interest from a municipality of real estate or lien thereon acquired by a municipality as a purchaser at a sale thereof for nonpayment of taxes, or acquired under the alternative method for the enforcement of liens for taxes provided in sections 942 and 943, whether in possession of such real estate or not, after the period of redemption from such sale or lien has expired, may maintain an action for equitable relief against any and all persons who claim or may claim some right, title or interest in the premises adverse to the estate of such municipality or purchaser. [1973, c. 646, (AMD).]

No municipal officer shall, while holding municipal office, acquire from that municipality any interest in real estate acquired by that municipality on account of nonpayment of taxes, unless such sale occurs by sealed bid after duly advertising the same at least twice during a 7-day period prior to the acceptance of bids. Any town official who submits a sealed bid shall not take part in the bid acceptance process except that a municipal officer may purchase tax acquired property if the property was owned by the municipal officer's son, daughter, spouse or parent immediately prior to its acquisition by the municipality and if such purchase is authorized by the municipality. [1975, c. 347, (NEW).]

1. **Service.** Service shall be made as in other actions on all defendants who can with due diligence be personally served within the State. If any defendants cannot be so served or are described in the complaint as being unascertained, service shall be made by publication as in other actions in which publication is required. A copy of the published notice shall be mailed to all known defendants at their last known addresses if they have not been personally served.

If, after notice has been given or served as ordered by the court and the time limited in such notice for the appearance of the defendants has expired, the court finds that there are or may be defendants who have not been actually served with process and who have not appeared in the action, it may of its own motion, or on the representation of any party, appoint an agent, guardian ad litem or next friend for any such defendant, and if any such defendants have or may have conflicting interests, it may appoint different agents, guardians ad litem or next friends to represent them. The cost of appearance of any such agent, guardian ad litem or next friend, including the cost of compensation of his counsel, shall be determined by the court and paid by the plaintiff, against whom execution may issue therefor in the name of the agent, guardian ad litem or next friend.

[1965, c. 281, (AMD) .]

2. **Decree; effect.** The plaintiff in such action shall pray the court to establish and confirm its title to the premises described in the complaint as against all the defendants named or described therein, and if upon hearing the court shall find the plaintiff's title so to be good it shall make and enter its decree accordingly, which decree when recorded in the registry of deeds for the county or district where the real estate lies shall have the effect of a deed of quitclaim of the premises involved in the action from all the defendants named or described therein to the plaintiff.

3. **Jury.** If the cause is tried in the Superior Court, issues of fact may be framed upon application of any party to be tried by a jury whose verdict shall have the same effect as the verdict of a jury in other civil actions.

[1975, c. 54, §2 (AMD) .]

SECTION HISTORY
1965, c. 281, (AMD). 1973, c. 646, (AMD). 1975, c. 54, §2 (AMD). 1975, c. 347, (AMD).

§946-A. TAX-ACQUIRED PROPERTY AND THE RESTRICTION OF TITLE ACTION

(REPEALED)

SECTION HISTORY
1993, c. 82, §1 (NEW). 1995, c. 20, §1 (RPR). 2013, c. 521, Pt. D, §1 (RP).

§946-B. TAX-ACQUIRED PROPERTY AND THE RESTRICTION OF TITLE ACTION

1. **Tax liens recorded after October 13, 2014.** A person may not commence an action against the validity of a governmental taking of real estate for nonpayment of property taxes upon the expiration of a 5-year period immediately following the expiration of the period of redemption. This subsection applies to a tax lien recorded after October 13, 2014.

[2013, c. 521, Pt. D, §2 (NEW) .]

2. **Tax liens recorded after October 13, 1993 and on or before October 13, 2014.** A person may not commence an action against the validity of a governmental taking of real estate for nonpayment of property taxes after the earlier of the expiration of a 15-year period immediately following the expiration of the period of redemption and October 13, 2019. This subsection applies to a tax lien recorded after October 13, 1993 and on or before October 13, 2014.

[2013, c. 521, Pt. D, §2 (NEW) .]

3. **Tax liens recorded on or before October 13, 1993.** For a tax lien recorded on or before October 13, 1993, a person must commence an action against its validity no later than 15 years after the expiration of the period of redemption or no later than July 1, 1997, whichever occurs later.

[2013, c. 521, Pt. D, §2 (NEW) .]

4. **Disability or lack of knowledge.** Disability or lack of knowledge of any kind does not suspend or extend the time limits provided in this section.

[2013, c. 521, Pt. D, §2 (NEW) .]

SECTION HISTORY
2013, c. 521, Pt. D, §2 (NEW).

§947. PRESUMPTION OF VALIDITY

In an action to foreclose a tax lien mortgage under sections 944, 945, or 946, the proceedings from and including the assessment of the tax upon which such tax lien mortgage is based to and including the time of filing the complaint in such action need not be set forth in the complaint, pleaded or proved and shall be presumed to be valid. A defendant alleging any invalidity or defect in such proceedings must specify in his answer such invalidity or defect and must establish such defense.

§948. SUPPLEMENTAL ASSESSMENTS; ENFORCEMENT OF LIEN

When taxes are assessed under section 713, the lien upon real estate shall be enforced as provided in sections 941 to 943; except that if real estate shall have been transferred to a bona fide purchaser for value since the assessment was omitted or invalidly made with the transfer duly recorded, prior to the date of the supplemental assessment, the lien shall terminate.

Article 3: DISTRAINT OR ARREST

§991. DISTRAINT FOR TAXES; PROCEDURE; SALE

If any resident or nonresident taxpayer after a reasonable demand refuses or neglects to pay any part of the tax assessed against him in accordance with this chapter, the tax collector may distrain him in any part of the State by any of his goods and chattels not exempt from attachment for debt, for the whole or any part of his tax, and may keep such distress for not less than 4 days nor more than 7 days at the expense of the owner, and if he does not pay his tax within that time, the distress shall be openly sold at vendue by the tax collector after the 4th day but on or before the 7th day. The place of sale may be other than where the tax was assessed or where the property was seized. Notice of such sale shall be posted in some public place in the municipality where the tax was assessed and in the place where the sale is to be held at least 48 hours before the time set for sale. [1975, c. 623, §55 (AMD).]

SECTION HISTORY
1965, c. 425, §20B (AMD). 1975, c. 623, §55 (AMD).

§992. DISPOSITION OF SURPLUS

The officer, after deducting the tax and expense of sale, shall restore the balance to the former owner, with a written account of the sale and charges. For distress for nonpayment of taxes the officer shall have the same fees as for levying executions, but his travel shall be computed only from his dwelling house to the place where it is made.

§993. ARREST; NOTICE; PROCEDURE; FEES

If any resident or nonresident taxpayer assessed in accordance with this chapter, for 12 days after demand, refuses or neglects to pay his tax and to show the tax collector sufficient goods and chattels to pay it, such officer may arrest him in the county where found and commit him there to jail, until he pays it or is discharged by law. [1975, c. 623, §56 (AMD).]

If the tax collector thinks that there are just grounds to fear that such person may abscond before the end of said 12 days, the tax collector may demand immediate payment and, on failure to pay, he may commit such person as provided.

For commitment for nonpayment of taxes, the tax collector shall have the same fees as sheriffs have for levying executions, but his travel shall be computed only from his dwelling house to the place of commitment.

SECTION HISTORY
1965, c. 425, §20C (AMD). 1975, c. 623, §56 (AMD).

§994. COLLECTOR MAY ISSUE WARRANT OF DISTRESS TO SHERIFF

Any tax collector after 3 months from the date of commitment may issue his warrant to the sheriff of any county, or his deputy, or to a constable of his municipality, directing him to distrain the person or property of any taxpayer not paying his taxes, which warrant shall be of the same tenor as that prescribed to be issued to tax collectors with the appropriate changes returnable to the tax collector issuing the same in 30, 60 or 90 days. [1973, c. 620, §35 (AMD).]

SECTION HISTORY
1973, c. 620, §35 (AMD).

§995. WARRANT OF DISTRESS; SERVICE, NOTICE, FEES

Before the officer serves any such warrant, he shall deliver to the taxpayer or leave at his last and usual place of abode a summons from said tax collector stating the amount of tax due, and that it must be paid within 10 days from the time of leaving such summons. If not so paid, the officer shall serve such warrant the same as tax collectors may do and shall receive the same fees as for levying executions in personal actions.

For the service of such warrant, the officer shall have the same fees as sheriffs have for serving warrants, but his travel shall be computed only from his place of abode to place of service.

§996. DISTRAINT BEFORE TAX DUE TO PREVENT LOSS

When a tax collector has reason to believe that there is danger of losing, by delay, a tax assessed upon any taxpayer, at any time after commitment:

1. **Warrant issued.** He may issue the warrant provided for in section 994 prior to the expiration of the 3-month period; or

2. **When served.** He may in the warrant authorized by section 994, or in subsection 1, direct the officer to demand immediate payment, and if not so paid, the officer shall serve such warrant without further notice; or

3. **When notice period unexpired.** He may, after the issuance of such warrant, in writing direct the officer to whom the warrant has been issued to demand immediate payment, and if not so paid to serve such warrant without further notice notwithstanding any unexpired portion of the 10-day notice period required by section 995; or

4. **Distrain or arrest.** He may himself demand immediate payment and upon failure he may distrain the property or arrest the person of such taxpayer.

§997. ARREST AND COMMITMENT; PROCEDURE

When a tax collector or any officer by virtue of a warrant, for want of property, arrests any person and commits him to jail, he shall give an attested copy of his warrant to the jailer and certify, under his hand, the sum that such person is to pay as his tax and the costs of arresting and committing, and that for want of goods and chattels whereon to make distress, he has been arrested. Such copy and certificate are a sufficient warrant to require the jailer to receive and keep such person in custody until he pays his tax, charges and 33¢ for the copy of the warrant. Such person shall have the same rights and privileges as a debtor arrested or committed on execution in favor of a private creditor.

§998. COLLECTOR LIABLE UNLESS HE COMMITS WITHIN ONE YEAR

When a person imprisoned for not paying his tax is discharged, the tax collector committing him shall not be discharged from such tax without a vote of the municipality, unless the taxpayer was imprisoned within one year after the date of commitment of such tax.

Article 4: CIVIL ACTION

§1031. COLLECTOR MAY BRING ACTION IN OWN NAME

Any tax collector or his executor or administrator may bring a civil action in his own name for any tax, and no Judge of any District Court before whom such action is brought is incompetent to try the same by reason of his residence in the municipality assessing said tax. No defendant is liable for any costs of the action, unless it appears by the complaint and by proof that payment of said tax had been duly demanded before the action.

§1032. ACTION MAY BE BROUGHT IN NAME OF MUNICIPALITY

In addition to other provisions for the collection of taxes, the municipal officers of any municipality to which a tax is due may in writing direct a civil action to be commenced in the name of such municipality against the party liable; but no such defendant is liable for any costs of the action, unless it appears by the declaration and by proof that payment of said tax had been duly demanded before the action.

Article 5: SALE OF REAL ESTATE

§1071. COLLECTOR'S TAX AUCTION SALE; NOTICE; PROCEDURE

If any tax on real estate remains unpaid on the first Monday in February next after said tax was assessed, the tax collector shall sell at public auction so much of such real estate as is necessary for the payment of said tax, interest and all the charges, at 9 o'clock in the forenoon of said first Monday in February at the office of the tax collector or at the place where the last preceding annual municipal meeting was held. In case of the absence or disability of the tax collector, the sale shall be made by some constable of the municipality who shall have the same powers as the tax collector.

In the case of the real estate of resident owners, the tax collector may give notice of the sale and of his intention to sell so much of said real estate as is necessary for the payment of delinquent taxes and all charges by posting notices thereof in the same manner and at the same places that warrants for municipal meetings are therein required to be posted, at least 6 weeks and not more than 7 weeks before such first Monday in February, designating the name of the owner if known, the right, lot and range, the number of acres as nearly as may be, the amount of tax due and such other short description as is necessary to render its identification certain and plain.

In the case of taxes assessed on the real estate of nonresident owners, he shall cause said notices to be published in some newspaper, if any, published in the county where said real estate lies, 3 weeks successively, such publication to begin at least 6 weeks before said first Monday in February. If no newspaper is published in said county, said notices shall be published in like manner in the state paper. He shall, in the advertisements so published, state the name of the municipality and if within 3 years it has been changed for the whole or a part of the territory, both the present and former name shall be stated; and that, if the taxes, interest and charges are not paid on or before such first Monday in February, so much of the estate as is sufficient to pay the amount due therefor with interest and charges will be sold without further notice, at public auction, on said first Monday in February at 9 o'clock in the forenoon at the office of the tax collector or at the place where the last preceding annual municipal meeting was held. The date of the commitment shall be stated in the advertisement.

In all cases said tax collector shall lodge with the municipal clerk a copy of each such notice, with his certificate thereon that he has given notice of the intended sale as required by law. Such copy and certificate shall be recorded by said clerk and the record so made shall be open to the inspection of all persons interested. The clerk shall furnish to any person desiring it an attested copy of such record, on receiving payment or tender of payment of a reasonable sum therefor; but notice of sales of real estate within any village corporation for unpaid taxes of said corporation may be given by notices thereof, posted in the same manner, and at the same places as warrants for corporation meetings, and by publication, as provided.

No irregularity, informality or omission in giving the notices required by this section, or in lodging copy of any of the same with the municipal clerk, as required, shall render such sale invalid, but such sale shall be deemed to be legal and valid, if made at the time and place provided, and in other respects according to law, except as to the matter of notice. For any irregularity, informality or omission in giving notice as required by this section, and in lodging copy of the same with the municipal clerk, the tax collector shall be liable to any person injured thereby.

§1072. -- FORM

The notice for posting, or the advertisement, as the case may be, of the tax collector required by section 1071 shall be in substance as follows:

Unpaid taxes on real estate situated in the municipality of ....., in the County of ....., for the year ..... The name of the municipality was formerly ....., (to be stated in the case of change of name, as mentioned in the preceding section). The following list of taxes on real estate of resident (or nonresident, as the case may be,) owners in the municipality of ....., for the year ...., committed to me for collection for said municipality on the ..... day of ....., remain unpaid; and notice is hereby given that if said taxes, interest and charges are not previously paid, so much of the real estate taxed as is sufficient to pay the amount due therefor, including interest and charges, will be sold at public auction at ..... in said municipality, on the first Monday of February, 19.., at nine o'clock a. m. (Here follows the list, a short description of each parcel taken from the inventory, to be inserted in an additional column.)

C. D., Tax collector of the municipality of .....

§1073. NOTICE TO OWNERS OF TIME AND PLACE OF SALE

After the real estate is so advertised, and at least 10 days before the day of sale, the tax collector shall notify the owner, if resident, or the occupant thereof, if any, of the time and place of sale by delivering to him in person, or by registered mail with receipt demanded, or by leaving at his last and usual place of abode, a written notice signed by him stating the time and place of sale and the amount of taxes due. In case of nonresident owners of real estate, such notice shall be sent by mail to the last and usual address, if known to the tax collector, at least 10 days before the day of sale. If such tax is paid before the time of sale, the amount to be paid for such advertisement and notice shall not exceed $1, in addition to the sum paid the printer, if any.

§1074. SALE; PROCEDURE; COSTS

When no person appears to discharge the taxes duly assessed on any such real estate of resident or nonresident owners, with costs of advertising, on or before the time of sale, the tax collector shall proceed to sell at public auction, to the highest bidder, so much of such real estate as is necessary to pay the tax due, in the case of each person assessed, with $3 for advertising and selling it, the sum paid to the printer, 25¢ for each copy required to be lodged with the municipal clerk, 25¢ for the return required to be made to the municipal clerk, and 67¢ for the deed thereof and certificate of acknowledgment. If the bidding is for less than the whole, it shall be for a fractional part of the estate, and the bidder who will pay the sum due for the least fractional part shall be the purchaser. If more than one right, lot or parcel of real estate assessed to the same person is so advertised and sold, said charge of $3, the 25¢ for each copy lodged with the municipal clerk, and the 25¢ for the return made to the municipal clerk, shall be divided equally among the several rights, lots or parcels advertised and sold at any one time; and in addition, the sum paid to the printer shall be divided equally among the nonresident rights, lots or parcels so advertised and sold; and the tax collector shall receive in addition, 50¢ on each parcel of real estate so advertised and sold, when more than one parcel is advertised and sold. The tax collector may, if necessary to complete the sales, adjourn the auction from day to day.

§1075. COLLECTOR'S RETURN OF SALE; FORM

The tax collector making any sale of real estate for nonpayment of taxes shall, within 30 days after such sale make a return, with a particular statement of his doings in making such sale, to the municipal clerk who shall receive and file it. Said return shall be evidence of the facts therein set forth in all cases where such tax collector is not personally interested. The tax collector's return to the municipal clerk shall be in substance as follows:

> Pursuant to law, I caused the taxes assessed on the real estate of nonresident owners described herein, situated in the municipality of ..... for the year ....., to be advertised according to law by advertising in the ..... three weeks successively, the first publication being on the ..... day of ....., and at least six weeks before the day of sale; and caused the taxes assessed on the real estate of resident owners described herein, situated in the municipality of ..... for the year ....., to be advertised according to law by posting notice as required by law, at the following places, six weeks before the day of sale, being public and conspicuous places in said municipality. I also, at least ten days before the day of sale, gave to each resident owner of said real estate, or the occupant thereof, if any, in hand, or forwarded to him by registered mail with receipt demanded, or left at his last and usual place of abode, and sent by mail to the last and usual address of each nonresident owner of said real estate, whose address was known to me, written notice of the time and place of said sale, in the manner provided by law; and afterwards on the first Monday of February, 19.., at nine o'clock a.m., being the time and place of sale, I proceeded to sell, according to the tenor of the advertisement, the estates upon which the taxes so assessed remained unpaid; and in the schedules following is set forth each parcel of the estate so offered for sale, the amount of taxes and the name of the purchaser; and I have made and executed deeds of the several parcels to the several persons entitled thereto, and placed them on file in the municipal treasurer's office, to be disposed of as the law requires.
>
> SCHEDULE NO. 1
> Nonresident Owners

Name of owner	Description of property	Amount of tax, interest and charges	Quantity sold	Name of purchaser

> SCHEDULE NO. 2
> Resident Owners

Name of owner	Description of property	Amount of tax, interest and charges	Quantity sold	Name of purchaser

> In witness whereof I have hereunto subscribed my name, this ..... day of ....., 19...
>
> C.D., Tax Collector of the municipality of .....

§1076. PURCHASER TO NOTIFY MORTGAGEE OF SALE; RIGHT OF REDEMPTION

When real estate is so sold for taxes, the tax collector shall, within 30 days after the day of sale, lodge with the municipal treasurer a certificate under oath, designating the quantity of real estate sold, the names of the owners of each parcel and the names of the purchasers; what part of the amount of each was tax and what was cost and charges; also a deed of each parcel sold, running to the purchasers. The treasurer shall not at that time deliver the deeds to the grantees, but put them on file in his office, to be delivered at the expiration of 2 years from the day of sale, and the treasurer shall after the expiration of 2 years deliver said deed to the grantee or his heirs, provided the owner, the mortgagee or any person in possession or other person legally taxable therefor does not within such time redeem the estate from such sale, by payment or tender of the taxes, all the charges and interest on the whole at the rate of 8% a year from the date of sale to the time of redemption, and costs as provided, with 67¢ for the deed and certificate of acknowledgment.

If there is an undischarged mortgage duly recorded on the real estate sold for taxes, the purchaser at such sale shall notify the holder of record of each such mortgage within 60 days from the date of said sale, by sending a notice in writing by registered letter addressed to the record holder of such mortgage at the residence of such holder as given in the registry of deeds in the county where said real estate is situated, stating that he has purchased the estate at a tax sale on such date and request the mortgagee to redeem the same. If such notice is not given, the holder of record of any mortgage, which mortgage was on record in the registry of deeds at the time of said sale, may redeem the real estate sold at any time within 3 months after receiving actual notice of such sale, by the payment or tender of the amounts, interest and costs as specified, and the registry fee for recording and discharging the deed, if the deed has been recorded, and the deed shall be discharged by the grantee therein, or the owner under the tax deed at the time of redemption, in manner provided for the discharge of mortgages of real estate.

If any owner of real estate which is assessed to any former owner who was not the owner on April 1st of the taxable year as assessed, or to owners unknown, does not have actual notice of the sale of his real estate for taxes within said 2 years, he may, at any time within 3 months after he has had actual notice, redeem the real estate sold from such sale although the deed may have been recorded, by payment or tender of the amounts, interest and costs as specified and the registry fee for recording and discharging the deed, in case the deed has been recorded, and the deed shall be discharged by the grantee therein, or the owner under the tax deed at the time of redemption, in manner provided for the discharge of mortgages on real estate.

If the real estate is redeemed before the deed is delivered, the municipal treasurer shall give the owner, mortgagee or party to whom the real estate is assessed or other person legally taxable therefor a certificate thereof, cancel the deed and pay to the grantee on demand the amount so received from him. If the amounts, interest and costs specified are not paid to the treasurer within the time as specified, he shall deliver to the grantee his deed upon the payment of the fees for the deed and acknowledgment and 30¢ more for receiving and paying out the proceeds of the sale, but all tax deeds of real estate upon which there is an undischarged mortgage duly recorded shall carry no title except subject to such mortgage, unless the purchaser at such tax sale gives to the record holder of the mortgage, notice as provided. For the fidelity of the treasurer in discharging his duties required, the municipality is responsible, and has a remedy on his bond in case of default.

§1077. PURCHASER'S FAILURE TO PAY IN 20 DAYS VOIDS SALE

If the purchaser of real estate sold for taxes under section 1074 fails to pay the tax collector within 20 days after the sale of the amount bid by him, the sale shall be void, and the municipality in which such sale was made shall be deemed to be the purchaser of the real estate so sold, the same as if purchased by some one in behalf of the municipality under section 1082. If a municipality becomes a purchaser under this section, the deed to it shall set forth the fact that a sale was duly made, the amount bid for the real estate included in said deed, and that the purchaser failed to pay the amount bid within 20 days after the sale. The said deed shall confer upon said municipality the same rights and duties as if it had been the purchaser under section 1082.

§1078. OWNER'S RIGHT TO REDEEM

Any person to whom the right by law belongs may, at any time within 2 years from the day of sale, redeem any real estate sold for taxes on paying into the municipal treasury for the purchaser the full amount certified to be due, including taxes, costs and charges, with interest on the whole at the rate of 8% a year from the date of the sale, which shall be received and held by said treasurer as the property of the purchaser aforesaid. The treasurer shall pay it to said purchaser, his heirs or assigns, on demand. If not paid when demanded, the purchaser may recover it in any court of competent jurisdiction, with costs and interest at the rate of 8%, after such demand. The sureties of the treasurer shall pay the same on failure of said treasurer. In default of payment by either, the municipality shall pay the same with costs and interest as provided.

§1079. REFUND OF TAXES PAID BY PURCHASER

Any person interested in the estate, by the purchase at the sale, may pay any tax assessed thereon, before or after that so advertised, and for which the estate remains liable, and on filing with the municipal treasurer the receipt of the officer to whom it was paid, the amount so paid shall be added to that for which the estate was liable, and shall be paid by the owner redeeming the estate, with interest at the same rate as on the other sums.

§1080. DELIVERY OF DEED TO PURCHASER AFTER 2 YEARS

If the estate is not redeemed within the time specified by payment of the full amount required by this chapter, the municipal treasurer shall deliver to the purchaser the deeds lodged with him by the tax collector. If he willfully refuses to deliver such deed to said purchaser, on demand, after said 2 years and forfeiture of the land, he forfeits to said purchaser the full value of the property so to be conveyed, to be recovered in a civil action, with costs and interest as in other cases. The sureties of said treasurer shall make good the payment required in default of payment by the principal. On the failure of both, the municipality is liable.

§1081. NONRESIDENT OWNER'S ACTION; TIME LIMIT

Any nonresident owner of real estate sold under section 1074, having paid the taxes, costs, charges and interest as provided, may, at any time within one year after making such payment, commence a civil action against the municipality to recover the amount paid, and if on trial it appears that the money raised was for an unlawful purpose, he shall have judgment for the amount so paid. If not commenced within the year, the claim shall be forever barred. The action may be in the Superior Court and the plaintiff recovering judgment therein shall have full costs, although the amount of damages is less than $20.

§1082. MUNICIPAL OFFICERS MAY BID AT SALE

The municipal officers may employ one of their own number, or some other person, to attend the sale for taxes of any real estate in which their municipality is interested, and bid therefor a sum sufficient to pay the amount due and charges, in behalf of the municipality, and the deed shall be made to it.

§1083. COLLECTOR'S DEED; PRIMA FACIE EVIDENCE OF VALIDITY OF SALE

In the trial of any civil action, involving the validity of any sale of real estate for nonpayment of taxes, it shall be sufficient for the party claiming under it, in the first instance to produce in evidence the tax collector's deed, duly executed and recorded, which shall be prima facie evidence of his title, and if the other party claims and offers evidence to show that such sale was invalid and ineffectual to convey the title, the party claiming under it shall have judgment in his favor so far as relates to said tax title, if he then produces the assessment, signed by the assessors, and their warrant to the tax collector, and proves that such tax collector complied with the requirements of law in selling such real estate. In all civil actions involving the validity of such sales the tax collector's return to the municipal clerk shall be prima facie evidence of all facts therein set forth.

§1084. POSTING NOTICES; EVIDENCE OF

The affidavit of any disinterested person as to posting notifications required for the sale of any real estate to be sold by the sheriff or his deputy, constable or tax collector, in the execution of his office, may be used in evidence in any trial to prove the fact of notice, if such affidavit, made on one of the original advertisements, or on a copy of it, is filed in the registry of the county where the real estate lies, within 6 months.

Subchapter 10: FARM AND OPEN SPACE TAX LAW

§1101. PURPOSE

It is declared that it is in the public interest to encourage the preservation of farmland and open space land in order to maintain a readily available source of food and farm products close to the metropolitan areas of the State to conserve the State's natural resources and to provide for the welfare and happiness of the inhabitants of the State, that it is in the public interest to prevent the forced conversion of farmland and open space land to more intensive uses as the result of economic pressures caused by the assessment thereof for purposes of property taxation at values incompatible with their preservation as such farmland and open space land, and that the necessity in the public interest of the enactment of this subchapter is a matter of legislative determination. [1975, c. 726, §2 (NEW).]

SECTION HISTORY
1975, c. 726, §2 (NEW).

§1102. DEFINITIONS

When used in this subchapter, unless the context otherwise indicates, the following words shall have the following meanings. [1975, c. 726, §2 (NEW).]

1. **Assessor.**

[1979, c. 378, §7 (RP) .]

2. **Comprehensive plan.** "Comprehensive plan" means zoning or a plan of development, including any amendment thereto, prepared or adopted by the planning board.

[1975, c. 726, §2 (NEW) .]

3. **Cropland.** "Cropland" means acreage within a farm unit of land in tillage rotation, open land formerly cropped and land in bush fruits.

[1975, c. 726, §2 (NEW) .]

4. **Farmland.** "Farmland" means any tract or tracts of land, including woodland and wasteland, of at least 5 contiguous acres on which farming or agricultural activities have contributed to a gross annual farming income of at least $2,000 per year from the sales value of agricultural products as defined in Title 7, section 152, subsection 2 in one of the 2, or 3 of the 5, calendar years preceding the date of application for classification. The farming or agricultural activity and income derived from that activity may be achieved by either the owner or a lessee of the land.

A. [1987, c. 728, §1 (RP).]

B. [1987, c. 728, §1 (RP).]

Gross income as used in this subsection includes the value of commodities produced for consumption by the farm household. Any applicant for assessment under this subchapter bears the burden of proof as to the applicant's qualification.

[2009, c. 114, §1 (AMD) .]

4-A. **Forest management and harvest plan.** "Forest management and harvest plan" means a written document that outlines activities to regenerate, improve and harvest a standing crop of timber. A plan must include the location of water bodies and wildlife habitat as identified by the Department of Inland Fisheries and Wildlife. A plan may include, but is not limited to, schedules and recommendations for timber stand improvement and harvesting plans and recommendations for regeneration activities. A plan must be prepared by a licensed professional forester or a landowner and be reviewed and certified by a licensed professional forester as consistent with sound silvicultural practices.

[2011, c. 618, §5 (NEW) .]

4-B. **Forested land.** "Forested land" means land that is used in the growth of trees but does not include ledge, marsh, open swamp, bog, water and similar areas that are unsuitable for growing trees.

[2011, c. 618, §5 (NEW) .]

5. **Farm woodland.** "Farm woodland" means the combined acreage within a farm unit of forested land.

[1975, c. 726, §2 (NEW) .]

5-A. **Horticultural land.** "Horticultural land" means land which is engaged in the production of vegetables, tree fruits, small fruits, flowers and woody or herbaceous plants.

[1987, c. 728, §2 (NEW) .]

6. **Open space land.** "Open space land" means any area of land, including state wildlife and management areas, sanctuaries and preserves designated as such in Title 12, the preservation or restriction of the use of which provides a public benefit in any of the following areas:

A. Conserving scenic resources; [1989, c. 748, §1 (AMD).]

B. Enhancing public recreation opportunities; [1989, c. 748, §1 (AMD).]

C. Promoting game management; or [1989, c. 748, §1 (AMD).]

D. Preserving wildlife or wildlife habitat. [1989, c. 748, §1 (AMD).]

[1989, c. 748, §1 (AMD) .]

7. **Orchard land.** "Orchard land" means the combined acreage within a farm unit of land devoted to the cultivation of trees bearing edible fruit.

[1975, c. 726, §2 (NEW) .]

8. **Pastureland.** "Pastureland" means the combined acreage within a farm unit of land devoted to the production of forage plants used for animal production.

[1991, c. 546, §14 (AMD) .]

9. **Planning board.** "Planning board" means a planning board created for the purpose of planning in any municipality or the Maine Land Use Planning Commission in the unorganized territory.

[1975, c. 726, §2 (NEW); 2011, c. 682, §38 (REV) .]

10. **Wildlife habitat.** "Wildlife habitat" means land that is subject to a written management agreement between the landowner and either the Department of Inland Fisheries and Wildlife or the Department of Agriculture, Conservation and Forestry to ensure that the habitat benefits provided by the land are not

lost. Management agreements may be revised or updated by mutual consent of both parties at any time. Management agreements must be renewed at least every 10 years. "Wildlife habitat" must also meet one of the following criteria:

A. The land is designated by the Department of Inland Fisheries and Wildlife as supporting important wildlife habitat; [2003, c. 619, §1 (NEW).]

B. The land supports the life cycle of any species of wildlife as identified by the Department of Inland Fisheries and Wildlife; [2003, c. 619, §1 (NEW).]

C. The land is identified by the Department of Agriculture, Conservation and Forestry as supporting a natural vegetation community; or [2003, c. 619, §1 (NEW); 2011, c. 657, Pt. W, §5 (REV).]

D. The land is designated as a resource protection area in a comprehensive plan, zoning ordinance or zoning map. [2003, c. 619, §1 (NEW).]

[2003, c. 619, §1 (NEW); 2011, c. 657, Pt. W, §5 (REV) .]

SECTION HISTORY
1975, c. 726, §2 (NEW). 1979, c. 378, §7 (AMD). 1987, c. 728, §§1,2 (AMD). 1989, c. 748, §1 (AMD). 1991, c. 546, §14 (AMD). 1999, c. 449, §1 (AMD). 1999, c. 731, §Y1 (AMD). 2003, c. 619, §1 (AMD). 2009, c. 114, §1 (AMD). 2011, c. 618, §5 (AMD). 2011, c. 657, Pt. W, §5 (REV). 2011, c. 682, §38 (REV).

§1103. OWNER'S APPLICATION

An owner of farmland or open space land may apply for taxation under this subchapter by filing with the assessor the schedule provided for in section 1109. The election to apply requires the written consent of all owners of an interest in that farmland or open space land. [2007, c. 438, §26 (AMD).]

SECTION HISTORY
1975, c. 726, §2 (NEW). 1977, c. 467, §2 (AMD). 1987, c. 728, §3 (AMD). 2007, c. 438, §26 (AMD).

§1104. ADMINISTRATION; REGULATIONS

The State Tax Assessor shall adopt and amend such rules and regulations as may be reasonable and appropriate to carry out his responsibilities as provided in this subchapter. [1977, c. 467, §2-A (RPR).]

SECTION HISTORY
1975, c. 726, §2 (NEW). 1977, c. 467, §2A (RPR).

§1105. VALUATION OF FARMLAND

The municipal assessor, chief assessor or State Tax Assessor for the unorganized territory shall establish the 100% valuation per acre based on the current use value of farmland used for agricultural or horticultural purposes. The values established must be guided by the Department of Agriculture, Conservation and Forestry as provided in section 1119 and adjusted by the assessor if determined necessary on the basis of such considerations as farmland rentals, farmer-to-farmer sales, soil types and quality, commodity values, topography and other relevant factors. These values may not reflect development or market value purposes other than agricultural or horticultural use. The values may not reflect value attributable to road frontage or shore frontage. [1999, c. 731, Pt. Y, §2 (AMD); 2011, c. 657, Pt. W, §5 (REV).]

The 100% valuation per acre for farm woodland within a parcel classified as farmland under this subchapter is the 100% valuation per acre for each forest type established for each county pursuant to subchapter II-A. Areas other than woodland, agricultural land or horticultural land located within any parcel of farmland classified under this subchapter are valued on the basis of just value. [1993, c. 452, §7 (AMD).]

SECTION HISTORY
1975, c. 726, §2 (NEW). 1977, c. 467, §3 (RPR). 1987, c. 728, §4 (RPR). 1989, c. 748, §2 (AMD). 1993, c. 452, §7 (AMD). 1999, c. 731, §Y2 (AMD). 2011, c. 657, Pt. W, §5 (REV).

§1106. POWERS AND DUTIES; STATE TAX ASSESSOR

(REPEALED)

SECTION HISTORY
1975, c. 726, §2 (NEW). 1989, c. 748, §3 (AMD). 1991, c. 508, §1 (AMD). 1993, c. 452, §8 (RP).

§1106-A. VALUATION OF OPEN SPACE LAND

1. **Valuation method.** For the purposes of this subchapter, the current use value of open space land is the sale price that particular open space parcel would command in the marketplace if it were required to remain in the particular category or categories of open space land for which it qualifies under section 1102, subsection 6, adjusted by the certified ratio.

[1993, c. 452, §9 (NEW) .]

2. **Alternative valuation method.** Notwithstanding any other provision of law, if an assessor is unable to determine the valuation of open space land under the valuation method in subsection 1, the assessor may value that land under the alternative method in this subsection. The assessor may reduce the ordinary assessed valuation of the land, without regard to conservation easement restrictions and as reduced by the certified ratio, by the cumulative percentage reduction for which the land is eligible according to the following categories.

A. All open space land is eligible for a reduction of 20%. [1993, c. 452, §9 (NEW).]

B. Permanently protected open space land is eligible for the reduction set in paragraph A and an additional 30%. [1993, c. 452, §9 (NEW).]

C. Forever wild open space land is eligible for the reduction set in paragraphs A and B and an additional 20%. [1993, c. 452, §9 (NEW).]

D. Public access open space land is eligible for the applicable reduction set in paragraph A, B or C and an additional 25%. [1993, c. 452, §9 (NEW).]

E. Managed forest open space land is eligible for the reduction set in paragraphs A, B and D and an additional 10%. [2011, c. 618, §6 (NEW).]

Notwithstanding this section, the value of forested open space land may not be reduced to less than the value it would have under subchapter II-A, and the open space land valuation may not exceed just value as required under section 701-A.

[2011, c. 618, §6 (AMD) .]

3. **Definition of land eligible for additional percentage reduction.** The following categories of open space land are eligible for the additional percentage reduction set forth in subsection 2, paragraphs B, C, D and E.

A. Permanently protected open space is an area of open space land that is eligible for an additional cumulative percentage reduction in valuation because that area is subject to restrictions prohibiting building development under a perpetual conservation easement pursuant to Title 33, chapter 7, subchapter 8-A or as an open space preserve owned and operated by a nonprofit entity in accordance with section 1109, subsection 3, paragraph H. [2011, c. 618, §7 (AMD).]

B. Forever wild open space is an area of open space land that is eligible for an additional cumulative percentage reduction in valuation because it is permanently protected and subject to restrictions or committed to uses by a nonprofit entity in accordance with section 1109, subsection 3, paragraph H that ensure that in the future the natural resources on that protected property will remain substantially unaltered, except for:

(1) Fishing or hunting;

(2) Harvesting shellfish in the intertidal zone;

(3) Prevention of the spread of fires or disease; or

(4) Providing opportunities for low-impact outdoor recreation, nature observation and study. [1993, c. 452, §9 (NEW).]

C. Public access open space is an area of open space land, whether ordinary, permanently protected or forever wild, that is eligible for an additional cumulative percentage reduction in valuation because public access is by reasonable means and the applicant agrees to refrain from taking action to discourage or prohibit daytime, nonmotorized and nondestructive public use. The applicant may permit, but is not obligated to permit as a condition of qualification for public access status, hunting, snowmobiling, overnight use or other more intensive outdoor recreational uses. The applicant, without disqualifying land from status as public access open space, may impose temporary or localized public access restrictions to:

(1) Protect active habitat of endangered species listed under Title 12, chapter 925, subchapter 3;

(2) Prevent destruction or harm to fragile protected natural resources under Title 38, chapter 3, subchapter 1, article 5-A; or

(3) Protect the recreational user from any hazardous area. [2003, c. 414, Pt. B, §50 (AMD); 2003, c. 614, §9 (AFF).]

D. Managed forest open space land is an area of open space land whether ordinary, permanently protected pursuant to paragraph A or public access pursuant to paragraph C containing at least 10 acres of forested land that is eligible for an additional cumulative percentage reduction in valuation because the applicant has provided proof of a forest management and harvest plan. A forest management and harvest plan must be prepared for each parcel of managed forest open space land and updated every 10 years. The landowner must comply with the forest management and harvest plan and must submit every 10 years to the municipal assessor for parcels in a municipality or the State Tax Assessor for parcels in the unorganized territory a statement from a licensed professional forester that the landowner is managing the parcel according to the forest management and harvest plan. Failure to comply with the forest management and harvest plan results in the loss of the additional cumulative percentage reduction under this paragraph for 10 years. The assessor or the assessor's duly authorized representative may enter and examine the forested land and may examine any information in the forest management and harvest plan submitted by the owner. A copy of the forest management and harvest plan must be made available to the assessor to review upon request. For the purposes of this paragraph, "to review" means to see or possess a copy of a forest management and harvest plan for a reasonable amount of time to verify that the forest management and harvest plan exists or to facilitate an evaluation as to whether the forest management and harvest plan is appropriate and is being followed. Upon completion of a review, the

forest management and harvest plan must be returned to the owner or an agent of the owner. A forest management and harvest plan provided in accordance with this section is confidential and is not a public record as defined in Title 1, section 402, subsection 3. [2011, c. 618, §7 (NEW).]

[2011, c. 618, §7 (AMD) .]

SECTION HISTORY
1993, c. 452, §9 (NEW). 2003, c. 414, §B50 (AMD). 2003, c. 414, §D7 (AFF). 2003, c. 614, §9 (AFF). 2011, c. 618, §§6, 7 (AMD).

§1107. ORDERS

(REPEALED)

SECTION HISTORY
1975, c. 726, §2 (NEW). 1977, c. 467, §4 (RP).

§1108. ASSESSMENT OF TAX

1. **Organized areas.** The municipal assessors shall adjust the 100% valuations per acre for farmland for their jurisdiction by whatever ratio or percentage of current just value is then being applied to other property within the municipality to obtain the assessed values. For any tax year, the classified farmland value must reflect only the current use value for farm or open space purposes and may not include any increment of value reflecting development pressure. Commencing April 1, 1978, land in the organized areas subject to taxation under this subchapter must be taxed at the property tax rate applicable to other property in the municipality, which rate must be applied to the assessed values so determined.

[1999, c. 731, Pt. Y, §3 (AMD) .]

2. **Unorganized territory.** The State Tax Assessor shall adjust the 100% valuations per acre for farmland for the unorganized territory by such ratio or percentage as is then being used to determine the state valuation applicable to other property in the unorganized territory to obtain the assessed values. For any tax year, the classified farmland value must reflect only the current use value for farm or open space purposes and shall not include any increment of value reflecting development pressure. Commencing April 1, 1978, land in the unorganized territory subject to taxation under this subchapter shall be taxed at the state property tax rate applicable to other property in the unorganized territory, which rate shall be applied to the assessed values so determined.

[1987, c. 728, §5 (AMD) .]

SECTION HISTORY
1975, c. 726, §2 (NEW). 1977, c. 467, §§5,6 (AMD). 1979, c. 666, §23 (AMD). 1987, c. 728, §5 (AMD). 1999, c. 731, §Y3 (AMD).

§1109. SCHEDULE; INVESTIGATION

1. **Schedule.** The owner or owners of farmland subject to taxation under this subchapter shall submit a signed schedule, on or before April 1st of the year in which the owner or owners wish to first subject the land to taxation under this subchapter, to the assessor upon a form prescribed by the State Tax Assessor identifying the land to be taxed under this subchapter, indicating the number of acres of each farmland classification, showing the location of the land in each classification and representing that the land is farmland as defined in section 1102, subsection 4. In determining whether the land is farmland, the assessor shall take into account, among other things, the acreage of the land, the portion of the land that is actually used for farming or agricultural operations, the productivity of the land, the gross income derived from farming or agricultural

operations on the land, the nature and value of the equipment used in connection with farming or agricultural operations on the land and the extent to which the tracts comprising the land are contiguous. If the assessor determines that the land is farmland as defined in section 1102, subsection 4, the assessor shall classify it as farmland and apply the appropriate 100% valuations per acre for farmland and that land is subject to taxation under this subchapter.

The assessor shall record, in the municipal office of the town in which the farmland is located, the value of the farmland as established under this subchapter and the value at which the farmland would have been assessed had it not been classified under this subchapter.

[2011, c. 240, §7 (AMD) .]

2. **Provisional classification.** The owner of a parcel of land of at least 5 contiguous acres on which farming or agricultural activities have not produced the gross income required in section 1102, subsection 4 per year for one of the 2 or 3 of the 5 preceding calendar years, may apply for a 2-year provisional classification as farmland by submitting a signed schedule in duplicate, on or before April 1st of the year for which provisional classification is requested, identifying the land to be taxed under this subsection, listing the number of acres of each farmland classification, showing the location of the land in each classification and representing that the applicant intends to conduct farming or agricultural activities upon that parcel. Upon receipt of the schedule, the land must be provisionally classified as farmland and subjected to taxation under this subchapter. If, at the end of the 2-year period, the land does not qualify as farmland under section 1102, subsection 4, the owner shall pay a penalty that is an amount equal to the taxes that would have been assessed had the property been assessed at its fair market value on the first day of April for the 2 preceding tax years less the taxes paid on the property over the 2 preceding years and interest at the legal rate from the dates on which those amounts would have been payable.

[1999, c. 731, Pt. Y, §4 (AMD) .]

3. **Open space land qualification.** The owner or owners of land who believe that land is open space land as defined in section 1102, subsection 6 shall submit a signed schedule on or before April 1st of the year in which that land first becomes subject to taxation under this subchapter to the assessor on a form prescribed by the State Tax Assessor that must contain a description of the land, a general description of the use to which the land is being put and other information required by the assessor to aid the assessor in determining whether the land qualifies for classification as open space land and for which of the valuation categories set forth in section 1106-A the land is eligible. The assessor shall determine whether the land is open space land as defined in section 1102, subsection 6 and, if so, that land must be classified as open space land and subject to taxation under this subchapter. In determining whether the restriction of the use or preservation of the land provides a public benefit in one of the areas set forth in section 1102, subsection 6, the assessor shall consider all facts and circumstances pertinent to the land and its vicinity. A factor that is pertinent to one application may be irrelevant in determining the public benefit of another application. A single factor, whether listed below or not, may be determinative of public benefit. Among the factors to be considered are:

A. The importance of the land by virtue of its size or uniqueness in the vicinity or proximity to extensive development or comprising an entire landscape feature; [1989, c. 748, §4 (NEW).]

B. The likelihood that development of the land would contribute to degradation of the scenic, natural, historic or archeological character of the area; [1989, c. 748, §4 (NEW).]

C. The opportunity of the general public to appreciate significant scenic values of the land; [1989, c. 748, §4 (NEW).]

D. The opportunity for regular and substantial use of the land by the general public for recreational or educational use; [1989, c. 748, §4 (NEW).]

E. The importance of the land in preserving a local or regional landscape or resource that attracts tourism or commerce to the area; [1989, c. 748, §4 (NEW).]

F. The likelihood that the preservation of the land as undeveloped open space will provide economic benefit to the town by limiting municipal expenditures required to service development; [1989, c. 748, §4 (NEW).]

G. Whether the land is included in an area designated as open space land or resource protection land on a comprehensive plan or in a zoning ordinance or on a zoning map as finally adopted; [1989, c. 748, §4 (NEW).]

H. The existence of a conservation easement, other legally enforceable restriction, or ownership by a nonprofit entity committed to conservation of the property that will permanently preserve the land in its natural, scenic or open character; [1989, c. 748, §4 (NEW).]

I. The proximity of other private or public conservation lands protected by permanent easement or ownership by governmental or nonprofit entities committed to conservation of the property; [1989, c. 748, §4 (NEW).]

J. The likelihood that protection of the land will contribute to the ecological viability of a local, state or national park, nature preserve, wildlife refuge, wilderness area or similar protected area; [1989, c. 748, §4 (NEW).]

K. The existence on the land of habitat for rare, endangered or threatened species of animals, fish or plants, or of a high quality example of a terrestrial or aquatic community; [1989, c. 748, §4 (NEW).]

L. The consistency of the proposed open space use with public programs for scenic preservation, wildlife preservation, historic preservation, game management or recreation in the region; [1989, c. 748, §4 (NEW).]

M. The identification of the land or of outstanding natural resources on the land by a legislatively mandated program, on the state, local or federal level, as particular areas, parcels, land types or natural resources for protection, including, but not limited to, the register of critical areas under Title 12, section 544-B; the laws governing wildlife sanctuaries and management areas under Title 12, section 10109, subsection 1 and sections 12706 and 12708; the laws governing the State's rivers under Title 12, chapter 200; the natural resource protection laws under Title 38, chapter 3, subchapter 1, article 5-A; and the Maine Coastal Barrier Resources Systems under Title 38, chapter 21; [2007, c. 627, §29 (AMD).]

N. Whether the land contains historic or archeological resources listed in the National Register of Historic Places or is determined eligible for such a listing by the Maine Historic Preservation Commission, either in its own right or as contributing to the significance of an adjacent historic or archeological resource listed, or eligible to be listed, in the National Register of Historic Places; or [2003, c. 619, §3 (AMD).]

O. Whether there is a written management agreement between the landowner and the Department of Inland Fisheries and Wildlife or the Department of Agriculture, Conservation and Forestry as described in section 1102, subsection 10. [2003, c. 619, §4 (NEW); 2011, c. 657, Pt. W, §5 (REV).]

If a parcel of land for which the owner or owners are seeking classification as open space contains any principal or accessory structures or any substantial improvements that are inconsistent with the preservation of the land as open space, the owner or owners in their schedule shall exclude from their application for classification as open space a parcel of land containing those buildings or improvements at least equivalent in size to the state minimum lot size as prescribed by Title 12, section 4807-A or by the zoning ordinances or zoning map pertaining to the area in which the land is located, whichever is larger. For the purposes of this section, if any of the buildings or improvements are located within shoreland areas as defined in Title 38, chapter 3, subchapter 1, article 2-B, the excluded parcel must include the minimum shoreland frontage required by the applicable minimum lot standards under the minimum guidelines established pursuant to Title 38, chapter 3, subchapter 1, article 2-B or by the zoning ordinance for the area in which the land is located, whichever is larger. The shoreland frontage requirement is waived to the extent that the affected frontage is part of a contiguous shore path or a beach for which there is or will be, once classified, regular and substantial

use by the public. The shoreland frontage requirement may be waived at the discretion of the legislative body of the municipality if it determines that a public benefit will be served by preventing future development near the shore or by securing access for the public on the particular shoreland area that would otherwise be excluded from classification.

[2011, c. 240, §8 (AMD); 2011, c. 657, Pt. W, §5 (REV) .]

4. **Investigation.** The assessor shall notify the landowner , on or before June 1st following receipt of a signed schedule meeting the requirements of this section , whether the application has been accepted or denied. If the application is denied, the assessor shall state the reasons for the denial and provide the landowner an opportunity to amend the schedule to conform to the requirements of this subchapter.

The assessor or the assessor's duly authorized representative may enter and examine lands subject to taxation under this subchapter and may examine any information submitted by the owner or owners.

The assessor may require the owner to respond within 60 days of the receipt of notice in writing by certified mail, return receipt requested, to written questions or interrogatories the assessor considers necessary to obtain material information about those lands. If the assessor determines that the required material information regarding those lands cannot reasonably be obtained through written questions or interrogatories, the assessor may require the owner , upon notice in writing by certified mail, return receipt requested, or by another method that provides actual notice, to appear before the assessor at a reasonable time and place designated by the assessor and answer questions or interrogatories the assessor considers necessary to obtain material information about those lands.

If the owner of a parcel of land subject to taxation under this subchapter fails to submit the schedules required by this section, fails to respond to written questions or interrogatories of the assessor as provided in this subsection or fails to appear before the assessor to respond to questions or interrogatories as provided in this subsection, that owner or owners are deemed to have waived all rights of appeal.

[2007, c. 438, §27 (AMD) .]

5. **Owner obligation.** It is the obligation of the owner to report to the assessor any change of use or change of classification of land subject to taxation under this subchapter by the end of the tax year in which the change occurs and to report to the assessor on or before April 1st of every 5th year the gross income realized in each of the previous 5 years from acreage classified as farmland.

If the owner fails to report to the assessor as required by this subsection, the assessor shall assess those taxes that should have been paid, shall assess the penalty provided in section 1112 and shall assess an additional penalty equal to 25% of the penalty provided in section 1112. The assessor may waive the additional penalty for cause.

[2007, c. 438, §28 (RPR) .]

6. **Recertification.** The assessor shall determine annually whether any classified land continues to meet the requirements of this subchapter. Each year the assessor shall recertify any classifications made under this subchapter. If any classified land no longer meets the requirements of this subchapter, the assessor shall either remove the classification or, if he deems it appropriate, allow the land to have a provisional classification as detailed in subsection 2.

[1977, c. 467, §11 (AMD) .]

7. **Transition.**

[2009, c. 434, §18 (RP) .]

SECTION HISTORY

1975, c. 726, §2 (NEW). 1977, c. 467, §§7-11 (AMD). 1977, c. 509, §§24-27 (AMD). 1981, c. 364, §23 (AMD). 1981, c. 698, §181 (AMD). 1987, c. 728, §§6-8 (AMD). 1989, c. 748, §§4,5 (AMD). 1993, c. 452, §§10,11 (AMD). 1995, c. 603, §1 (AMD). 1999, c. 731, §Y4 (AMD). 2003, c. 414, §B51 (AMD). 2003, c. 414, §D7 (AFF). 2003, c. 614, §9 (AFF). 2003, c. 619, §§2-4 (AMD). 2007, c. 438, §§27, 28 (AMD). 2007, c. 627, §29 (AMD). 2009, c. 434, §18 (AMD). 2011, c. 240, §§7, 8 (AMD). 2011, c. 657, Pt. W, §5 (REV).

§1110. RECLASSIFICATION

Land subject to taxes under this subchapter may be reclassified as to land classification by the municipal assessor, chief assessor or State Tax Assessor upon application of the owner with a proper showing of the reasons justifying that reclassification or upon the initiative of the respective municipal assessor, chief assessor or State Tax Assessor where the facts justify the same. In the event that the municipal assessor, chief assessor or State Tax Assessor determines, upon his own initiative, to reclassify land previously classified under this subchapter, he shall provide to the owner or owners of the land by certified mail, return receipt requested, notice of his intention to reclassify that land and the reasons therefor: [1977, c. 696, §269 (RPR).]

SECTION HISTORY
1975, c. 726, §2 (NEW). 1977, c. 467, §12 (AMD). 1977, c. 509, §28 (AMD). 1977, c. 696, §269 (RPR).

§1111. SCENIC EASEMENTS AND DEVELOPMENT RIGHTS

Any municipality may, through donation or the expenditure of public funds, accept or acquire scenic easements or development rights for preserving property for the preservation of agricultural farmland or open space land. The term of such scenic easements or development rights must be for a period of at least 10 years. [1975, c. 726, §2 (NEW).]

SECTION HISTORY
1975, c. 726, §2 (NEW).

§1112. RECAPTURE PENALTY

Any change in use disqualifying land for classification under this subchapter shall cause a penalty to be assessed by the assessors of the municipality in which the land is located, or by the State Tax Assessor if the land is not within a municipality, in addition to the annual tax in the year of disqualification except when the change is occasioned by a transfer resulting from the exercise or the threatened exercise of the power of eminent domain. [1987, c. 728, §9 (RPR).]

For land that has been classified as farmland under this subchapter, the penalty is the recapture of the taxes that would have been paid on the land for the past 5 years if it had not been classified under this subchapter, less all taxes that were actually paid during those 5 years and interest at the rate set by the town during those 5 years on delinquent taxes. An owner of farmland that has been classified under this subchapter for 5 full years or more may pay any penalty owed under this paragraph in up to 5 equal annual installments with interest at the rate set by the town to begin 60 days after the date of assessment. Notwithstanding section 943, for an owner paying a penalty under this procedure, the period during which the tax lien mortgage, including interest and costs, must be paid to avoid foreclosure and expiration of the right of redemption is 48 months from the date of the filing of the tax lien certificate instead of 18 months. [1999, c. 731, Pt. Y, §5 (AMD).]

A penalty may not be assessed at the time of a change of use from the farmland classification of land subject to taxation under this subchapter to the open space classification of land subject to taxation under this subchapter. A penalty may not be assessed upon the withdrawal of open space land from taxation under

this subchapter if the owner applies for the land to be classified as and the land is accepted for classification as timberland under subchapter 2-A. There also is no penalty imposed when land classified as timberland is accepted for classification as open space land. A penalty may not be assessed upon withdrawal of open space land from taxation under this subchapter if the owner applies for the land to be classified as and the land is accepted for classification as farmland under this subchapter. A penalty may not be assessed upon withdrawal of land enrolled under the Maine Tree Growth Tax Law if the owner applies for the land to be classified as and the land is accepted for classification as farmland under this chapter. The recapture penalty for withdrawal from farmland classification within 10 years of a transfer from either open space tax classification or timberland tax classification is the same imposed on withdrawal from the prior tax classification, open space or tree growth. The recapture penalty for withdrawal from farmland classification more than 10 years after such a transfer will be the regular farmland recapture penalty provided for in this section. In the event a penalty is later assessed under subchapter 2-A, the period of time that the land was taxed as farmland or as open space land under this subchapter must be included for purposes of establishing the amount of the penalty. The recapture penalty for withdrawal from open space classification within 10 years of a transfer from tree growth classification occurring on or after August 1, 2012 is the same that would be imposed if the land were being withdrawn from the tree growth classification. The recapture penalty for withdrawal from open space classification more than 10 years after such a transfer will be the open space recapture penalty provided for in this section. [2011, c. 618, §8 (AMD).]

If land is withdrawn from classification under this subchapter, any penalty assessed may be considered for abatement pursuant to the procedures incorporated in subchapter VIII. [1987, c. 728, §9 (RPR).]

For land classified as open space under this subchapter, the penalty is the same as that imposed for withdrawal from tree growth classification in section 581 and may be assessed and collected as a supplemental assessment in accordance with section 713-B. [1993, c. 452, §12 (AMD).]

SECTION HISTORY
1975, c. 726, §2 (NEW). 1983, c. 400, §§2,3 (AMD). 1987, c. 728, §9 (RPR). 1989, c. 555, §19 (AMD). 1989, c. 748, §6 (AMD). 1993, c. 452, §§12,13 (AMD). 1995, c. 603, §2 (AMD). 1999, c. 731, §Y5 (AMD). 2009, c. 434, §19 (AMD). 2011, c. 404, §2 (AMD). 2011, c. 618, §8 (AMD).

§1112-A. MINERAL LANDS

(REPEALED)

SECTION HISTORY
1981, c. 711, §9 (NEW). 1987, c. 772, §18 (RP).

§1112-B. MINERAL LANDS SUBJECT TO AN EXCISE TAX

Any statutory or constitutional penalty imposed as a result of withdrawal or a change of use, whether imposed before or after January 1, 1984, shall be determined without regard to the presence of minerals, provided that when payment of the penalty is made or demanded, whichever occurs first, there is in effect a state excise tax which applies or would apply to the mining of those minerals. [1987, c. 772, §19 (AMD).]

SECTION HISTORY
1983, c. 776, §3 (NEW). 1987, c. 772, §19 (AMD).

§1113. ENFORCEMENT PROVISION

A lien is created to secure the payment of the penalties provided in section 1109, subsections 2 and 5 and section 1112, which may be enforced in the same manner as liens created by section 552. [2009, c. 496, §9 (AMD).]

SECTION HISTORY
1975, c. 726, §2 (NEW). 1977, c. 467, §13 (RPR). 2009, c. 496, §9 (AMD).

§1114. APPLICATION

No person can apply for classification for more than an aggregate total of 15,000 acres under this subchapter. The classification of farmland or open space land hereunder shall continue until the municipal assessor, or State Tax Assessor in the unorganized territory, determine that the land no longer meets the requirements of such classification. [1975, c. 726, §2 (NEW).]

SECTION HISTORY
1975, c. 726, §2 (NEW).

§1115. TRANSFER OF PORTION OF PARCEL OF LAND

Transfer of a portion of a parcel of farmland subject to taxation under this subchapter does not affect the taxation under this subchapter of the resulting parcels unless they do not meet the minimum acreage requirements of this subchapter. Transfer of a portion of a parcel of open space land subject to taxation under this subchapter does not affect the taxation under this subchapter of the resulting parcels unless either or both of the parcels no longer provide a public benefit in one of the areas enumerated in section 1102, subsection 6. Each resulting parcel must be taxed to the owners under this subchapter until it is withdrawn from taxation under this subchapter, in which case the penalties provided in section 1112 apply only to the owner of that parcel. If the transfer of a portion of a parcel of farmland subject to taxation under this subchapter results in the creation of a parcel that is less than the minimum acreage required by this subchapter or if the transfer of a portion of a parcel of open space land subject to taxation under this subchapter results in the creation of a parcel that no longer provides a public benefit in one of the areas enumerated in section 1102, subsection 6, that parcel is deemed to have been withdrawn from taxation under this subchapter as a result of the transfer and is subject to the penalties provided in section 1112. [2009, c. 496, §10 (AMD).]

SECTION HISTORY
1975, c. 726, §2 (NEW). 1989, c. 748, §7 (AMD). 2009, c. 496, §10 (AMD).

§1116. RECLASSIFICATION AND WITHDRAWAL IN UNORGANIZED TERRITORY

(REPEALED)

SECTION HISTORY
1975, c. 726, §2 (NEW). 1977, c. 509, §29 (RP).

§1117. APPEAL FROM STATE TAX ASSESSOR OR COMMISSIONER OF AGRICULTURE

(REPEALED)

SECTION HISTORY
1975, c. 726, §2 (NEW). 1979, c. 666, §24 (RP).

§1118. APPEALS AND ABATEMENTS

The denial of an application or an assessment made under this subchapter is subject to the abatement procedures provided by section 841. Appeal from a decision rendered under section 841 or a recommended current use value established under section 1106-A must be to the State Board of Property Tax Review. [1993, c. 452, §14 (AMD).]

SECTION HISTORY
1975, c. 726, §2 (NEW). 1977, c. 549, §9 (AMD). 1977, c. 694, §699 (RPR). 1979, c. 666, §25 (RPR). 1985, c. 764, §20 (AMD). 1993, c. 452, §14 (AMD).

§1119. VALUATION GUIDELINES

By December 31, 2000 and biennially thereafter, the Department of Agriculture, Conservation and Forestry working with the Bureau of Revenue Services, representatives of municipal assessors and farmers shall prepare guidelines to assist local assessors in the valuation of farmland. The department shall also deliver these guidelines in training sessions for local assessors throughout the State. These guidelines must include recommended values for cropland, orchard land, pastureland and horticultural land, differentiated by region where justified. Any variation in assessment of farmland from the recommended values must be substantiated by the local assessor within the parameters allowed within this subchapter. [2001, c. 652, §8 (AMD); 2011, c. 657, Pt. W, §5 (REV).]

SECTION HISTORY
1987, c. 728, §10 (NEW). 1991, c. 508, §2 (AMD). 1997, c. 526, §14 (AMD). 1999, c. 731, §Y6 (AMD). 2001, c. 652, §8 (AMD). 2011, c. 657, Pt. W, §5 (REV).

§1120. PROGRAM PROMOTION

The Department of Agriculture, Conservation and Forestry shall undertake an informational program designed to educate Maine citizens as to the existence of the farm and open space tax laws, which must include, but not be limited to, informing local farm organizations and associations of tax assessors about the law. [2013, c. 405, Pt. D, §14 (AMD).]

The Department of Agriculture, Conservation and Forestry and the Bureau of Revenue Services shall produce written materials designed to inform municipal assessors, farmers and Maine citizens about the farm and open space tax program. These materials must be in a form that is attractive, easily understandable and designed to interest the public in the program. The department and the bureau shall ensure that these written materials are made available and distributed as widely as possible throughout the State. [2013, c. 405, Pt. D, §14 (AMD).]

SECTION HISTORY
1987, c. 728, §10 (NEW). 1997, c. 526, §14 (AMD). 2013, c. 405, Pt. D, §14 (AMD).

§1121. PROGRAM MONITORING

The Department of Agriculture, Conservation and Forestry and the Bureau of Revenue Services shall periodically review the level of participation in the farm and open space tax program, the taxes saved due to that participation, the fiscal impact, if any, on municipalities, including the impact of any penalties assessed under section 1112 and the effectiveness of the program in preserving farmland and open space. The department and the bureau may report to the joint standing committee of the Legislature having jurisdiction

over taxation matters on the status of the program. The department and the bureau may identify problems that prevent realization of the purposes of this subchapter and potential solutions to remedy those problems. [2001, c. 652, §9 (AMD); 2011, c. 657, Pt. W, §5 (REV).]

SECTION HISTORY
1987, c. 728, §10 (NEW). 1991, c. 508, §3 (AMD). 1997, c. 526, §14 (AMD). 2001, c. 652, §9 (AMD). 2011, c. 657, Pt. W, §5 (REV).

Subchapter 10-A: CURRENT USE VALUATION OF CERTAIN WORKING WATERFRONT LAND

§1131. PURPOSE

It is declared that it is in the public interest to encourage the preservation of working waterfront land and to prevent the conversion of working waterfront land to other uses as the result of economic pressures caused by the assessment of that land, for purposes of property taxation, at values incompatible with its use as working waterfront land and that the necessity in the public interest of the enactment of this subchapter in accordance with the Constitution of Maine, Article IX, Section 8 is a matter of legislative determination. [2007, c. 466, Pt. A, §58 (NEW).]

SECTION HISTORY
2007, c. 466, Pt. A, §58 (NEW).

§1132. DEFINITIONS

As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings. [2007, c. 466, Pt. A, §58 (NEW).]

1. **Commercial aquacultural production.** "Commercial aquacultural production" has the same meaning as in section 2013, subsection 1, paragraph A-1.

[2009, c. 496, §11 (AMD) .]

2. **Commercial fishing.** "Commercial fishing" means harvesting or processing, or both, of wild marine organisms with the intent of disposing of them for profit or trade in commercial channels.

[2007, c. 466, Pt. A, §58 (NEW) .]

3. **Commercial fishing activities.** "Commercial fishing activities" means commercial aquacultural production and commercial fishing. "Commercial fishing activities" does not include retail sale to the general public of marine organisms or their byproducts, or of other products or byproducts of commercial aquacultural production or commercial fishing.

[2009, c. 496, §12 (AMD) .]

4. **Excess valuation factor.** "Excess valuation factor" means a market-based influence on the determination of the just value of working waterfront land that would result in a valuation that is in excess of that land's current use value. "Excess valuation factor" includes, but is not limited to, aesthetic factors, recreational water-use factors, residential housing factors and nonresidential development factors unrelated to working waterfront uses.

[2007, c. 466, Pt. A, §58 (NEW) .]

5. **Head of tide.** "Head of tide" means the inland or upstream limit of water affected by the tide.

[2007, c. 466, Pt. A, §58 (NEW) .]

6. **Intertidal zone.** "Intertidal zone" means all land affected by the tides between the mean high-water mark and the mean low-water mark.

[2007, c. 466, Pt. A, §58 (NEW) .]

7. **Marine organism.** "Marine organism" means an animal or plant that inhabits intertidal zones or waters below head of tide.

[2007, c. 466, Pt. A, §58 (NEW) .]

8. **Support the conduct of commercial fishing activities.** "Support the conduct of commercial fishing activities" means:

A. To provide access to the water or the intertidal zone over waterfront property to persons directly engaged in commercial fishing activities; or [2007, c. 466, Pt. A, §58 (NEW).]

B. To conduct commercial business activities that provide goods or services that directly support commercial fishing activities. [2007, c. 466, Pt. A, §58 (NEW).]

[2007, c. 466, Pt. A, §58 (NEW) .]

9. **Used predominantly.** "Used predominantly" means used more than 90% for commercial fishing activity, allowing for limited uses for noncommercial or nonfishing activities if those activities are minor and purely incidental to a property's predominant use.

[2007, c. 466, Pt. A, §58 (NEW) .]

10. **Used primarily.** "Used primarily" means used more than 50% for commercial fishing activity.

[2007, c. 466, Pt. A, §58 (NEW) .]

11. **Working waterfront land.** "Working waterfront land" means a parcel of land, or a portion thereof, abutting water to the head of tide or land located in the intertidal zone that is used primarily or used predominantly to provide access to or support the conduct of commercial fishing activities. For purposes of this subchapter, a parcel is deemed to include a unit of real estate notwithstanding the fact that it is divided by a road, way, railroad or pipeline.

[2007, c. 466, Pt. A, §58 (NEW) .]

SECTION HISTORY
2007, c. 466, Pt. A, §58 (NEW). 2009, c. 496, §§11, 12 (AMD).

§1133. OWNER'S APPLICATION

An owner or owners of land may elect to apply for taxation under this subchapter for the tax year beginning April 1, 2007 and for subsequent tax years by filing with the assessor the schedule provided for in section 1137, subsection 1. [2007, c. 466, Pt. A, §58 (NEW).]

SECTION HISTORY
2007, c. 466, Pt. A, §58 (NEW).

§1134. ADMINISTRATION; RULES

The State Tax Assessor may adopt rules necessary to carry out this subchapter. Rules adopted under this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A. [2007, c. 466, Pt. A, §58 (NEW).]

SECTION HISTORY
2007, c. 466, Pt. A, §58 (NEW).

§1135. CURRENT USE VALUATION OF WORKING WATERFRONT LAND

The municipal assessor, chief assessor or State Tax Assessor for the unorganized territory shall establish the current use value per parcel for property classified as working waterfront land. The current use value of working waterfront land is the sale price that the parcel would command in the marketplace if it were required to remain in the use currently being made of the parcel as working waterfront land. The assessor may use one of the following methods to determine current use value. [2007, c. 466, Pt. A, §58 (NEW).]

1. **Comparative valuation.** The assessor may determine the current use value of working waterfront land by considering:

A. All excess valuation factors that affect the land's just value; [2007, c. 466, Pt. A, §58 (NEW).]

B. The comparative valuation of inland commercial enterprises that are being assessed on the basis of a use that is similar to the use of the working waterfront land with respect to function, access and level of activity; and [2007, c. 466, Pt. A, §58 (NEW).]

C. Any other factor that results in a determination of the current use value of the working waterfront land. [2007, c. 466, Pt. A, §58 (NEW).]

[2007, c. 466, Pt. A, §58 (NEW) .]

2. **Alternative valuation.** If there is insufficient data to determine the current use value of working waterfront land under subsection 1, the assessor may reduce the ordinary assessed valuation of the land, without regard to permanent protection restrictions and as reduced by the certified ratio, by applying the percentage reductions for which the land is eligible according to the following categories.

A. Working waterfront land used predominantly as working waterfront land is eligible for a reduction of 20%. [2007, c. 466, Pt. A, §58 (NEW).]

B. Working waterfront land used primarily as working waterfront land is eligible for a reduction of 10%. [2007, c. 466, Pt. A, §58 (NEW).]

C. Working waterfront land that is permanently protected from a change in use through deeded restrictions is eligible for the reduction described in paragraph A or B and an additional reduction of 30%. [2007, c. 466, Pt. A, §58 (NEW).]

[2007, c. 466, Pt. A, §58 (NEW) .]

SECTION HISTORY
2007, c. 466, Pt. A, §58 (NEW).

§1136. ASSESSMENT OF TAX

An assessment of working waterfront land for purposes of property taxation must be based on the value determined in accordance with this subchapter. [2007, c. 466, Pt. A, §58 (NEW).]

SECTION HISTORY
2007, c. 466, Pt. A, §58 (NEW).

§1137. SCHEDULE; QUALIFICATION

1. **Schedule.** The owner or owners of waterfront land may apply for taxation of that land under this subchapter by submitting a signed schedule, on or before April 1st of the year in which the owner or owners wish to first subject that land to taxation under this subchapter, to the assessor upon a form to be prescribed by the State Tax Assessor that must contain a description of the parcel, together with a map identifying the location and boundaries of the working waterfront land, a description of the manner in which the land is used primarily for commercial fishing activities and other information the assessor may require to aid the assessor in determining what portion of the land qualifies for classification as working waterfront land. The schedule must be signed and consented to by each person with an ownership interest in the land. Classification of the land as working waterfront land may not be inconsistent with the use prescribed in the comprehensive plan, growth management program or zoning ordinance of the municipality in which the land is situated.

In defining the working waterfront land area contained within a parcel, land used primarily for commercial fishing activities must be included, together with any remaining portion of the parcel that is not used for purposes inconsistent with commercial fishing activities as long as the remaining portion is not sufficient in dimension to meet the requirements for a minimum lot as provided by either the state minimum lot requirements as prescribed by Title 12, section 4807-A or Title 38, chapter 3, subchapter 1, article 2-B, as applicable, or the minimum lot size provided by the zoning ordinance or zoning map pertaining to the area in which the remaining portion is located.

[2011, c. 240, §9 (AMD) .]

2. **Classification.** The assessor shall determine what land meets the requirements of this subchapter and shall classify such land as working waterfront land in accordance with this subchapter. The assessor shall file, in the municipal office of the town in which the working waterfront land is located, the original schedule and the value of the working waterfront land as established under this subchapter and the value at which the working waterfront land would have been assessed had it not been classified under this subchapter.

[2007, c. 466, Pt. A, §58 (NEW) .]

3. **Notification of determination.** The assessor shall notify the owner or owners in writing of the assessor's determination as to the applicability of this subchapter by June 1st following receipt of a signed schedule meeting the requirements of this section. The assessor's notification must state whether the application has been accepted or denied, and if denied the assessor shall state the reasons for the denial and provide the owner or owners an opportunity to amend the schedule to conform to the requirements of this subchapter.

[2007, c. 466, Pt. A, §58 (NEW) .]

4. **Investigation.** The assessor or the assessor's duly authorized representative may enter and examine the lands under this subchapter for tax purposes and may examine any information submitted by the owner or owners.

Upon notice in writing by certified mail, return receipt requested, any owner or owners shall, within 60 days of the receipt of such notice, respond to such written questions or interrogatories as the assessor may consider necessary to obtain material information about those lands. If the assessor determines that it is not reasonable to obtain the required material information regarding those lands through such written questions or interrogatories, the assessor may require any owner or owners, upon notice in writing by certified mail, return receipt requested, or by such other method as provides actual notice, to appear before the assessor at such reasonable time and place as the assessor may designate and answer such questions or interrogatories as the assessor may consider necessary to obtain material information about those lands.

[2007, c. 466, Pt. A, §58 (NEW) .]

5. **Owner obligation.** If the owner or owners of any land subject to taxation under this subchapter fail to submit the schedules under this section, or fail to respond, within 60 days of receipt, to written questions or interrogatories of the assessor, or fail within 60 days of receipt of notice as provided in this section to appear before the assessor to respond to questions or interrogatories, or fail to provide information after notice duly received as provided under this section, that owner or those owners are deemed to have waived all rights of appeal.

It is the obligation of the owner or owners to report to the assessor any disqualifying change of use of land subject to taxation under this subchapter by the end of the tax year in which the change occurs. If the owner or owners fail to report any disqualifying change of use of land to the assessor, the assessor shall assess those taxes that should have been paid, shall assess the penalty provided in section 1138 and shall assess an additional penalty of 25% of the foregoing penalty amount. The assessor may waive the additional penalty for cause.

[2007, c. 466, Pt. A, §58 (NEW) .]

6. **Recertification.** The assessor shall determine annually whether any classified land continues to meet the requirements of this subchapter. Each year the assessor shall recertify any classifications made under this subchapter and update the information required under subsection 1. If any classified land no longer meets the requirements of this subchapter, or the owner or owners request withdrawal of the land from the classification in writing, the assessor shall remove the classification.

[2007, c. 466, Pt. A, §58 (NEW) .]

SECTION HISTORY
2007, c. 466, Pt. A, §58 (NEW). 2011, c. 240, §9 (AMD).

§1138. RECAPTURE PENALTY

1. **Assessor determination; owner request.** If the assessor determines that land subject to this subchapter no longer meets the requirements of this subchapter, the assessor must withdraw the land from taxation under this subchapter. The owner or owners of land subject to this subchapter may at any time request withdrawal of any land from taxation under this subchapter by certifying in writing to the assessor that the land is no longer to be classified under this subchapter.

[2007, c. 466, Pt. A, §58 (NEW) .]

2. **Withdrawal of portion.** In the case of withdrawal of a portion of the working waterfront land, the owner or owners, as a condition of withdrawal, shall file with the assessor a schedule including the information required under section 1137, subsection 1 showing the area withdrawn and the area remaining under this subchapter.

[2007, c. 466, Pt. A, §58 (NEW) .]

3. **Penalty.** If land is withdrawn from taxation under this subchapter, the assessor shall impose a penalty upon the owner or owners. The penalty is the greater of:

A. An amount equal to the taxes that would have been assessed on the first day of April for the 5 tax years, or any lesser number of tax years starting with the year in which the property was first classified, preceding such withdrawal had such real estate been assessed in each of those years at its just value on the date of withdrawal less all taxes paid on that real estate over the preceding 5 years, and interest at the prevailing municipal rate from the date or dates on which those amounts would have been payable; and [2007, c. 466, Pt. A, §58 (NEW).]

B. An amount computed by multiplying the amount, if any, by which the fair market value of the real estate on the date of withdrawal exceeds the 100% valuation of the real estate pursuant to this subchapter on the preceding April 1st by the following rates:

(1) If the real estate was subject to valuation under this subchapter for 10 years or less prior to the date of withdrawal, the rate is 30%; and

(2) If the real estate was subject to valuation under this subchapter for more than 10 years prior to the date of withdrawal, the rate is that percentage obtained by subtracting 1% from 30% for each full year beyond 10 years that the real estate was subject to valuation under this subchapter prior to the date of withdrawal until a rate of 20% is reached. [2007, c. 466, Pt. A, §58 (NEW).]

For purposes of this section, just value at the time of withdrawal is the assessed just value of comparable property in the municipality adjusted by the municipality's certified assessment ratio.

[2007, c. 466, Pt. A, §58 (NEW) .]

4. **Assessment and collection of penalties.** The penalties for withdrawal must be paid upon withdrawal to the tax collector as additional property taxes. Penalties may be assessed and collected as supplemental assessments in accordance with section 713-B.

[2007, c. 466, Pt. A, §58 (NEW) .]

5. **Eminent domain.** A penalty may not be assessed under this section if the withdrawal of the parcel is occasioned by a transfer to the State or other entity holding the power of eminent domain resulting from the exercise or threatened exercise of that power.

[2007, c. 466, Pt. A, §58 (NEW) .]

6. **Relief from requirements.** Upon withdrawal, the land is relieved of the requirements of this subchapter immediately and is returned to taxation under the statutes relating to the taxation of real property to be so taxed on the following April 1st.

[2007, c. 466, Pt. A, §58 (NEW) .]

7. **Reclassification as open space.** No penalty may be assessed upon the withdrawal of land from taxation under this subchapter if the owner or owners apply for and are accepted for classification of that land as open space land under subchapter 10.

[2007, c. 466, Pt. A, §58 (NEW) .]

8. **Report of penalty.** Any municipality that receives a penalty for the withdrawal of land from taxation under this subchapter shall report to the State Tax Assessor the total amount received in that reporting year on the municipal valuation return form described in section 383.

[2007, c. 466, Pt. A, §58 (NEW) .]

SECTION HISTORY
2007, c. 466, Pt. A, §58 (NEW).

§1139. ENFORCEMENT

A tax lien is created to secure the payment of the penalties provided in section 1138. The lien may be enforced in the same manner and has the same effect as liens on real estate created by section 552. [2007, c. 466, Pt. A, §58 (NEW).]

SECTION HISTORY
2007, c. 466, Pt. A, §58 (NEW).

§1140. TRANSFER OF OWNERSHIP

If land taxed under this subchapter is transferred to a new owner or owners, in order to maintain the classification, within one year of the date of transfer, the new owner or owners must file with the assessor a new application and a sworn statement indicating that the transferred parcel continues to meet the requirements of section 1132, subsection 11. [2007, c. 466, Pt. A, §58 (NEW).]

SECTION HISTORY
2007, c. 466, Pt. A, §58 (NEW).

§1140-A. APPEALS AND ABATEMENTS

The denial of an application or an assessment made under this subchapter is subject to the abatement procedures provided by section 841. Appeal from a decision rendered under section 841 is to the State Board of Property Tax Review. [2007, c. 466, Pt. A, §58 (NEW).]

SECTION HISTORY
2007, c. 466, Pt. A, §58 (NEW).

§1140-B. ANALYSIS AND REPORT

1. **Analysis.** The State Tax Assessor, in consultation with municipal assessors, the Commissioner of Agriculture, Conservation and Forestry or the commissioner's designee, representatives of working waterfront organizations and other interested parties, shall collect and analyze the sales prices of all actual sales that occur in the State of waterfront land that is subject to restrictions on that land's use that are legally enforceable and prohibit or substantially restrict development that is not commercial fishing activity or commercial activity that is the functional equivalent of commercial fishing activity.

[2011, c. 655, Pt. II, §9 (AMD); 2011, c. 655, Pt. II, §11 (AFF); 2011, c. 657, Pt. W, §6 (REV) .]

2. **Report.**

[2011, c. 644, §8 (RP) .]

SECTION HISTORY
2007, c. 466, Pt. A, §58 (NEW). 2011, c. 644, §8 (AMD). 2011, c. 655, Pt. II, §9 (AMD). 2011, c. 655, Pt. II, §11 (AFF). 2011, c. 657, Pt. W, §6 (REV).

Subchapter 11: CURRENT USE VALUATION OF CERTAIN WORKING WATERFRONT LAND (HEADING: PL 2005, C. 609, §2 (NEW); PL 2007, C. 466, PT. A, §59 (RP))

§1141. PURPOSE

(REPEALED)

SECTION HISTORY
1967, c. 271, §2 (AMD). 1969, c. 502, §9 (AMD). 1971, c. 544, §123 (AMD). 1971, c. 616, §11 (AMD). 1973, c. 625, §251 (AMD). 1979, c. 666, §26 (RP). 2005, c. 609, §2 (NEW). 2007, c. 466, Pt. A, §59 (RP).

§1142. DEFINITIONS

(REPEALED)

SECTION HISTORY
1967, c. 271, §3 (AMD). 1969, c. 502, §10 (AMD). 1971, c. 616, §12 (AMD). 1979, c. 666, §26 (RP). 2005, c. 609, §2 (NEW). 2007, c. 466, Pt. A, §59 (RP).

§1143. OWNER'S APPLICATION

(REPEALED)

SECTION HISTORY
1969, c. 502, §11 (AMD). 1979, c. 666, §26 (RP). 2005, c. 609, §2 (NEW). 2007, c. 466, Pt. A, §59 (RP).

§1144. ADMINISTRATION; RULES

(REPEALED)

SECTION HISTORY
1967, c. 271, §4 (AMD). 1971, c. 616, §13 (RP). 2005, c. 609, §2 (NEW). 2007, c. 466, Pt. A, §59 (RP).

§1145. CURRENT USE VALUATION OF WORKING WATERFRONT LAND

(REPEALED)

SECTION HISTORY
1967, c. 271, §5 (AMD). 1971, c. 616, §14 (AMD). 1977, c. 679, §2 (AMD). 1979, c. 666, §26 (RP). 2005, c. 609, §2 (NEW). 2007, c. 466, Pt. A, §59 (RP).

§1146. ASSESSMENT OF TAX

(REPEALED)

SECTION HISTORY
1971, c. 616, §15 (NEW). 1979, c. 666, §26 (RP). 2005, c. 609, §2 (NEW). 2007, c. 466, Pt. A, §59 (RP).

§1147. SCHEDULE; QUALIFICATION

(REPEALED)

SECTION HISTORY
1971, c. 616, §15 (NEW). 1977, c. 698, §6 (AMD). 1979, c. 666, §26 (RP). 2005, c. 609, §2 (NEW). 2007, c. 466, Pt. A, §59 (RP).

§1148. RECAPTURE PENALTY

(REPEALED)

SECTION HISTORY
2005, c. 609, §2 (NEW). 2007, c. 466, Pt. A, §59 (RP).

§1149. ENFORCEMENT

(REPEALED)

SECTION HISTORY
2005, c. 609, §2 (NEW). 2007, c. 466, Pt. A, §59 (RP).

§1150. TRANSFER OF OWNERSHIP

(REPEALED)

SECTION HISTORY
2005, c. 609, §2 (NEW). 2007, c. 466, Pt. A, §59 (RP).

§1151. APPEALS AND ABATEMENTS

(REPEALED)

SECTION HISTORY
2005, c. 609, §2 (NEW). 2007, c. 466, Pt. A, §59 (RP).

§1152. ANALYSIS AND REPORT

(REPEALED)

SECTION HISTORY
2005, c. 609, §2 (NEW). 2007, c. 466, Pt. A, §59 (RP).

Chapter 107: UNINCORPORATED AND UNORGANIZED PLACES

Subchapter 1: GENERAL PROVISIONS (HEADING: PL 1979, C. 666, §26 (RP))

§1141. LANDS IN PLACES NOT INCORPORATED MAY BE TAXED BY THE STATE; FOREST FIRE TAX

(REPEALED)

SECTION HISTORY
1967, c. 271, §2 (AMD). 1969, c. 502, §9 (AMD). 1971, c. 544, §123 (AMD). 1971, c. 616, §11 (AMD). 1973, c. 460, §18 (AMD). 1973, c. 625, §251 (AMD). 1979, c. 666, §26 (RP). 2005, c. 609, §2 (NEW). 2007, c. 466, Pt. A, §59 (RP).

§1142. DETERMINATION OF TAX; LIST FILED FOR PUBLIC INSPECTION

(REPEALED)

SECTION HISTORY

1967, c. 271, §3 (AMD). 1969, c. 502, §10 (AMD). 1971, c. 616, §12 (AMD). 1979, c. 666, §26 (RP). 2005, c. 609, §2 (NEW). 2007, c. 466, Pt. A, §59 (RP).

§1143. MEANING OF LETTERS USED IN LISTS OF LANDS IN UNORGANIZED TERRITORY

(REPEALED)

SECTION HISTORY
1969, c. 502, §11 (AMD). 1979, c. 666, §26 (RP). 2005, c. 609, §2 (NEW). 2007, c. 466, Pt. A, §59 (RP).

§1144. REAL ESTATE SUBJECT TO COUNTY TAXES

(REPEALED)

SECTION HISTORY
1967, c. 271, §4 (AMD). 1971, c. 616, §13 (RP). 2005, c. 609, §2 (NEW). 2007, c. 466, Pt. A, §59 (RP).

§1145. NOTICE BY MAIL; UNKNOWN OWNERS; INTEREST

(REPEALED)

SECTION HISTORY
1967, c. 271, §5 (AMD). 1971, c. 616, §14 (AMD). 1977, c. 679, §2 (AMD). 1979, c. 666, §26 (RP). 2005, c. 609, §2 (NEW). 2007, c. 466, Pt. A, §59 (RP).

§1146. ASSESSMENTS REPEALED

(REPEALED)

SECTION HISTORY
1971, c. 616, §15 (NEW). 1979, c. 666, §26 (RP). 2005, c. 609, §2 (NEW). 2007, c. 466, Pt. A, §59 (RP).

§1147. UNORGANIZED TERRITORY

(REPEALED)

SECTION HISTORY
1971, c. 616, §15 (NEW). 1977, c. 698, §6 (AMD). 1979, c. 666, §26 (RP). 2005, c. 609, §2 (NEW). 2007, c. 466, Pt. A, §59 (RP).

Subchapter 2: VALUATION

§1181. LANDS IN UNORGANIZED TERRITORY

The Commissioner of Agriculture, Conservation and Forestry shall provide to the State Tax Assessor at his request all information in his possession touching the value and description of lands in the unorganized territory; and a statement of all lands on which timber has been sold or a permit to cut timber has been granted by lease or otherwise. All other state officers, when requested, shall in like manner provide all information in their possession touching said valuation to the State Tax Assessor. [1977, c. 509, §30 (RPR); 2011, c. 657, Pt. W, §6 (REV).]

In fixing the valuation of unorganized townships, whenever practicable the lands and other property therein of any owners shall be valued and assessed separately. When the soil of townships or tracts taxed by the State as land in unorganized territory is not owned by the person or persons who own the growth or part of the growth thereon, the State Tax Assessor shall value the soil and such growth separately for purposes of taxation. [1977, c. 509, §30 (RPR).]

SECTION HISTORY
1967, c. 271, §6 (AMD). 1969, c. 502, §12 (AMD). 1973, c. 460, §18 (AMD). 1975, c. 339, §14 (AMD). 1977, c. 509, §30 (RPR). 2011, c. 657, Pt. W, §6 (REV).

§1182. RETURNS TO STATE TAX ASSESSOR FOR UNORGANIZED TERRITORY; PENALTY FOR FAILURE

(REPEALED)

SECTION HISTORY
1971, c. 616, §16 (RP).

Subchapter 3: PERSONAL PROPERTY TAX

§1231. RETURNS TO STATE TAX ASSESSOR

On or before the first day of May in each year, every owner or person in charge or control of personal property that on the first day of April of that year is situated, whether permanently or temporarily, within the unorganized territory shall return to the State Tax Assessor on a form to be furnished by the State Tax Assessor a complete list of such property that would not be exempt from taxation if it were located in a municipality of this State and that is not otherwise subject to taxation under this Part. That property must be taxed at the rate established by the State Tax Assessor as provided in section 1602. [2007, c. 627, §30 (AMD).]

A person who knowingly makes a fraudulent return under this section commits a civil violation for which a fine of not less than $100 nor more than $500 for each violation must be adjudged. [2007, c. 627, §30 (AMD).]

SECTION HISTORY
1973, c. 625, §252 (AMD). 1975, c. 272, §44 (AMD). 1977, c. 696, §270 (AMD). 1979, c. 666, §27 (AMD). 2007, c. 627, §30 (AMD).

§1232. DUE DATES; PROCEEDINGS ON DELINQUENCY

Taxes levied under section 1602 shall be paid to the State Tax Assessor on or before October 1st of each year. A lien is created on all personal property for such taxes and expenses incurred in accordance with section 1233, and such property may be sold for the payment of such taxes and expenses at any time after October 1st. When the time for the payment of the tax to the State Tax Assessor has expired, and it is unpaid, the State Tax Assessor shall give notice thereof to the delinquent property owner, and unless such tax shall be paid within 60 days, the State Tax Assessor may issue his warrant to the sheriff of the county, requiring him to levy by distress and sale upon the personal property of said property owner, and the sheriff or his deputy shall execute such warrants. Any balance remaining after deducting taxes and necessary additions made in accordance with this subchapter shall be returned to the owner or person in possession of such property or the State Tax Assessor may certify such unpaid taxes to the Attorney General, who shall bring a civil action in the name of the State. [1979, c. 666, §28 (AMD).]

In addition to the procedure authorized in the preceding paragraph, the State Tax Assessor may follow the procedure provided in section 612 and, with regard to that procedure, shall be subject to the same rights and obligations as a municipality or municipal officers. [1983, c. 403, §2 (NEW).]

SECTION HISTORY
1973, c. 625, §253 (AMD). 1977, c. 679, §3 (AMD). 1979, c. 666, §28 (AMD). 1983, c. 403, §2 (AMD).

§1233. FAILURE TO MAKE RETURN; PENALTY

Should any owner or person having in his charge or control personal property taxable by said State Tax Assessor, as provided in section 1231, neglect or refuse to comply with the requirements of this subchapter, the State Tax Assessor may secure the necessary information by such methods as he deems advisable, and the necessary expense incurred in securing such information shall be added to the tax assessed against the property of such owner or person and paid to the State Tax Assessor with the tax.

Subchapter 4: DELINQUENT TAXES

§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 the fees established by Title 33, section 751. [1991, c. 846, §12 (AMD).]

SECTION HISTORY
1965, c. 115, (AMD). 1967, c. 271, §7 (AMD). 1969, c. 2, §1 (AMD). 1973, c. 625, §254 (AMD). 1977, c. 509, §§30A,30B, 30C (AMD). 1977, c. 679, §4 (AMD). 1979, c. 666, §§29-31 (AMD). 1981, c. 279, §32 (AMD). 1981, c. 706, §§13,14 (AMD). 1987, c. 667, §23 (AMD). 1989, c. 857, §77 (AMD). 1991, c. 846, §12 (AMD).

§1282. FILING OF CERTIFICATE TO CREATE MORTGAGE; FORECLOSURE PROVISIONS; NOTICE; DISCHARGE

The filing of the certificate provided for in section 1281 in the registry of deeds shall be deemed to create and shall create a mortgage on such real estate to the State, having priority over all other mortgages, liens, attachments and encumbrances of any nature, and shall give to the State all the rights usually incident to a mortgage, except that the mortgagee shall not have any right of possession of such real estate until the right of redemption shall have expired.

Part payments accepted during the redemption period shall not interrupt or extend the redemption period or in any way affect the foreclosure proceedings. If the total amount necessary for redemption is not paid before the mortgage is foreclosed, the mortgagor shall be entitled to a refund of such part payments made after the filing of the certificate provided for in section 1281.

If said mortgage, together with interest and costs, shall not be paid by the 30th day of March of the year following the filing of such certificate in the registry of deeds as provided for in this section and section 1281, the said mortgage shall be deemed to have been foreclosed and the right of redemption to have expired.

The filing of such certificate in the registry of deeds shall be sufficient notice of the existence of the mortgage.

In the event that such tax, interest and costs, together with the fees established by Title 33, section 751 for recording the discharge, 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. [1991, c. 846, §13 (AMD).]

Each owner may pay for his proportionate ownership in any tract of land whether in common or not, and upon filing with the State Tax Assessor a certificate containing a suitable description of the property on which he desires to pay the taxes and where the same is located, and paying the amount due, together with interest and costs, shall receive a certificate from the State Tax Assessor discharging the taxes on the fractional part or ownership upon which such payment is made.

SECTION HISTORY
1969, c. 2, §2 (AMD). 1981, c. 698, §182 (AMD). 1991, c. 846, §13 (AMD).

§1283. SUPERVISION, ADMINISTRATION AND SALE OF REAL ESTATE

A copy of the lien certificate shall be filed in the office of the State Tax Assessor. On the 30th day of March annually, whenever the State shall have acquired title to real estate assessed for any taxes assessed under chapter 115, the State Tax Assessor shall certify to the State Controller the amount of unpaid taxes, interest and costs then outstanding. Unpaid taxes and interest and costs on the books of the State shall be charged against the Unorganized Territory Education and Services Fund. [1985, c. 459, Pt. C, §9 (AMD).]

The State Tax Assessor shall, whenever the State acquires title to real estate under this subchapter, cause an inventory to be made of all the real estate. The inventory must contain a description of the real estate, amount of accrued taxes by years and any other information necessary in the administration and supervision of the real estate. A copy of the inventory must be furnished to the Commissioner of Agriculture, Conservation and Forestry and the Commissioner of Inland Fisheries and Wildlife prior to the convening of the Legislature. The assessor shall report annually to the Legislature not later than 15 days after it convenes. The report must contain a copy of the inventory of real estate then owned by the State and such recommendations as to the disposition of this real estate the assessor, the Commissioner of Agriculture, Conservation and Forestry and the Commissioner of Inland Fisheries and Wildlife may wish to make. [1999, c. 414, §14 (AMD); 2011, c. 657, Pt. W, §6 (REV).]

The State Tax Assessor shall, after authorization by the Legislature, sell and convey any such real estate; but shall in all cases of sales, except sales to the former owners of the real estate, give public notice of the proposal to sell such real estate and shall ask for competitive bids and shall sell to the highest bidder, with the right of rejecting all bids. No sales of such real estate or any stumpage thereon shall be made by the State Tax Assessor except by authorization of the Legislature. [1967, c. 271, §8 (AMD).]

The supervision, administration, utilization and vindication of the rights of the State in such real estate shall be vested in the State Tax Assessor until title is conveyed or otherwise disposed of by the Legislature. [1967, c. 271, §8 (AMD).]

All money received from the sale or use of such real estate shall be credited to the Unorganized Territory Education and Services Fund. [1985, c. 459, Pt. C, §10 (AMD).]

This section shall apply to real estate acquired through tax sales and owned by the State. [1967, c. 271, §8 (AMD).]

SECTION HISTORY
1967, c. 271, §8 (AMD). 1973, c. 460, §18 (AMD). 1973, c. 625, §255 (AMD). 1975, c. 339, §15 (AMD). 1981, c. 706, §15 (AMD). 1985, c. 459, §§C9,C10 (AMD). 1999, c. 414, §14 (AMD). 2011, c. 657, Pt. W, §6 (REV).

§1284. ACTION TO RECOVER TAXES

The State Tax Assessor may bring a civil action in his own name to enforce the lien on real estate created by section 552, to secure the payment of state, taxes assessed under sections 1331 and 1602 upon real estate not liable to be assessed in any town. Such action shall be begun after the expiration of 8 months and within one year after August 1st following the date such taxes were assessed. The proceedings shall be in accordance with section 941, except that the preliminary notice and demand for payment of said tax as provided in said section shall not be required. [1979, c. 666, §32 (AMD).]

SECTION HISTORY
1967, c. 271, §9 (AMD). 1969, c. 2, §3 (AMD). 1973, c. 625, §256 (AMD). 1979, c. 666, §32 (AMD).

§1285. COLLECTION OF TAXES IN UNORGANIZED TOWNSHIPS

In addition to the methods of collecting state taxes provided by law, owners of real estate in unorganized townships shall be liable to pay such taxes to the State Tax Assessor upon demand. If such taxes shall not be paid within 30 days after such demand, the State Tax Assessor may collect the same, with interest as provided by law, by a civil action in the name of the State. Such action shall be brought in a court of competent jurisdiction in the county where such unorganized townships are located, and the Attorney General may begin and prosecute such actions when requested by the State Tax Assessor. The demand shall be sufficient if made by a writing mailed to such owner or his agent at his usual post-office address. In case such owner resides without the State and has no agent within the State known to the State Tax Assessor, such demand shall be sufficient if made upon the Director of the Bureau of Forestry. Such action shall be brought not less than 30 days after the giving or mailing of the demand. The beginning of such action, obtaining execution and collecting the same shall be deemed a waiver of the rights of the State under sections 1281 and 1282. In case the owners of any such real estate are unknown, the demand shall be sufficient if advertised in the state paper and in some newspaper, if any, published in the county in which the real estate lies.

SECTION HISTORY
1967, c. 271, §10 (AMD). 1973, c. 460, §18 (AMD). 1973, c. 625, §257 (AMD). 1975, c. 765, §16 (AMD). 1979, c. 666, §33 (AMD).

§1286. LIMITATION ON RECOVERY OF TAX SOLD REAL ESTATE IN UNORGANIZED PLACES

When the State has taxed real estate in unorganized territory, and the State Tax Assessor has conveyed it, or part of it, for nonpayment of tax, by deed purporting to convey the interest of the State by forfeiture for such nonpayment, or it or a part of it has been conveyed under authority given by the Legislature by a deed purporting to convey the interest of the State acquired under sections 1281 to 1283, and the pertinent records of the State Tax Assessor show that the grantee, his heirs or assigns, has paid the state and county taxes thereon, or on his acres or interest therein, as stated in the deed, continuously for the 20 years subsequent to such deed; and when a person claims under a recorded deed describing real estate in unorganized territory taxed by the State, and the pertinent records of the State Tax Assessor show that he has, by himself or by his predecessors under that deed, paid the state and county taxes thereon, or on his acres or interest therein as stated in the deed, continuously for 20 years subsequent to recording that deed; and whenever, in either

case, it appears that the person claiming under such a deed, and those under whom he claims, have, during that period, held such exclusive, peaceable, continuous and adverse possession thereof as comports with the ordinary management of real estate in unorganized territory in this State, and it further appears that during such period no former owner, or person claiming under him, has paid any such tax, or any assessment by the county commissioners, or done any other act indicative of ownership, no action may be maintained by a former owner, or those claiming under him, to recover such real estate or to avoid such deed, unless commenced within those 20 years. That payment shall give the grantee or person claiming, his heirs or assigns, a right of entry and seizin in the whole, or such part, in common and undivided, of the whole tract as the deed states, or as the number of acres in the deed is to the number of acres assessed. [1981, c. 706, §16 (AMD).]

This section shall apply to rights and interests acquired under tax sales made by the State Tax Assessor for the nonpayment of taxes. [1981, c. 706, §16 (AMD).]

SECTION HISTORY
1967, c. 271, §11 (AMD). 1981, c. 706, §16 (AMD).

§1287. ACTION MAY BE COMMENCED IN 10 YEARS AFTER DISABILITY

If any such former owner, or person claiming under him, during said period of 20 years, or any portion thereof, is a minor, mentally ill, imprisoned or absent from the United States he may, if otherwise entitled, bring such action at any time within 10 years after such disability is removed, notwithstanding said period of 20 years has expired, and if such person dies during the continuance of the disability, and no determination or judgment has been had on his title or right of action, such action may be brought by his heirs, or other person claiming under him, at any time within 10 years after his death, notwithstanding the 20 years have elapsed.

§1288. APPLICABILITY OF PROVISIONS

Sections 1286 and 1287 shall not apply to actions between cotenants.

Subchapter 5: SUPPLEMENTAL ASSESSMENTS

§1331. SUPPLEMENTAL ASSESSMENTS

Supplemental assessments may be made within 3 years from the last assessment date whenever it is determined that any estates in the unorganized territory liable to taxation have been omitted from assessment or any tax on estates is invalid or void by reason of illegality, error or irregularity in assessment. The State Tax Assessor may, by supplement to the list of assessments, assess such estates for their due proportion of such tax. Any supplemental assessments shall be made in the same manner as the original assessment should have been made. Such supplemental assessment shall be based on the valuation to be established by the State Tax Assessor. [1981, c. 706, §17 (AMD).]

The lien on real estate created by section 552 may be enforced as provided in section 1282. [1977, c. 509, §31 (RPR).]

Persons subjected to a tax under this section shall be deemed to have received sufficient notice if the notice required by section 706 was given. [1977, c. 509, §31 (RPR).]

Interest shall accrue on supplemental assessments from October 1st of the year to which the property tax applies, except that the taxpayer has a 2-month period from the assessment of the supplemental tax during which all interest will be automatically waived if the tax is paid. [1987, c. 772, §20 (NEW).]

SECTION HISTORY
1967, c. 271, §12 (AMD). 1969, c. 502, §13 (AMD). 1973, c. 625, §258 (AMD). 1977, c. 509, §31 (RPR). 1981, c. 706, §17 (AMD). 1987, c. 772, §20 (AMD).

§1332. ABATEMENT WHERE DOUBLE TAX

(REPEALED)

SECTION HISTORY
1975, c. 765, §17 (RP). 1975, c. 771, §403 (AMD). 1977, c. 477, §4 (RP).

Chapter 109: POLL TAX

Subchapter 1: GENERAL PROVISIONS (HEADING: PL 1973, C. 66, §16 (RP))

§1381. POLL TAX

(REPEALED)

SECTION HISTORY
1969, c. 433, §98 (AMD). 1971, c. 598, §87 (AMD). 1973, c. 66, §16 (RP).

§1382. POLL TAX RECEIPTS

(REPEALED)

SECTION HISTORY
1973, c. 66, §16 (RP).

Subchapter 2: UNORGANIZED LOCATIONS
(HEADING: PL 1973, C. 66, §§17, 18 (RP))

§1421. POLL TAXES IN UNORGANIZED TERRITORY

(REPEALED)

SECTION HISTORY
1965, c. 12, §2 (AMD). 1969, c. 3, (AMD). 1969, c. 433, §99 (AMD). 1969, c. 445, §§1, 2 (AMD). 1969, c. 446, §§1, 2 (AMD). 1971, c. 46, §§2, 3 (AMD). 1971, c. 622, §125B (AMD). 1973, c. 66, §17 (RP).

§1422. PENALTY FOR FAILURE TO REMIT POLL TAX COLLECTIONS

(REPEALED)

SECTION HISTORY
1979, c. 66, §18 (RP).

Chapter 109-A: COMMERCIAL FISHING VESSELS

§1441. DEFINITIONS

(REPEALED)

SECTION HISTORY
1983, c. 92, §§A-2 (NEW). 1983, c. 862, §83 (RP).

§1442. ANNUAL EXCISE TAX

(REPEALED)

SECTION HISTORY
1983, c. 92, §§A-2 (NEW). 1983, c. 530, §§10,11 (AMD). 1983, c. 862, §83 (RP).

§1443. ANNUAL STATEMENT BY OWNER

(REPEALED)

SECTION HISTORY
1983, c. 92, §A2 (NEW). 1983, c. 862, §83 (RP).

§1444. PROCEEDINGS FOR ABATEMENT

(REPEALED)

SECTION HISTORY
1983, c. 92, §A2 (NEW). 1983, c. 862, §83 (RP).

§1445. PARTIAL ABATEMENT FOR VESSELS CHANGING BASE

(REPEALED)

SECTION HISTORY
1983, c. 92, §A2 (NEW). 1983, c. 862, §83 (RP).

§1446. ENFORCEMENT

(REPEALED)

SECTION HISTORY
1983, c. 92, §A2 (NEW). 1983, c. 862, §83 (RP).

§1447. REIMBURSEMENT TO MUNICIPALITIES

(REPEALED)

SECTION HISTORY
1983, c. 92, §A2 (NEW). 1983, c. 862, §83 (RP).

Chapter 111: AIRCRAFT, HOUSE TRAILERS AND MOTOR VEHICLES

§1481. DEFINITIONS

The following words and phrases as used in section 551 and this chapter shall have the following meanings:

1. **Mobile home.** "Mobile home" means:

A. A structure, transportable in one or more sections, which is 8 body feet or more in width and is 32 body feet or more in length, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air-conditioning and electrical systems contained therein.

A mobile home remains a mobile home for purposes of this Title even though it may be used for the advertising, sales, display or promotion of merchandise or services, or for any other commercial purposes except the transportation of property. [1975, c. 252, §15 (RPR).]

B. A trailer or semitrailer which is 32 feet or longer and primarily designed and constructed to provide temporary living quarters for recreational, camping, travel or other use. [1981, c. 275, (NEW).]

[1981, c. 275, (AMD) .]

1-A. **Camper trailer.** "Camper trailer" shall mean:

A. A trailer or semitrailer of less than 32 feet in length primarily designed and constructed to provide temporary living quarters for recreational, camping, travel or other use. [1975, c. 252, §16 (RPR).]

B. A manufactured or homemade tent trailer, so called, which consists of a platform, shelf or box, with means of permanently or temporarily attaching a tent, used to provide temporary living quarters for recreational, camping, travel or other use. [1975, c. 252, §16 (RPR).]

[1977, c. 324, §1 (AMD) .]

2. **Maker's list price.** "Maker's list price" in the case of vehicles manufactured in the United States means the retail price at the point of manufacture, less the federal manufacturer's tax. "Maker's list price" in the case of vehicles manufactured outside the United States means the retail price at the nearest port of entry. In either case, "maker's list price" includes the manufacturer's suggested retail price of all accessories and equipment which are a part of the vehicle at the time the excise tax is paid.

[1981, c. 230, (AMD) .]

3. **Motor vehicle.** "Motor vehicle" means any self-propelled vehicle not operated exclusively on tracks, including motorcycles, but not including aircraft. "Motor vehicle" does not include any vehicle prohibited by law from operating on the public highways. "Motor vehicle" does not include any snowmobile as defined in Title 12, section 13001.

[2003, c. 414, Pt. B, §52 (AMD); 2003, c. 614, §9 (AFF) .]

4. **Stock race car.** "Stock race car" means a one-time factory produced vehicle equipped with roll bars or bracing welded or attached to the frame in a permanent manner and special safety belts, firewalls and having a certain amount of the body removed.

5. **Vehicle.** "Vehicle" means a motor vehicle, mobile home, camper trailer, heavier-than-air aircraft or lighter-than-air aircraft. "Vehicle" does not include any snowmobiles as defined in Title 12, section 13001.

[2003, c. 414, Pt. B, §53 (AMD); 2003, c. 614, §9 (AFF) .]

6. **Automobile.** "Automobile" means a motor vehicle, including a motorized home but not including a stock race car, designed for the conveyance of passengers with a seating capacity of not more than 14 persons.

[1973, c. 588, §6 (NEW) .]

7. **Purchase price.** "Purchase price" means the actual price paid, including any trade-in value applied to the cost of purchasing the vehicle.

[1995, c. 440, §3 (NEW); 1995, c. 440, §5 (AFF) .]

8. **Bus.** "Bus" has the same meaning as in Title 29-A, section 101, subsection 11.

[2011, c. 646, §2 (NEW) .]

SECTION HISTORY
1965, c. 18, §§3,4 (AMD). 1969, c. 414, §§6,7 (AMD). 1973, c. 588, §6 (AMD). 1975, c. 252, §§15,16 (AMD). 1977, c. 324, §1 (AMD). 1977, c. 564, §132 (AMD). 1981, c. 230, (AMD). 1981, c. 275, (AMD). 1981, c. 706, §18 (AMD). 1991, c. 546, §15 (AMD). 1995, c. 440, §3 (AMD). 1995, c. 440, §5 (AFF). 2001, c. 396, §20 (AMD). 2003, c. 414, §§B52,53 (AMD). 2003, c. 414, §D7 (AFF). 2003, c. 614, §9 (AFF). 2011, c. 646, §2 (AMD).

§1482. EXCISE TAX

1. **Annual excise tax.** An annual excise tax is imposed with respect to each registration year in the following cases.

A. For the privilege of operating an aircraft within the State, each heavier-than-air aircraft or lighter-than-air aircraft operated in this State that is owned or controlled by a resident of this State is subject to an excise tax computed as follows: 9 mills on each dollar of the maker's average equipped price for the first or current year of model; 7 mills for the 2nd year; 5 mills for the 3rd year; 4 mills for the 4th year; and 3 mills for the 5th and succeeding years. The minimum tax is $10. Nonresidents of this State who operate aircraft within this State for compensation or hire must pay 1/12 of the tax amount computed as required in this paragraph for each calendar month or fraction thereof that the aircraft remains in the State. [2011, c. 610, Pt. A, §7 (AMD).]

A-1. [1991, c. 846, §14 (RP).]

B. For the privilege of operating a mobile home upon the public ways, each mobile home to be so operated is subject to such excise tax as follows: A sum equal to 25 mills on each dollar of the maker's list price for the first or current year of model, 20 mills for the 2nd year, 16 mills for the 3rd year and 12 mills for the 4th year and succeeding years. The minimum tax is $15. [2011, c. 240, §10 (AMD).]

C. For the privilege of operating a motor vehicle or camper trailer on the public ways, each motor vehicle, other than a stock race car, or each camper trailer to be so operated is subject to excise tax as follows, except as specified in subparagraph (3), (4) or (5): 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, $2.50 for a bicycle with motor attached, $15 for a camper trailer other than a tent trailer and $5 for a tent trailer. The excise tax on a stock race car is $5.

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

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

(3) For commercial vehicles manufactured in model year 1996 and after, the amount of excise tax due for trucks or truck tractors registered for more than 26,000 pounds and for Class A special mobile equipment, as defined in Title 29-A, section 101, subsection 70, is based on the purchase price in the original year of title rather than on the list price. Verification of purchase price for the application of excise tax is determined by the initial bill of sale or the state sales tax document provided at point of purchase. The initial bill of sale is that issued by the dealer to the initial purchaser of a new vehicle.

(4) For buses manufactured in model year 2006 and after, the amount of excise tax due is based on the purchase price in the original year of title rather than on the list price. Verification of purchase price for the application of excise tax is determined by the initial bill of sale or the state sales tax document provided at point of purchase. The initial bill of sale is that issued by the dealer to the initial purchaser of a new vehicle.

(5) For trucks or truck tractors registered for more than 26,000 pounds that have been reconstructed using a prepackaged kit that may include a frame, front axle or body but does not include a power train or engine and for which a new certificate of title is required to be issued, the amount of excise tax due is based on the maker's list price of the prepackaged kit.

For motor vehicles being registered pursuant to Title 29-A, section 405, subsection 1, paragraph C, the excise tax must be prorated for the number of months in the registration. [2013, c. 263, §1 (AMD).]

D. [2001, c. 671, §33 (RP).]

[2013, c. 263, §1 (AMD) .]

2. **Tax 1/2 during certain periods.** The excise tax is 1/2 of the amount provided in subsection 1 during the following periods:

A. On a farm truck , as defined in Title 29-A, section 505, subsection 1, with 2 or 3 axles that is used primarily for transportation of agricultural produce grown by the owner on the owner's farm during the last 6 months of a registration year; and [2011, c. 240, §11 (AMD).]

B. On all property subject to excise tax under subsection 1 during the last 4 months of a registration year. [2011, c. 240, §11 (AMD).]

[2011, c. 240, §11 (AMD) .]

3. **Tax paid for previous registration year.** If an excise tax was paid for the previous registration year by the same person on the same vehicle, the excise tax for the new registration year must be assessed as if the vehicle was in its next year of model.

[2011, c. 240, §12 (AMD) .]

4. **Maker's list price.** The maker's list price of a vehicle to be used must be obtained from sources approved by the State Tax Assessor, except for a truck or truck tractor described under subsection 1, paragraph C, subparagraph (5). When the maker's list price of a vehicle is not readily obtainable the State Tax Assessor shall prescribe the maker's list price to be used or the manner in which the maker's list price is determined.

A. At the time of payment of the excise tax prior to a new registration for a new passenger vehicle purchased from a motor vehicle dealer licensed in any state for the sale of new passenger vehicles, the owner shall submit the manufacturer's suggested retail price sticker, or a copy of the sticker, to the excise tax collector. In the case of rental and fleet vehicles, other documentation may be provided at the discretion of the municipal excise tax collector.

This paragraph applies only to those vehicles for which a manufacturer's suggested retail price sticker is required by the Federal Government. [1997, c. 200, §1 (NEW).]

[2013, c. 263, §2 (AMD) .]

5. **Credits.** An owner or lessee who has paid the excise or property tax for a vehicle the ownership or registration of which is transferred, or that is subsequently totally lost by fire, theft or accident or totally junked or abandoned, in the same registration year, is entitled to a credit up to the maximum amount of the tax previously paid in that registration year for any one vehicle toward the tax for any number of vehicles, regardless of the number of transfers that may be required of the owner or lessee in that registration year.

A. The credit must be given in any place in which the excise tax is payable. [1997, c. 175, §1 (AMD).]

B. For each transfer made in the same registration year, the owner shall pay $3 to the place in which the excise tax is payable. [2011, c. 240, §13 (AMD).]

C. During the last 4 months of the registration year, the credit may not exceed 1/2 of the maximum amount of the tax previously paid in that registration year for any one vehicle. [2011, c. 240, §13 (AMD).]

D. If the credit available under this subsection exceeds the amount transferred to another vehicle, a municipality may choose, but is not required to refund the excess amount. If a municipality chooses to refund excess amounts it must do so in all instances where there is an excess amount. [2007, c. 83, §1 (RPR).]

E. For the purposes of this subsection, "owner" includes the surviving spouse of the owner. [2011, c. 240, §13 (AMD).]

F. [1987, c. 79, §§6, 7 (RP).]

[2011, c. 240, §13 (AMD) .]

6. **Payment of tax.** Payment of excise tax before property taxes are committed.

A. Where the person seeking to pay the excise tax owned the vehicle other than an automobile truck or truck tractor on or before April 1st, the excise tax must be paid before property taxes for the year in question are committed to the collector, otherwise the owner is subject to a personal property tax. [1979, c. 666, §39 (AMD).]

B. Where the person seeking to pay the excise tax acquired the vehicle other than an automobile, truck or truck tractor after April 1st, or, being a nonresident, brought the vehicle other than an automobile, truck or truck tractor into this State after April 1st, the excise tax may be paid at any time. [1979, c. 666, §39 (AMD).]

C. Where a property tax is paid and later registration of the vehicle is desired, the property tax paid shall be allowed as a credit on the excise tax. [1971, c. 396, (AMD).]

D. Where an excise tax is paid on a mobile home and said mobile home is later in the same year assessed as real estate, the excise tax paid shall be allowed as a credit on the real estate tax. [1975, c. 623, §56-A (RPR).]

E. [2011, c. 240, §14 (RP).]

[2011, c. 240, §14 (AMD) .]

7. **Special mobile equipment; local option.** A municipality may by ordinance refund a portion of the excise tax paid on leased special mobile equipment, as defined by Title 29-A, section 101, subsection 70, if the person who paid the excise tax provides evidence that the registration has been voluntarily surrendered and cancelled under Title 29-A, section 410. The amount of the refund must be the percentage of the excise tax paid that is equal to the percentage represented by the number of full months remaining in the year of the cancelled registration.

[2001, c. 238, §1 (NEW) .]

SECTION HISTORY

1965, c. 18, §5 (AMD). 1965, c. 378, (AMD). 1969, c. 17, (AMD). 1969, c. 493, (AMD). 1971, c. 396, (AMD). 1973, c. 211, §4 (AMD). 1973, c. 588, §§7-13 (AMD). 1975, c. 252, §17 (AMD). 1975, c. 623, §56A (AMD). 1975, c. 765, §18 (AMD). 1977, c. 324, §2 (AMD). 1977, c. 479, §19 (AMD). 1977, c. 678, §49 (AMD). 1979, c. 80, §7 (AMD). 1979, c. 136, (AMD). 1979, c. 666, §§34-40 (AMD). 1981, c. 107, §§1,2 (AMD). 1985, c. 735, §§5-7 (AMD). 1987, c. 79, §§5-7 (AMD). 1991, c. 846, §§14-16 (AMD). 1993, c. 297, §B6 (AMD). 1993, c. 297, §B7 (AFF). 1995, c. 440, §4 (AMD). 1995, c. 440, §5 (AFF). 1995, c. 645, §B23 (AMD). 1995, c. 645, §B24 (AFF). 1997, c. 175, §1 (AMD). 1997, c. 200, §1 (AMD). 2001, c. 238, §1 (AMD). 2001, c. 671, §§32,33 (AMD). 2007, c. 83, §1 (AMD). 2007, c. 627, §31 (AMD). 2011, c. 240, §§10-14 (AMD). 2011, c. 610, Pt. A, §7 (AMD). 2011, c. 646, §3 (AMD). 2013, c. 263, §§1, 2 (AMD).

§1483. EXEMPTIONS

The following are exempt from the excise tax:

1. **State vehicles.** Vehicles owned by this State or by political subdivisions of the State;

[2009, c. 434, §20 (AMD) .]

2. **Driver education.** Motor vehicles registered by municipalities for use in driver education in the secondary schools or by private secondary schools for use in driver education in those schools;

[2009, c. 434, §20 (AMD) .]

3. **Volunteer fire departments.** Motor vehicles owned by volunteer fire departments;

4. **Dealers or manufacturers.** Vehicles owned by bona fide dealers or manufacturers of the vehicles that are held solely for demonstration and sale and constitute stock in trade, and aircraft registered in accordance with Title 6, section 53;

[2009, c. 434, §20 (AMD) .]

5. **Transporter registration.** Vehicles to be lawfully operated on transporter registration certificates;

[2009, c. 434, §20 (AMD) .]

6. **Railroads.** Vehicles owned by railroad companies that are subject to the excise tax imposed under chapter 361;

[2009, c. 434, §20 (AMD) .]

7. **Benevolent and charitable institutions.** Vehicles owned and used solely for their own purposes by benevolent and charitable institutions that are incorporated by this State and entitled to exemption from property tax under section 652, subsection 1;

[2009, c. 434, §20 (AMD) .]

8. **Literary and scientific institutions.** Vehicles owned and used solely for their own purposes by literary and scientific institutions that are entitled to exemption from property tax under section 652, subsection 1;

[2009, c. 434, §20 (AMD) .]

9. **Religious societies.** Vehicles owned and used solely for their own purposes by houses of religious worship or religious societies that are entitled to exemption from property tax under section 652, subsection 1, paragraph G;

[2009, c. 434, §20 (AMD) .]

10. **Certain nonresidents.** Motor vehicles permitted to operate without Maine registration under Title 29-A, section 109;

[1995, c. 65, Pt. A, §138 (AMD); 1995, c. 65, Pt. A, §153 (AFF); 1995, c. 65, Pt. C, §15 (AFF) .]

11. **Interstate commerce.** Vehicles traveling in the State only in interstate commerce that are owned in a state where an excise or property tax has been paid on the vehicle and that grants to Maine-owned vehicles the exemption provided in this subsection;

[2009, c. 434, §20 (AMD) .]

12. **Certain veterans.** Automobiles owned by veterans who are granted free registration of those vehicles by the Secretary of State under Title 29-A, section 523, subsection 1;

[2009, c. 434, §20 (AMD) .]

13. **Certain buses.** Buses used for the transportation of passengers for hire in interstate or intrastate commerce, or both, by carriers engaged in furnishing common carrier passenger service. At the option of the appropriate municipality, those buses may be subject to the excise tax provided in section 1482;

[2009, c. 598, §45 (AMD) .]

14. **Antique and experimental aircraft.** Antique and experimental aircraft as defined in Title 6, section 3, subsections 10-A and 18-E that are registered in accordance with the provisions of Title 6;

[2009, c. 434, §20 (AMD) .]

15. **Adaptive equipment.** Adaptive equipment installed on a motor vehicle owned by a disabled person or the family of a disabled person to make that vehicle operable or accessible by a disabled person; and

[2007, c. 404, §2 (AMD); 2007, c. 404, §4 (AFF) .]

16. **Active military stationed in Maine.** Vehicles owned, including those jointly owned with a spouse, by a person on active duty serving in the Armed Forces of the United States who is permanently stationed at a military or naval post, station or base in the State. Joint ownership of the vehicle must be indicated in the vehicle's title documentation. A member of the Armed Forces of the United States stationed in the State, or that member's spouse, who desires to register that member's vehicle in this State pursuant to this subsection shall present certification from the commander of the member's post, station or base, or from the commander's designated agent, that the member is permanently stationed at that post, station or base. For purposes of this subsection, "a person on active duty serving in the Armed Forces of the United States" does not include a member of the National Guard or the Reserves of the United States Armed Forces.

[2013, c. 532, §1 (AMD) .]

SECTION HISTORY
1965, c. 135, §1 (AMD). 1965, c. 369, §7 (AMD). 1965, c. 513, §75 (AMD). 1967, c. 63, §2 (AMD). 1977, c. 678, §§50-51 (AMD). 1987, c. 13, (AMD). 1987, c. 507, §§2,6 (AMD). 1987, c. 769, §A151 (AMD). 1995,

c. 12, §§1-3 (AMD). 1995, c. 12, §4 (AFF). 1995, c. 65, §A138 (AMD). 1995, c. 65, §§A153,C15 (AFF). 2007, c. 404, §§1-3 (AMD). 2007, c. 404, §4 (AFF). 2007, c. 627, §32 (AMD). 2009, c. 434, §20 (AMD). 2009, c. 598, §45 (AMD). 2013, c. 532, §1 (AMD).

§1483-A. LOCAL OPTION EXEMPTION FOR RESIDENTS PERMANENTLY STATIONED OR DEPLOYED FOR MILITARY SERVICE OUTSIDE OF THE STATE

A municipality may by ordinance exempt from the annual excise tax imposed pursuant to section 1482 vehicles owned by a resident who is on active duty serving in the United States Armed Forces and who is either permanently stationed at a military or naval post, station or base outside this State or deployed for military service for a period of more than 180 days who desires to register that resident's vehicle in this State. To apply for the exemption, the resident must present to a designated municipal official certification from the commander of the resident's post, station or base, or from the commander's designated agent, that the resident is permanently stationed at that post, station or base or is deployed for military service for a period of more than 180 days. For purposes of this section, "United States Armed Forces" includes the National Guard and the Reserves of the United States Armed Forces. For purposes of this section, "deployed for military service" has the same meaning as in Title 26, section 814, subsection 1, paragraph A. [2011, c. 313, §1 (NEW); 2011, c. 313, §2 (AFF).]

SECTION HISTORY
2011, c. 313, §1 (NEW). 2011, c. 313, §2 (AFF).

§1484. PLACE OF PAYMENT

The excise tax imposed by this chapter must be paid as provided in this section. [2007, c. 627, §33 (AMD).]

1. **Aircraft.** The excise tax on an aircraft must be paid to the municipality where the aircraft is based except as follows.

A. If the aircraft is based at an airport owned by a county, the excise tax payments must be paid to that county. [2011, c. 610, Pt. A, §8 (AMD).]

B. If the aircraft is based at the Augusta State Airport, the excise tax payments must be paid to the City of Augusta. [2011, c. 610, Pt. A, §8 (AMD).]

C. [2007, c. 627, §33 (RP).]

For the purposes of this subsection, an aircraft is deemed to be based at the location in the State where it has been hangared, parked, tied down or moored the most nights during the 30-day period of active flying preceding payment of the excise tax. If the aircraft has not been hangared, parked, tied down or moored at a location in the State during the 30-day period of active flying preceding payment, then the aircraft is deemed to be based at the location in the State where it will be hangared, parked, tied down or moored the most nights during the 30-day period of active flying next following payment of the excise tax.

[2011, c. 610, Pt. A, §8 (AMD) .]

2. **Mobile homes and camper trailers.** Mobile homes and camper trailers are subject to excise tax as provided in this subsection.

A. If the excise tax on a mobile home or camper trailer is paid prior to April 1st, or if the mobile home or camper trailer is acquired or brought into this State after April 1st, the excise tax must be paid in the place where the mobile home or camper trailer is located. [2007, c. 627, §33 (AMD).]

B. If the excise tax on a mobile home or camper trailer is paid on or after April 1st, the excise tax must be paid in the place where the mobile home or camper trailer was located on April 1st. [2007, c. 627, §33 (AMD).]

C. [1979, c. 732, §25, 31 (RP).]

[2007, c. 627, §33 (AMD) .]

3. **Motor vehicles.** Motor vehicles are subject to excise tax as provided in this subsection.

A. The excise tax on a motor vehicle owned by an individual resident of this State must be paid in the place where the owner resides. [2007, c. 627, §33 (AMD).]

B. The excise tax on a motor vehicle owned by a nonresident individual must be paid in the place where the owner is temporarily or occasionally residing. If there is no such residing place, the tax must be paid to the Secretary of State. [2007, c. 627, §33 (AMD).]

C. The excise tax on a motor vehicle owned by a corporation or a partnership must be paid in the following manner.

(1) If the owner is a corporation or partnership other than one described in subparagraph (2), the excise tax must be paid to the place in which the owner's registered or main office is located, except that if the owner has an additional permanent place of business where motor vehicles are customarily kept, the tax on these vehicles must be paid to the place where that permanent place of business is located. The temporary location of an office and the stationing of vehicles in connection with a construction project of less than 24 months duration is not considered to constitute a permanent place of business. If the owner is a foreign corporation or partnership not maintaining a place of business within the State, the excise tax must be paid to the Secretary of State.

(2) If the owner is a corporation described in Title 35-A, sections 2101 to 2104, the excise tax must be paid to the place in which the registered or main office of that organization is located.

Within 3 years from the date of an excise tax levy under the authority of this paragraph, a municipality, county or motor vehicle owner that feels the excise tax has been improperly levied may request a determination of this question by the State Tax Assessor. The State Tax Assessor's determination is limited to the same 3-year period and is binding on all of the parties. Any of the parties may seek review of the determination in accordance with the Maine Rules of Civil Procedure, Rule 80-C. Within 30 days after receipt of notice of a determination made by the State Tax Assessor under this paragraph, a municipality or county that has incorrectly accepted excise tax money must pay the money, together with interest at the maximum rate established by the Treasurer of State pursuant to section 505, to the municipality or county identified in the determination as the proper place of payment. [2007, c. 627, §33 (AMD).]

D. Notwithstanding other provisions of this subsection, if a motor vehicle is leased for a period of one month or longer, the excise tax must be paid in the place where it would be paid if the lessee were the owner. [2007, c. 627, §33 (AMD).]

E. When an excise tax is paid to the Secretary of State under this subsection, it must be deposited in the General Fund. [2007, c. 627, §33 (NEW).]

[2007, c. 627, §33 (AMD) .]

4. **When paid to State.**

[2007, c. 627, §33 (RP) .]

SECTION HISTORY

1965, c. 195, §1 (AMD). 1967, c. 15, §2 (AMD). 1967, c. 465, §§3,4 (AMD). 1969, c. 498, §17 (AMD). 1975, c. 252, §18 (AMD). 1977, c. 244, §§1,2 (AMD). 1979, c. 732, §§25,26,31 (AMD). 1981, c. 182, (AMD). 1983, c. 828, §3 (AMD). 1985, c. 793, §§1,2 (AMD). 1987, c. 141, §B34 (AMD). 1987, c. 497, §14 (AMD). 1987, c. 769, §A152 (AMD). 2007, c. 627, §33 (AMD). 2011, c. 610, Pt. A, §8 (AMD).

§1485. EXEMPTION FROM PERSONAL PROPERTY TAXATION

Any vehicle owner who has paid the excise tax on his vehicle in accordance with sections 1482 and 1484 shall be exempt from personal property taxation of such vehicle for that year.

§1486. TAX PAID BEFORE REGISTRATION

No vehicle may be registered under Title 29-A until the excise tax or personal property tax or real estate tax has been paid in accordance with sections 1482 and 1484. [2011, c. 610, Pt. A, §9 (AMD).]

1. **Exempt status.** Where a personal property or real estate tax is to be paid as a prerequisite to registration, the exempt status of the vehicle shall be determined by section 1483.

SECTION HISTORY
1995, c. 65, §A139 (AMD). 1995, c. 65, §§A153,C15 (AFF). 2011, c. 610, Pt. A, §9 (AMD).

§1487. COLLECTION OF TAX

1. **Municipal tax collector.** In the case of municipalities, or a municipally owned airport or seaplane base the municipal tax collector or such other person as the municipality may designate shall collect such excise tax and shall deposit the money received with the municipal treasurer monthly.

A. Such collector shall report to the municipal officers at the end of the municipal year, showing the total amount of excise tax collected by him and the amounts applying to each year. [1967, c. 23, (AMD).]

[1967, c. 23, (AMD) .]

1-A. **County treasurer.** In the case of a county owned airport or seaplane base the county treasurer or such other person as the county commissioners may designate shall collect such excise tax and shall deposit the money received with the county treasurer monthly.

A. Such collector shall report to the county commissioners at the end of the county year, showing the total amount of excise tax collected by him and the amounts applying to each year. [1965, c. 195, §2 (NEW).]

[1965, c. 195, §2 (NEW) .]

2. **State Tax Assessor.** The State Tax Assessor shall appoint agents to collect the excise tax in the unorganized territory. Agents, including municipalities designated as agents, are allowed a fee of $6 for each tax receipt issued. The State Tax Assessor may authorize the offset of credit card fees incurred in the collection of the excise taxes against the receipts from those collections. Agents shall deposit the remainder on or before the 20th day of each month following receipt with the Treasurer of State. The Treasurer of

State shall make quarterly payments to each county in an amount that is equal to the receipts for that period from each county. Those payments must be made at the same time as payments under section 1606. County receipts under this section must be deposited in the county's unorganized territory fund.

[2009, c. 434, §21 (RPR) .]

2-A. **Agent for collecting excise tax.** The State Tax Assessor may appoint the Secretary of State as an agent for the purpose of collecting excise tax for the unorganized territories.

[2001, c. 671, §34 (NEW) .]

3. **Tribal clerk.**

[1979, c. 732, §27, §31 (RP) .]

SECTION HISTORY
1965, c. 195, §2 (AMD). 1967, c. 23, (AMD). 1967, c. 465, §5 (AMD). 1973, c. 207, (AMD). 1979, c. 732, §§27,31 (AMD). 1985, c. 459, §C11 (AMD). 1993, c. 557, §1 (AMD). 1995, c. 29, §1 (AMD). 2001, c. 671, §34 (AMD). 2007, c. 541, Pt. E, §1 (AMD). 2007, c. 693, §13 (AMD). 2009, c. 434, §21 (AMD).

§1488. RECEIPTS ISSUED IN DUPLICATE

Receipts for payment of the excise tax shall be in the form prescribed by the Secretary of State. They shall be issued in duplicate, and one copy shall be filed with the application at the time application is made for registration of the vehicle.

§1489. CREDITING AND APPORTIONMENT OF TAX RECEIVED

1. **Municipal excise tax account.** In municipalities the treasurer shall credit money received from excise taxes to an excise tax account, from which it may be appropriated by the municipality for any purpose for which a municipality may appropriate money.

2. **County treasurer.**

[1985, c. 459, Pt. C, §12 (RP) .]

SECTION HISTORY
1977, c. 698, §7 (AMD). 1983, c. 471, §15 (AMD). 1985, c. 459, §C12 (AMD).

§1490. FALSE STATEMENTS TO ANY PERSON RECEIVING TAX

Any person intentionally making any false statement to any person charged with the duty of receiving this tax and issuing the receipt therefor, when making statement for the purpose of the levy of the tax hereunder, commits a civil violation for which a forfeiture not to exceed $25 may be adjudged. [1977, c. 696, §271 (RPR).]

SECTION HISTORY
1977, c. 696, §271 (RPR).

§1491. FALSE ENTRY ON RENEWAL FORMS

Any person making a false entry on the renewal form provided by the Secretary of State in the collection of the excise tax, as authorized by section 1482, subsection 6, paragraph E, commits a civil violation for which a forfeiture of not less than $100 nor more than $500 shall be adjudged. [1977, c. 696, §272 (RPR).]

SECTION HISTORY
1973, c. 588, §14 (NEW). 1977, c. 696, §272 (RPR).

Chapter 111-A: BUS TAXATION PRORATION AGREEMENT

Subchapter 1: AGREEMENT HEADING: PL 1993, C. 683, PT. B, §3 (NEW); §5 (AFF)

§1492. PURPOSES AND PRINCIPLES -- ARTICLE I

1. **Purposes of agreement.** It is the purpose of this agreement to set up a system whereby any contracting state may permit owners of fleets of buses operating in 2 or more states to prorate the registration of the buses in such fleets in each state in which the fleets operate on the basis of the proportion of miles operated within such state to total fleet miles, as defined herein.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

2. **Principle of proration of registration.** It is hereby declared that in making this agreement the contracting states adhere to the principle that each state should have the freedom to develop the kind of highway user tax structure that it determines to be most appropriate to itself, that the method of taxation of interstate buses should not be a determining factor in developing its user tax structure, and that annual taxes or other taxes of the fixed fee type upon buses which are not imposed on a basis that reflects the amount of highway use should be apportioned among the states, within the limits of practicality, on the basis of vehicle miles traveled within each of the states.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

SECTION HISTORY
1993, c. 683, §B3 (NEW). 1993, c. 683, §B5 (AFF).

§1493. DEFINITIONS -- ARTICLE II

1. **Administrator.** "Administrator" means the official or agency of a state administering the fee involved, or, in the case of proration of registration, the official or agency of a state administering the proration of registration in that state.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

2. **Base state.** "Base state" means the state from or in which the bus is most frequently dispatched, garaged, serviced, maintained, operated or otherwise controlled, or in the case of a fleet bus the state to which it is allocated for registration under statutory requirements. In order that this section may not be used for the purpose of evasion of registration fees, the administrators of the contracting states may make the final decision as to the proper base state, in accordance with section 1494, subsection 8, to prevent or avoid such evasion.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

3. **Bus.** "Bus" means any motor vehicle of a bus type engaged in the interstate transportation of passengers and subject to the jurisdiction of the Interstate Commerce Commission, or any agency successor thereto, or one or more state regulatory agencies concerned with the regulation of passenger transport.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

4. **Contracting state.** "Contracting state" means a state that is a party to this agreement.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

5. **Fleet.** As to each contracting state, "fleet" includes only those buses that actually travel a portion of their total miles in such state. A fleet must include 3 or more buses.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

6. **Person.** "Person" includes any individual, firm, copartnership, joint venture, association, corporation, estate, trust, business trust, receiver, syndicate or any other group or combination acting as a unit.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

7. **Proration of registration.** "Proration of registration" means registration of fleets of buses in accordance with section 1495, Article IV.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

8. **Reciprocity.** "Reciprocity" means that each contracting state, to the extent provided in this agreement, exempts a bus from registration and registration fees.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

9. **Registration.** "Registration" means the registration of a bus and the payment of annual fees and taxes as set forth in or pursuant to the laws of the respective contracting states.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

10. **State.** "State" includes the States of the United States, the District of Columbia, the territories of the United States, the Provinces of Canada, and the States, Territories and Federal District of Mexico.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

SECTION HISTORY
1993, c. 683, §B3 (NEW). 1993, c. 683, §B5 (AFF).

§1494. GENERAL PROVISIONS -- ARTICLE III

1. **Effect on other agreements, arrangements and understandings.** On and after its effective date, this agreement supersedes any reciprocal or other agreement, arrangement or understanding between any 2 or more of the contracting states covering, in whole or in part, any of the matters covered by this agreement; but this agreement may not affect any reciprocal or other agreement, arrangement or understanding between a contracting state and a state or states not a party to this agreement.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

2. **Applicability to exempt vehicles.** This agreement does not require registration in a contracting state of any vehicles that are in whole or part exempt from registration under the laws or regulations of such state without respect to this agreement.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

3. **Inapplicability to caravaned vehicle.** The benefits and privileges of this agreement may not be extended to a vehicle operated on its own wheels, or in tow of a motor vehicle, transported for the purpose of selling or offering the same for sale to or by any agent, dealer, purchaser or prospective purchaser.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

4. **Other fees and taxes.** This agreement does not waive any fees or taxes charged or levied by any state in connection with the ownership or operation of vehicles other than registration fees as defined herein. All other fees and taxes must be paid to each state in accordance with the laws thereof.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

5. **Statutory vehicle regulations.** This agreement does not authorize the operation of a vehicle in any contracting state contrary to the laws or regulations thereof, except those pertaining to registration and payment of fees; and with respect to such laws or regulations, only to the extent provided in this agreement.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

6. **Violations.** Each contracting state reserves the right to withdraw, by order of the administrator thereof, all or any part of the benefits or privileges granted pursuant to this agreement from the owner of any vehicle or fleet of vehicles operated in violation of any provision of this agreement. The administrator shall immediately give notice of any such violation and withdrawal of any such benefits or privileges to the administrator of each other contracting state in which vehicles of such owner are operated.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

7. **Cooperation.** The administrator of each of the contracting states shall cooperate with the administrators of the others and each contracting state hereby agrees to furnish such aid and assistance to each other within its statutory authority as will aid in the proper enforcement of this agreement.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

8. **Interpretation.** In any dispute between or among contracting states arising under this agreement, the final decision regarding interpretation of questions at issue relating to this agreement must be reached by joint action of the contracting states, acting through the administrator thereof, and must upon determination be placed in writing.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

9. **Effect of headings.** Article and section heading contained herein may not be deemed to govern, limit, modify or in any manner affect the scope, meaning or intent of the provisions of any Article or part hereof.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

10. **Entry into force.** This agreement enters into force and becomes binding between and among the contracting states when enacted or otherwise entered into by any 2 states. Thereafter, it enters into force and becomes binding with respect to any state when enacted into law by such state. If the statutes of any state so authorize or provide, such state may become party to this agreement upon the execution thereof by an executive or administrative official thereof acting on behalf of and for such state.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

SECTION HISTORY
1993, c. 683, §B3 (NEW). 1993, c. 683, §B5 (AFF).

§1495. PRORATION OF REGISTRATION -- ARTICLE IV

1. **Applicability.** Any owner of a fleet may register the buses of said fleet in any contracting state by paying to said state total registration fees in an amount equal to that obtained by applying the proportion of in-state fleet miles divided by the total fleet miles, to the total fees which would otherwise be required for regular registration of each and all of such vehicles in such contracting state.

All fleet pro-rata registration fees must be based upon the mileage proportions of the fleet during the period of 12 months ending on August 31st next preceding the commencement of the registration year for which registration is sought. Except, that mileage proportions for a fleet not operated during such period in the state where application for registration is made will be determined by the administrator upon the sworn application of the applicant showing the operations during such period in other states and the estimated operations during the registration year for which registration is sought, in the state in which application is being made; or if no operations were conducted during such period a full statement of the proposed method of operation.

If any buses operate in 2 or more states which permit the proration of registration on the basis of a fleet of buses consisting of a lesser number of vehicles than provided in section 1493, Article II, subsection 5, such fleet may be prorated as to registration in such states, in which event the buses in such fleet may not be required to register in any other contracting states if each such vehicle is registered in some contracting state, except to the extent it is exempt from registration as provided in section 1494, Article III, subsection 2.

If the administrator of any state determines, based on the administrator's method of the operation thereof, that the inclusion of a bus or buses as a part of a fleet would adversely affect the proper fleet fee that should be paid to that administrator's state, having due regard for fairness and equity, the administrator may refuse to permit any or all of such buses to be included in that administrator's state as a part of such fleet.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

2. **Total fleet miles.** Total fleet miles, with respect to each contracting state, means the total miles operated by the fleet in such state, in all other contracting states, in other states having proportional registration provisions, in states with which such contracting state has reciprocity, and in such other states as the administrator determines should be included under the circumstances in order to protect or promote the interest of that administrator's state; except that in states having laws requiring proration on the basis of a different determination of total fleet miles, total fleet miles must be determined on such basis.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

3. **Leased vehicles.** If a bus is operated by a person other than the owner as a part of a fleet that is subject to this Article, then the operator of such fleet must be deemed to be the owner of said bus for the purposes of this Article.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

4. **Extent of privileges.** Upon the registration of a fleet in a contracting state pursuant to this Article, each bus in the fleet may be operated in both interstate and intrastate operations in such state, except as provided in section 1494, Article III, subsection 5.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

5. **Application for proration.** The application for proration of registration must be made in each contracting state upon substantially the application forms and supplements authorized by joint action of the administrators of the contracting states.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

6. **Issuance of identification.** Upon registration of a fleet, the state that is the base state of a particular bus of the fleet shall issue the required license plates and registration card for such bus and each contracting state in which the fleet of which such bus is a part, operates shall issue a special identification identifying such bus as a part of a fleet that has fully complied with the registration requirements of such state. The required license plates, registration cards and identification must be appropriately displayed in the manner required by or pursuant to the laws of each respective state.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

7. **Additions to fleet.** If any bus is added to a prorated fleet after the filing of the original application, the owner shall file a supplemental application. The owner shall register such bus in each contracting state in like manner as provided for buses listed in an original application and the registration fee payable must be determined on the mileage proportion used to determine the registration fees payable for buses registered under the original application.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

8. **Withdrawals from fleet.** If any bus is withdrawn from a prorated fleet during the period for which it is registered or identified, the owner shall notify the administrator of each state in which it is registered or identified of such withdrawal and shall return the plates, and registration card or identification as may be required by or pursuant to the laws of the respective states.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

9. **Audits.** The administrator of each contracting state shall, within the statutory authority of such administrator, make any information obtained upon an audit of records of any applicant for proration of registration available to the administrators of the other contracting states.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

10. **Errors in registration.** If it is determined by the administrator of a contracting state, as a result of such audits or otherwise, that an improper fee has been paid that administrator's state, or errors in registration found, the administrator may require the fleet owner to make the necessary corrections in the registration of the fleet and payment of fees.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

SECTION HISTORY
1993, c. 683, §B3 (NEW). 1993, c. 683, §B5 (AFF).

§1496. RECIPROCITY -- ARTICLE V

1. **Grant of reciprocity.** Each of the contracting states grants reciprocity as provided in this Article.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

2. **Applicability.** The provisions of this agreement with respect to reciprocity applies only to a bus properly registered in the base state of the bus, which state must be a contracting state.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

3. **Nonapplicability to fleet buses.** The reciprocity granted pursuant to this Article does not apply to a bus which is entitled to be registered or identified as part of a prorated fleet.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

4. **Extent of reciprocity.** The reciprocity granted pursuant to this Article permits the interstate operation of a bus and intrastate operation that is incidental to a trip of such bus involving interstate operation.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

5. **Other agreements.** Nothing in this agreement may be construed to prohibit any of the contracting states from entering into separate agreements with each other for the granting of temporary permits for the intrastate operation of vehicles registered in the other state; nor to prevent any of the contracting states from entering into agreements to grant reciprocity for intrastate operation within any zone or zones agreed upon by the states.

[1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF) .]

SECTION HISTORY
1993, c. 683, §B3 (NEW). 1993, c. 683, §B5 (AFF).

§1497. WITHDRAWAL OR REVOCATION -- ARTICLE VI

Any contracting state may withdraw from this agreement upon 30 days written notice to each other contracting state, which notice may be given only after the repeal of this agreement by the legislature of such state, if adoption was by legislative act, or after renunciation by the appropriate administrative official of such contracting state if the laws thereof empower that official so to renounce. [1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF).]

SECTION HISTORY
1993, c. 683, §B3 (NEW). 1993, c. 683, §B5 (AFF).

§1498. CONSTRUCTION AND SEVERABILITY -- ARTICLE VII

This compact must be liberally construed so as to effectuate the purposes thereof. The provisions of this compact are severable and if any phrase, clause, sentence or provision of this compact is declared to be contrary to the Constitution of any state or of the United States or the applicability thereof to any government, agency, person or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person or circumstance are not affected thereby. If this compact is held contrary to the constitution of any state participating herein, the compact remains in full force and effect as to the remaining party states and in full force and effect as to the state affected as to all severable matters. [1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF).]

SECTION HISTORY

1993, c. 683, §B3 (NEW). 1993, c. 683, §B5 (AFF).

Subchapter 2: PROVISIONS RELATED TO AGREEMENT
HEADING: PL 1993, C. 683, PT. B, §3 (NEW); §5 (AFF)

§1499. RATIFICATION

The Bus Taxation Proration Agreement is enacted into law and entered into with all jurisdictions legally joining therein in the form substantially as provided in this subchapter. [1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF).]

SECTION HISTORY
1993, c. 683, §B3 (NEW). 1993, c. 683, §B5 (AFF).

§1499-A. ADMINISTRATOR, DEFINED

As used in the agreement, with reference to this State, the term "administrator" means Secretary of State. [1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF).]

SECTION HISTORY
1993, c. 683, §B3 (NEW). 1993, c. 683, §B5 (AFF).

§1499-B. EXEMPTIONS

The Secretary of State has the power to make such exemptions from the coverage of the agreement as may be appropriate and to make such changes in methods for the reporting of any information required to be furnished to this State pursuant to the agreement as, in the Secretary of State's judgment, is suitable, provided that any such exemptions or changes are not contrary to the purposes set forth in section 1492, Article 1, and is made in order to permit the continuance of uniformity of practice among the contracting states with respect to buses. Any such exemption or change must be made by rule or regulation and is not effective unless made by the same procedure required for other rules and regulations of the Secretary of State's department. [1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF).]

SECTION HISTORY
1993, c. 683, §B3 (NEW). 1993, c. 683, §B5 (AFF).

§1499-C. WITHDRAWAL FROM AGREEMENT

Unless otherwise provided in any statute withdrawing this State from participation in the agreement, the Governor must be the officer to give notice of withdrawal therefrom. [1993, c. 683, Pt. B, §3 (NEW); 1993, c. 683, Pt. B, §5 (AFF).]

SECTION HISTORY
1993, c. 683, §B3 (NEW). 1993, c. 683, §B5 (AFF).

Chapter 112: WATERCRAFT EXCISE TAX

§1501. PURPOSE

The purpose of this chapter is to levy an excise tax upon the owner of any watercraft, not otherwise exempt, for the privilege of operating a watercraft upon the waters of this State. [1983, c. 92, Pt. B, §9 (NEW).]

SECTION HISTORY

1983, c. 92, §B9 (NEW). 1983, c. 632, §§B6,B7 (RP).

§1502. EXCISE TAX IN LIEU OF PROPERTY TAXES

The excise tax imposed by this chapter is in lieu of all property taxes on watercraft. [1983, c. 92, Pt. B, §9 (NEW).]

1. **Collection; reimbursement.**

[1983, c. 632, Pt. A, §6 (NEW); 1983, c. 632, Pt. A, §16 (RP) .]

SECTION HISTORY
1983, c. 92, §B9 (NEW). 1983, c. 632, §§A6,A16,B6, B7 (AMD).

§1503. DEFINITIONS

As used in this chapter, unless the context indicates otherwise, the following terms have the following meanings. [1983, c. 92, Pt. B, §9 (NEW).]

1. **Commercial vessel.** "Commercial vessel" means any type of watercraft used exclusively in a business or trade:

A. Is required to be registered under Title 12, section 13056; or [2003, c. 414, Pt. B, §54 (AMD); 2003, c. 614, §9 (AFF).]

B. Is documented under the laws of the United States. [1983, c. 92, Pt. B, §9 (NEW).]

[2003, c. 414, Pt. B, §54 (AMD); 2003, c. 614, §9 (AFF) .]

1-A. **Canoe.** "Canoe" has the same definition as that set out in Title 12, section 1872, subsection 2.

[1997, c. 678, §22 (AMD) .]

2. **Commissioner.** "Commissioner" means the Commissioner of Inland Fisheries and Wildlife.

[1985, c. 726, §1 (AMD) .]

3. **Director.** "Director" means the Director of the Division of Licensing, Registration and Engineering, Department of Inland Fisheries and Wildlife.

[2009, c. 340, §28 (AMD) .]

3-A. **Dory.** "Dory" means an unpowered, double-ended boat used exclusively for the transport and storage of fishing gear.

[1985, c. 560, §1 (NEW) .]

4. **Established base of operations.** An "established base of operations" means the location where a commercial vessel has its primary relationship with a municipality. Among the factors identifying a primary relationship are the locations at which the vessel is primarily moored or docked, where it prepares for expeditions and hires a crew and to which it regularly returns for repairs, supplies and activities relating to its business or trade. The fact that a commercial vessel carries on one or more of the activities, as mentioned in this subsection, at more than one location within this State or carries on one or more of the activities,

enumerated in this subsection, at a location or locations outside this State shall not prevent it from being deemed to have an established base of operations within the State, if a substantial portion of these activities are carried on at a location or locations within this State.

[1983, c. 92, Pt. B, §9 (NEW) .]

4-A. **Marina or boat yard.** "Marina or boat yard" means any facility that leases storage, docking or mooring space to watercraft.

[1987, c. 196, §5 (NEW) .]

5. **Overall length.** "Overall length" means the horizontal distance stated in feet and defined as the straight line measurement over the deck, excluding sheer, from the foremost part of the watercraft to the aftermost part, measured parallel to the centerline, excluding outboard motors, brackets, bowsprits, rudders and similar attachments. For any watercraft documented under the laws of the United States, overall length means the registered length of the vessel as set forth in the document issued to its owner by the United States Coast Guard.

[1983, c. 92, Pt. B, §9 (NEW) .]

6. **Owner.** "Owner" means a person or persons claiming lawful possession of a watercraft by virtue of legal title, equitable interest or a leasehold interest in the watercraft.

[1983, c. 92, Pt. B, §9 (NEW) .]

7. **Principally moored, docked or located.** "Principally moored, docked or located" means the place where a watercraft, other than a commercial vessel, is usually moored, docked, anchored or located during the period from June 1st to August 31st.

[1983, c. 92, Pt. B, §9 (NEW) .]

8. **Registration period.**

[1995, c. 695, §3 (RP) .]

8-A. **Registration period.**

[1997, c. 324, §7 (AFF); 1997, c. 324, §3 (RP) .]

8-B. **Registration period.** "Registration period" means from January 1st to December 31st of the year for which the certificate of number is issued pursuant to Title 12, section 13056.

[2003, c. 414, Pt. B, §55 (AMD); 2003, c. 614, §9 (AFF) .]

9. **Taxable year.** "Taxable year" means from January 1st to December 31st.

[1997, c. 324, §5 (AMD); 1997, c. 324, §7 (AFF) .]

10. **Watercraft.** "Watercraft" means any type of vessel, boat, canoe or craft capable of being used as a means of transportation on water, other than a seaplane, including motors, electronic and mechanical equipment and other machinery, whether permanently or temporarily attached, and which are customarily used in the operations of the watercraft. Watercraft does not include a vessel, boat, canoe or craft located and intended to be permanently docked in one location and not used as a means of transportation on water.

[1983, c. 572, §§8, 12 (AMD) .]

SECTION HISTORY
1983, c. 92, §B9 (NEW). 1983, c. 572, §§6-8,12 (AMD). 1983, c. 632, §§B6,B7 (RP). 1983, c. 819, §A59 (AMD). 1985, c. 560, §1 (AMD). 1985, c. 726, §§1-3 (AMD). 1987, c. 196, §5 (AMD). 1995, c. 695, §§3,4 (AMD). 1997, c. 324, §§3-5 (AMD). 1997, c. 324, §7 (AFF). 1997, c. 678, §22 (AMD). 2003, c. 414, §§B54,55 (AMD). 2003, c. 414, §D7 (AFF). 2003, c. 614, §9 (AFF). 2009, c. 340, §28 (AMD).

§1504. EXCISE TAX

1. **Payment schedule.** The owner of a watercraft located in this State that is not exempt under subsection 4 shall pay an annual excise tax within 10 days of the first operation of the watercraft upon the waters of this State, or prior to obtaining a certificate of number pursuant to Title 12, section 13056, or prior to July 1st, whichever event first occurs, based on the following schedules.

A. The following tax is assessed based upon the overall length of the watercraft.

Overall length of watercraft to nearest foot.....Length Tax
Watercraft under 13 feet, all dories regardless of length and all canoes regardless of length.....$6
13 feet.....7
14 feet.....8
15 feet.....9
16 feet.....11
17 feet.....13
18 feet.....16
19 feet.....19
20 feet.....22
21 feet.....26
22 feet.....30
23 feet.....51
24 feet.....56
25 feet.....61
26 feet.....68
27 feet.....75
28 feet.....82
29 feet.....89
30 feet.....96
31 feet.....103
32 feet.....110
33 feet.....117
34 feet.....125
35 feet.....133
36 feet.....141
37 feet.....149

38 feet.....158
39 feet.....167
40 feet.....177
41 feet.....187
42 feet.....198
43 feet.....210
44 feet.....223
45 feet.....237
46 feet.....252
47 feet.....268
48 feet.....284
49 feet.....301
50 feet.....318
51 feet.....335
52 feet.....352
53 feet.....370
54 feet.....388
55 feet.....406
56 feet.....424
57 feet.....442
58 feet.....460
59 feet.....478
60 feet.....496
61 feet.....514
62 feet.....532
63 feet.....550
64 feet.....568
65 feet.....586
and over.....plus $18 for each foot over 65 feet

[1987, c. 196, §6 (AMD).]

B. In addition to the length tax, the owner of any watercraft, other than a canoe, with an overall length greater than 13 feet and less than 23 feet shall pay a tax on the total motor horsepower as shown on the watercraft's registration in accordance with the following schedule:

(1) Horsepower of 20 or less.....$2

(2) Horsepower over 20 but not over 70.....$5

(3) Horsepower over 70.....$12. [1987, c. 196, §7 (AMD).]

C. [1983, c. 572, §9 (RP).]

D. [1983, c. 572, §9 (RP).]

E. [1983, c. 572, §9 (RP).]

F. [1983, c. 572, §9 (RP).]

G. [1983, c. 572, §9 (RP).]

H. [1983, c. 572, §9 (RP).]

I. [1983, c. 572, §9 (RP).]

J. [1983, c. 572, §9 (RP).]

K. [1983, c. 572, §9 (RP).]

L. [1983, c. 572, §9 (RP).]

M. [1983, c. 572, §9 (RP).]

N. [1983, c. 572, §9 (RP).]

O. [1983, c. 572, §9 (RP).]

[2011, c. 240, §15 (AMD) .]

2. **Reduction in tax.** The amount of excise tax payable shall be reduced as follows.

A. For any commercial vessel, the tax payable shall be 50% of the value due under subsection 1. [1983, c. 92, Pt. B, §9 (NEW).]

B. For all other watercraft, the tax payable shall be reduced 20% when the watercraft is over 10 years of age and shall be reduced 40% when the watercraft is over 20 years of age. [1983, c. 92, Pt. B, §9 (NEW).]

C. Any depreciation allowed under this subsection may not reduce the total tax below $12. [1983, c. 572, §§10, 12 (NEW).]

D. The tax payable for a watercraft registered to a new owner after September 1st of any year is 50% of the amount due under subsection 1. [1997, c. 668, §21 (AMD).]

[1997, c. 668, §21 (AMD) .]

3. **Payment of tax.** The excise tax shall be paid as follows.

A. If the watercraft is owned by an individual resident of this State, the excise tax shall be paid to the municipality where the owner resides. The excise tax for watercraft owned by residents of Indian reservations shall be paid to the tribal clerks. [1983, c. 92, Pt. B, §9 (NEW).]

B. If the watercraft is owned by an individual who is a nonresident of this State or by a partnership or corporation, domestic or foreign, the excise tax shall be paid to the municipality where the watercraft is principally moored, docked or located or has its established base of operations. [1983, c. 92, Pt. B, §9 (NEW).]

C. The State Tax Assessor shall determine a vessel's established base of operation if 2 or more municipalities disagree over which taxing jurisdiction has the right to tax a particular vessel. The State Tax Assessor's decision shall be final. [1985, c. 726, §4 (AMD).]

D. Beginning April 1, 1984, upon payment of the excise tax, the municipality shall certify on forms provided by the Department of Inland Fisheries and Wildlife that the excise tax has been paid. The municipality may withhold certification that the excise tax has been paid until all outstanding taxes due under this chapter for the current year have been paid. [1999, c. 304, §1 (AMD).]

[1999, c. 304, §1 (AMD) .]

4. **Exemptions.** The following shall be exempt from the tax imposed by this section:

A. Lifeboats or life rafts customarily carried or required to be carried by a watercraft for purposes of rescuing the occupants of the watercraft in case of danger; [1983, c. 92, Pt. B, §9 (NEW).]

B. Watercraft held by registered retailers as demonstrators or stock-in-trade; [1983, c. 862, §84 (AMD).]

C. Watercraft which were exempt from taxation under Title 36, chapter 105 on April 1, 1983; [1983, c. 92, Pt. B, §9 (NEW).]

D. Commercial vessels without an established base of operations in this State and all other watercraft which are not within this State more than 75 days during the year; and [1983, c. 92, Pt. B, §9 (NEW).]

E. Watercraft 20 feet or less in length that are not required to be registered under Title 12, section 13056. [2003, c. 414, Pt. B, §57 (AMD); 2003, c. 614, §9 (AFF).]

[2003, c. 414, Pt. B, §57 (AMD); 2003, c. 614, §9 (AFF) .]

5. **Credits.** Any owner who has paid the excise tax for a watercraft which is subsequently totally lost by fire, theft or accident in the same year, shall be entitled to a pro rata credit for the tax previously paid in that period for any one watercraft toward the tax for any number of watercraft.

A. The credit shall be allowed in any place in which the excise tax is payable. [1983, c. 92, Pt. B, §9 (NEW).]

B. No portion of any excise tax once paid may be repaid to any person by reason of the loss of a watercraft. [1983, c. 92, Pt. B, §9 (NEW).]

C. For purposes of this subsection, the term "owner" includes the surviving spouse. [1983, c. 92, Pt. B, §9 (NEW).]

[1983, c. 92, Pt. B, §9 (NEW) .]

5-A. **Credit for transfer.** Any owner who has paid the excise tax for a watercraft which is transferred in the same tax year is entitled to a credit to the maximum amount of the tax previously paid in that year for any number of watercraft, regardless of the number of transfers which may be required of him in the same tax year. The credit shall be allowed in any place in which the excise tax is payable.

[1987, c. 196, §8 (NEW) .]

6. **Watercraft not required to register.**

[1983, c. 632, Pt. A, §9 (RP) .]

6-A. **Improper levy of tax.** If a municipality or watercraft owner believes the excise tax has been improperly levied under the authority of this section, the municipality or watercraft owner may request a determination of this question by the State Tax Assessor. The State Tax Assessor's determination is binding on all parties. Any party may seek review of the determination in accordance with the Maine Rules of Civil Procedure, Rule 80B.

[1985, c. 726, §5 (NEW) .]

7. **Evidence of tax payment.** Each watercraft, required to pay the excise tax established by this chapter but not required to be registered under Title 12, section 13056, must display a current excise tax decal as directed by the commissioner. A current excise tax decal must be issued by the municipal tax collector or tribal clerk upon the payment of all excise taxes due under this chapter. The commissioner shall make excise tax decals available at cost to municipalities and Indian reservations. For watercraft required to be registered under Title 12, section 13056, the registration sticker is considered evidence of tax payment.

[2003, c. 414, Pt. B, §58 (AMD); 2003, c. 614, §9 (AFF) .]

7-A. **Interest on delinquent taxes.** Any tax assessed under this chapter which is not paid when due shall accrue interest at the rate set for municipal property taxes for the year during which the excise tax is due.

[1985, c. 726, §7 (NEW) .]

8. **Lien.** If the tax imposed by this chapter is not paid when due, the tax collector may file in the office of the registry of deeds of the county where the owner of the watercraft resides or in the case of a nonresident owner or partnership or corporation, either domestic or foreign, where the watercraft is principally moored, docked or located or has its established base of operations, or in the office in which a security or financial statement or notice with respect to personal property would be filed, a notice of lien specifying the amount of the tax, addition to tax, penalty and interest due, the name and last known address of the taxpayer liable for the amount and the fact that the tax collector has complied with this chapter in the assessment of the tax. From the time of the filing, the amount set forth in the certificate constitutes a lien upon all property of the taxpayer, in the county then owned by him or thereafter acquired by him in the period before the expiration of the lien. In the case of any prior mortgage on any real or personal property so written as to secure a present debt and also future advances by the mortgagee to the mortgagor, the lien, as provided in this subsection, when notice thereof has been filed in the proper office, shall be subject to the prior mortgage, unless the assessor also notifies the mortgagee of the recording of the lien in writing, in which case any indebtedness thereafter created from the mortgagor to the mortgagee shall be junior to the lien provided in this subsection. The lien, provided in this subsection, has the same force, effect and priority as a judgment lien and shall continue for 5 years from the date of recording, unless sooner released or otherwise discharged. The lien may, within the 5-year period or within 5 years from the date of the last extension of the lien in the manner provided in this section, be extended by filing for record in the appropriate office, a copy of the notice and from the time of that filing the lien shall be extended for 5 years, unless sooner released or otherwise discharged.

[1983, c. 92, Pt. B, §9 (NEW) .]

9. **Enforcement.** General enforcement provisions are as follows.

A. Beginning March 1, 1984, payment of the excise tax and accrued interest, where applicable, is a prerequisite for obtaining a certificate of number of a watercraft under Title 12, section 13056, and no registration may be renewed until all excise taxes and accrued interest, where applicable, with respect to the watercraft have been paid in accordance with this chapter. [2003, c. 414, Pt. B, §59 (AMD); 2003, c. 614, §9 (AFF).]

B. The provisions of chapters 7 and 835 shall apply with like effect to collecting the tax and enforcing this chapter in the unorganized territory. [1985, c. 726, §8 (AMD).]

C. [1985, c. 726, §8 (RP).]

D. Each marina or boat yard leasing storage space or leasing mooring or docking spaces for 10 or more consecutive days during the period from April 15th of any year and April 15th of the next year to watercraft not registered in the State shall maintain a list of all such watercraft. The list shall contain, with respect to each watercraft:

(1) The name of the vessel;

(2) The name and address of the owner of the watercraft;

(3) The state of registration or port of hail;

(4) The approximate length of the vessel; and

(5) The type of vessel.

These lists shall be made available by marinas and boat yards for inspection during normal business hours by law enforcement officers and by municipal officials. Marina and boat yard owners must retain these lists for 3 years. [1987, c. 196, §9 (NEW).]

E. Upon receipt from the United States Coast Guard of a list of watercraft that have valid marine documents as a watercraft of the United States, and that are moored in this State or owned by State residents, the State Tax Assessor shall send a copy of this list to the tax collector of each municipality. [1987, c. 196, §9 (NEW).]

[2003, c. 414, Pt. B, §59 (AMD); 2003, c. 614, §9 (AFF) .]

10. **Reimbursement.**

[1983, c. 632, Pt. A, §16 (RP) .]

SECTION HISTORY
1983, c. 92, §B9 (NEW). 1983, c. 572, §§9-12 (AMD). 1983, c. 632, §§A7-11,16, B6,7 (AMD). 1983, c. 862, §84 (AMD). 1983, c. 866, §A1 (AMD). 1985, c. 560, §2 (AMD). 1985, c. 726, §§4-8 (AMD). 1987, c. 196, §§6-9 (AMD). 1997, c. 324, §6 (AMD). 1997, c. 324, §7 (AFF). 1997, c. 668, §21 (AMD). 1999, c. 304, §1 (AMD). 2003, c. 414, §§B56-59 (AMD). 2003, c. 414, §D7 (AFF). 2003, c. 614, §9 (AFF). 2011, c. 240, §15 (AMD).

§1505. UNORGANIZED TERRITORY

For the purposes of this chapter, the unorganized territory shall be treated as a municipality. All excise tax payments for watercraft owned by residents of the unorganized territory, nonresidents or a partnership or corporation, domestic or foreign, and principally moored, docked or located or with an established base of operations in the unorganized territory shall be collected and distributed in the same manner as the motor vehicle excise tax. [1985, c. 459, Pt. C, §13 (AMD).]

SECTION HISTORY
1983, c. 92, §B9 (NEW). 1983, c. 632, §§B6,B7 (RP). 1985, c. 459, §C13 (AMD).

§1506. RULEMAKING

After consultation with the Commissioner of Marine Resources, the Commissioner of Inland Fisheries and Wildlife and the Director of the Division of Licensing , Registration and Engineering within the Department of Inland Fisheries and Wildlife, the State Tax Assessor may adopt rules and establish forms and procedures as necessary for the efficient administration and enforcement of the excise tax imposed by this chapter. Rules adopted pursuant to this section are routine technical rules for the purposes of Title 5, chapter 375, subchapter 2-A. [2009, c. 496, §13 (AMD).]

SECTION HISTORY
1983, c. 92, §B9 (NEW). 1983, c. 632, §§B6,B7 (RP). 1983, c. 819, §A60 (AMD). 1985, c. 726, §9 (AMD). 1987, c. 196, §10 (AMD). 1997, c. 526, §14 (AMD). 2009, c. 496, §13 (AMD).

Chapter 113: TIMBER AND GRASS ON PUBLIC RESERVED LOTS

§1541. PUBLIC RESERVED LOTS HELD FOR PAYMENT OF TAXES

The timber and grass claimed on the public reserved lots shall be held to the State for the payment of those taxes which may be lawfully assessed against them. [1977, c. 679, §5 (RPR).]

SECTION HISTORY
1973, c. 625, §259 (AMD). 1977, c. 679, §5 (RPR).

§1542. PAYMENT OF OWNER'S INTEREST; DISCHARGE

Each owner of timber and grass so assessed may pay the part of the tax so assessed proportioned to his interest in any tract, whether in common or not; and shall receive from the State Tax Assessor a certificate, discharging the tax upon the interest upon which such payment is made.

§1543. EACH ACREAGE INTEREST FORFEITED IF TAX UNPAID

Each fractional part, or interest represented by acreage, in all such public reserved lots, upon which the state taxes and interest are not paid by the 30th day of March of the year following the assessment shall be forfeited to the State, and whenever such taxes are assessed on a biennial basis, such forfeiture shall occur on the 30th day of March following the 2nd year of the biennium. Any owner may redeem his interest in such public reserved lots by tendering to the State Tax Assessor, within one year after the date of the forfeiture, his proportional part of all the sums due on such lots, and $1 for a release. [1977, c. 679, §6 (AMD).]

SECTION HISTORY
1973, c. 625, §260 (AMD). 1977, c. 679, §6 (AMD).

§1544. LAND UNREDEEMED IN ONE YEAR FORFEITED TO STATE

If any fractional part or interest represented by acreage in such public reserved lots shall not be redeemed as provided in section 1543 at the expiration of one year from the date of the forfeiture, then it shall be and remain wholly forfeited to the State, and shall vest in the State free from all claims by any former owner.

§1545. TIMBER AND GRASS FORFEITED HELD FOR BENEFIT OF TOWNS

All timber and grass forfeited under section 1544 shall be held in trust by the State for the benefit of the people of Maine and shall be held by the Director of the Bureau of Parks and Lands subject to the same powers and responsibilities as apply to other lands in his custody. [1995, c. 502, Pt. E, §30 (AMD); 2011, c. 657, Pt. W, §7 (REV); 2013, c. 405, Pt. A, §24 (REV).]

SECTION HISTORY
1973, c. 460, §18 (AMD). 1975, c. 339, §16 (RPR). 1995, c. 502, §E30 (AMD). 2011, c. 657, Pt. W, §7 (REV). 2013, c. 405, Pt. A, §24 (REV).

§1546. DIVISION OF LOTS PARTIALLY FORFEITED

The Director of the Bureau of Parks and Lands shall cause a division to be made, if found necessary from time to time, of the public reserved lots which have been partially forfeited, and shall set off and hold the forfeited portions for the benefit of the people of Maine, as provided for in section 1545. [1995, c. 502, Pt. E, §30 (AMD); 2011, c. 657, Pt. W, §7 (REV); 2013, c. 405, Pt. A, §24 (REV).]

SECTION HISTORY
1973, c. 460, §18 (AMD). 1975, c. 339, §16 (RPR). 1995, c. 502, §E30 (AMD). 2011, c. 657, Pt. W, §7 (REV). 2013, c. 405, Pt. A, §24 (REV).

§1547. TAXES DUE FROM FORFEITED INTEREST CHARGED AGAINST UNORGANIZED TERRITORY EDUCATION AND SERVICES FUND

After such timber and grass shall be wholly forfeited to the State, the State Tax Assessor shall certify to the State Controller the amount of unpaid taxes and interest then outstanding. Such state taxes and interest shall be charged to the Unorganized Territory Education and Services Fund. [1979, c. 666, §41 (AMD).]

SECTION HISTORY
1973, c. 625, §261 (AMD). 1979, c. 666, §41 (AMD).

Chapter 115: UNORGANIZED TERRITORY EDUCATIONAL AND SERVICES TAX

§1601. UNORGANIZED TERRITORY TAX DISTRICT

The Legislature hereby creates a tax district to be known as the Unorganized Territory Tax District. It shall include all of the unorganized territory of the State and any areas which may subsequently become a part thereof. [1977, c. 698, §8 (NEW).]

SECTION HISTORY
1977, c. 698, §8 (NEW).

§1602. ANNUAL TAX

1. **Annual levy of tax.** A tax, to be known as the Unorganized Territory Educational and Services Tax, shall be levied each year upon all nonexempt real and personal property located in the Unorganized Territory Tax District on April 1st of each year. The State Tax Assessor shall fix the status of all taxpayers and of all such property as of that date.

[1977, c. 698, §8 (NEW) .]

2. **Computation and determination of tax.** The tax shall be computed and apportioned on the basis of the State Tax Assessor's determination of the value of that property.

[1977, c. 698, §8 (NEW) .]

3. **Determination of original tax.** The State Tax Assessor shall determine the amount of tax due from each taxpayer. The State Tax Assessor shall notify each taxpayer in writing, not later than August 1st annually.

[1989, c. 508, §11 (AMD) .]

4. **Establishment of mill rate.**

A. The State Tax Assessor shall establish a separate mill rate for each county, which is calculated to raise the amount certified by the Legislature as the cost of county-provided services in the unorganized territory. [1983, c. 471, §16 (NEW).]

B. The State Tax Assessor shall establish a district-wide mill rate calculated to raise the cost of all other portions of the municipal cost component certified by the Legislature. [2007, c. 541, Pt. F, §3 (AMD).]

C. The rates calculated under paragraphs A and B shall be added and rounded to the next highest 1/4 of a mill to determine the mill rate for the municipal cost component which will be assessed against the taxable property in each county. [1983, c. 471, §16 (NEW).]

[2007, c. 541, Pt. F, §3 (AMD) .]

SECTION HISTORY
1977, c. 698, §8 (NEW). 1981, c. 364, §24 (AMD). 1983, c. 471, §16 (AMD). 1985, c. 458, §1 (AMD). 1989, c. 508, §11 (AMD). 1989, c. 881, §1 (AMD). 1991, c. 622, §T1 (AMD). 2007, c. 541, Pt. F, §3 (AMD).

§1603. DEFINITION OF "MUNICIPAL COST COMPONENT"

1. **Definition.** For the purposes of this chapter, "municipal cost component" means the cost of funding services in the Unorganized Territory Tax District that would not be borne by the State if the Unorganized Territory Tax District were a municipality, but does not include a state cost allocation charge, including, without limitation, reimbursement to the General Fund for departmental functions such as accounting,

personnel administration and supervision. "Municipal cost component" also includes the cost of funding obligations of the unorganized territory under the terms of a tax increment financing district approved by the Commissioner of Economic and Community Development pursuant to Title 30-A, chapter 206. The "municipal cost component" includes, but is not limited to:

A. The cost of education, as would be determined by the Essential Programs and Services Funding Act if the unorganized territory were a municipality; [2005, c. 686, Pt. A, §65 (AMD).]

B. The cost of services the state funds in the unorganized territory that are funded locally by a municipality; the cost of forest fire protection to be included in the cost component must be determined in accordance with Title 12, section 9205-A and collected in the same manner as other portions of the municipal cost component; [2007, c. 627, §34 (AMD).]

C. The cost of reimbursement by the State for services a county provides to the unorganized territory in accordance with Title 30-A, chapter 305. A county may not be reimbursed for services provided on or after January 1, 1979, unless a legislative allocation is obtained pursuant to this chapter. If a county receives, in addition to its budget, funds that are designated by the Legislature for a specific purpose and the county does not spend those funds for that specific purpose in that fiscal year, then the reimbursement under this chapter to that county for the next fiscal year must be reduced by an amount equal to the amount of funds so designated that were not expended for that specific purpose; and [2007, c. 627, §34 (AMD).]

D. The cost for payments that the unorganized territory is required to make pursuant to the terms of a tax increment financing district approved by the Commissioner of Economic and Community Development pursuant to Title 30-A, chapter 206 with respect to taxable property in the Unorganized Territory Tax District. [2009, c. 619, Pt. B, §1 (AMD).]

[2009, c. 619, Pt. B, §1 (AMD) .]

SECTION HISTORY
1977, c. 698, §8 (NEW). 1979, c. 440, §1 (AMD). 1979, c. 646, §3 (AMD). 1983, c. 471, §17 (AMD). 1983, c. 556, §19 (AMD). 1987, c. 737, §§C80,C106 (AMD). 1989, c. 6, (AMD). 1989, c. 9, §2 (AMD). 1989, c. 104, §§C8,C10 (AMD). RR 1993, c. 1, §107 (COR). 1995, c. 565, §1 (AMD). 1999, c. 554, §1 (AMD). 2005, c. 683, §A65 (AMD). 2007, c. 627, §34 (AMD). 2009, c. 619, Pt. B, §1 (AMD).

§1604. DETERMINATION; PROCEDURE

1. **Recommendation to the Legislature.** The administrator of the unorganized territory shall submit to the Legislature, by March 1st, annually, a bill listing the requests of all counties and agencies under this chapter.

[1985, c. 459, Pt. C, §14 (RPR) .]

2. **Legislative determination of municipal cost components.** The Legislature shall consider the requests for funding under this chapter and by June 1st of each year enact legislation determining the amounts of the municipal cost component for services provided by each county and the amount of all other portions of the municipal cost component.

[1985, c. 459, Pt. C, §14 (RPR) .]

2-A. **Legislative amendment of components.** Notwithstanding subsection 2, the Legislature may amend enacted legislation that determines the amounts of the municipal cost components.

[1991, c. 528, Pt. LL, §2 (NEW); 1991, c. 528, Pt. RRR, (AFF); 1991, c. 591, Pt. LL, §2 (NEW) .]

3. **Contracts.** Each county or agency which contracts with another entity to provide services funded under this chapter shall enter into a written contract with the providing agency. A copy of each contract shall be maintained in the office of the county or agency entering into the contract. A copy of each contract shall be provided to the fiscal administrator of the unorganized territory who shall maintain copies in his office.

[1985, c. 459, Pt. C, §14 (NEW) .]

4. **Property.** All real and personal property which is purchased to provide services for which reimbursement is requested under this chapter shall be held by the State or county in trust for the unorganized territory. Any income from the use or sale of that property held by the State shall be credited to the Unorganized Territory Education and Services Fund. Income from the use or sale of that property held by a county shall be credited to the unorganized territory fund of that county.

[1985, c. 459, Pt. C, §14 (NEW) .]

When it is proposed that an area of the unorganized territory becomes organized into a town or plantation, the fiscal administrator of the unorganized territory shall make recommendations to the Legislature regarding the disposition of property obtained with funds under this chapter. [1985, c. 459, Pt. C, §14 (NEW).]

SECTION HISTORY
1977, c. 698, §8 (NEW). 1979, c. 520, §§8,9 (AMD). 1981, c. 364, §§25,26 (AMD). 1981, c. 702, §J (AMD). 1983, c. 471, §18 (AMD). 1983, c. 827, §4 (AMD). 1985, c. 459, §C14 (RPR). 1991, c. 528, §LL2 (AMD). 1991, c. 528, §RRR (AFF). 1991, c. 591, §LL2 (AMD).

§1605. UNORGANIZED TERRITORY EDUCATION AND SERVICES FUND

1. **Fund established.** The Legislature hereby creates the Unorganized Territory Education and Services Fund. The State Tax Assessor shall deposit in the fund all Unorganized Territory Educational and Services Tax money and county tax money, assessed pursuant to Title 30-A, section 706, which he collects.

[1987, c. 737, Pt. C, §§81, 106 (AMD); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD) .]

2. **Disbursements.** Each agency making disbursements for expenses attributable to the municipal cost component shall, by June 30th of each year, submit an accounting of all expenditures made for the fiscal year ending on that date to the Treasurer of State with a copy to the fiscal administrator of the unorganized territory. Upon receipt of the accounting, the Treasurer of State shall transfer from the fund sufficient money to pay the expenses attributable to the municipal cost component, including the amount charged to the fund under Title 12, section 9205-A. Any expenditures made or identified after those reported to the Treasurer of State on June 30th shall be identified separately and included in the report for the next fiscal year.

[1985, c. 459, Pt. C, §15 (RPR) .]

2-A. **Advance payment to General Fund.** On October 31st of each year, the Treasurer of State shall transfer from the Unorganized Territory Education and Services Fund to the General Fund an amount equal to 90% of the total amount transferred pursuant to subsection 2 and this subsection in the preceding fiscal year. This payment must be taken as a credit against the disbursement required by subsection 2.

[1991, c. 528, Pt. O, (NEW); 1991, c. 528, Pt. RRR, (AFF); 1991, c. 591, Pt. O, (NEW) .]

2-B. **Indian Township services.** On or before October 15th immediately following the date of assessment, the State Tax Assessor shall certify to the fiscal administrator of the unorganized territory the total amount of property tax assessed on reservation out-parcels situated in the Passamaquoddy Tribe reservation at Indian Township in Washington County under authority of section 1602. On October 31st of each year in which the Passamaquoddy Tribe provides governmental services to these reservation out-parcels, the Treasurer of State shall pay to the Passamaquoddy Tribe from the Unorganized Territory Education and Services Fund an amount equal to the property taxes assessed on reservation out-parcels in consideration for any and all governmental services as may be provided by the Passamaquoddy Tribe for the benefit of nonreservation Indian Township property owners. For the purposes of this subsection, "reservation out-parcel" means a parcel of real property situated in Indian Township, assessed by the State and included in the relevant state valuation certified by the State Tax Assessor.

[1997, c. 524, §1 (NEW); 1997, c. 524, §2 (AFF) .]

3. **Balance carried forward.** Any unexpended balance may not lapse but must be carried forward to the same fund for the next fiscal year and must be available for the purposes authorized by this chapter. Any unexpended balance remaining in the fund at the end of the year, not including amounts set aside in any capital reserve accounts, that is in excess of 10% of the amount of expenditures for that year must be used to reduce the amount to be collected in taxes during the next year.

[1995, c. 328, §1 (AMD) .]

4. **Fund accounting.** The State Controller shall establish an Unorganized Territory Education and Services Fund that reflects all of the activity of that fund within the state accounting system chart of accounts in accordance with the standards of a governmental accounting standards board as they apply to financial statements of the fund.

[2007, c. 541, Pt. D, §1 (NEW) .]

SECTION HISTORY
1977, c. 698, §8 (NEW). 1979, c. 520, §10 (AMD). 1983, c. 556, §20 (AMD). 1985, c. 459, §C15 (AMD). 1987, c. 737, §§C81,C106 (AMD). 1989, c. 6, (AMD). 1989, c. 9, §2 (AMD). 1989, c. 104, §§C8,C10 (AMD). 1991, c. 528, §O (AMD). 1991, c. 528, §RRR (AFF). 1991, c. 591, §O (AMD). 1995, c. 328, §1 (AMD). 1997, c. 524, §1 (AMD). 1997, c. 524, §2 (AFF). 2007, c. 541, Pt. D, §1 (AMD).

§1606. PROPERTY TAXES CREDITED ON ASSESSMENTS; QUARTERLY PAYMENTS FOR UNORGANIZED TERRITORY SERVICES AND ANNUALLY FOR COUNTY TAXES

1. **Credit and appropriation of special funds or taxes for political subdivisions.** Notwithstanding any other statute to the contrary, the gross amount of property taxes assessed upon real and personal property in the unorganized territory through the State Tax Assessor for the benefit of any special fund or political subdivision of the State may be credited on the books of the State to the special fund or to the proper fiscal officer of the political subdivision. The Treasurer of State shall pay to that fiscal officer the amount of the tax

so assessed, in equal quarterly amounts for unorganized territory services, on or before the last day of July, October, January and April and an annual installment for county taxes on or before October 15th following the date of the assessment. The amount of the assessment is appropriated for the purposes of this subsection.

[2007, c. 627, §35 (NEW) .]

2. **Tax increment financing payments.** With respect to a tax increment financing district located in the unorganized territory and approved by the Commissioner of Economic and Community Development pursuant to Title 30-A, chapter 206, the Treasurer of State must deposit into the development program fund established by a county for the tax increment financing district pursuant to Title 30-A, section 5227, subsection 3 the tax increment revenues on the captured assessed value, as that term is defined in Title 30-A, section 5222. The payment must be made on or before October 15th following the date of assessment or within 30 days after the taxes constituting the tax increment are paid, whichever is later. The amount of the assessment is appropriated for the purposes of this subsection.

[2009, c. 619, Pt. B, §2 (AMD) .]

3. **Deposits, abatements, interest payments and supplemental assessments.** Upon collection by the State Tax Assessor, taxes collected under subsection 1 must be deposited in the Unorganized Territory Education and Services Fund. All abatements of such taxes must be charged against the Unorganized Territory Education and Services Fund and all interest and supplemental assessments must be paid into the Unorganized Territory Education and Services Fund and neither may be charged against or credited to the special fund or political subdivision on account of which the tax was levied. Any excess of supplemental assessments over abatements accruing to the Unorganized Territory Education and Services Fund must be considered as reimbursement to the Unorganized Territory Education and Services Fund for administrative expenses connected with the assessment of those taxes.

[2007, c. 627, §35 (NEW) .]

4. **Intent.** The intent of the Legislature is to permit the administration of all real and personal property taxes in the unorganized territory through the Unorganized Territory Education and Services Fund as a matter of convenience and economy.

[2007, c. 627, §35 (NEW) .]

SECTION HISTORY
1977, c. 698, §8 (NEW). 1979, c. 666, §42 (NEW). 1983, c. 556, §20 (AMD). 1989, c. 373, §1 (AMD). 2007, c. 627, §35 (RPR). 2009, c. 619, Pt. B, §2 (AMD).

§1607. MEANING OF LETTERS USED IN LISTS

In the lists made by the State Tax Assessor, in accordance with this chapter, for purposes of valuation and assessment, the following initial letters mean as follows: The letter "T." when used alone means Township; the letter "R." when used alone means Range; the letter "N." when used alone means North; "E." means East; "S." means South; "W." means West; the letters "N.W." means North West; "N.E." means North East; "S.W." means South West; and "S.E." means South East. [1979, c. 666, §42 (NEW).]

SECTION HISTORY
1979, c. 666, §42 (NEW).

§1608. FINANCIAL REPORT

The fiscal administrator of the unorganized territory shall, by March 1st annually, publish a financial report of the status of the Unorganized Territory Education and Services Fund subject to the following provisions. [1989, c. 857, §78 (AMD).]

1. **Record of financial transactions.** It shall contain a record of all financial transactions of the fund during the preceding fiscal year, including an itemized list of receipts and disbursements from the fund. It shall also contain an itemized record showing the sources of all revenue received by the fund and showing all disbursements for each agency under the municipal cost component by major items of expense comparable with the approved budgetary expenditure classifications under the captions of personal services, contractual services, commodities, debt service and capital expenditures.

[1983, c. 508, §2 (NEW) .]

2. **Statement of assets, liabilities, reserves and surplus.** It shall contain an itemized statement of the assets, liabilities, reserves and surpluses of the fund under each municipal cost component.

[1983, c. 508, §2 (NEW) .]

3. **Copies for distribution.** Copies of the report shall be given to each member of the Legislature and to each county commissioner in each county which contains unorganized territory. Copies shall be made available in convenient locations for taxpayers in the unorganized territory.

[1983, c. 508, §2 (NEW) .]

4. **Statement of availability.** All tax bills issued under this chapter shall include a statement that the report required by this section is available, if requested.

[1985, c. 459, Pt. C, §17 (NEW) .]

SECTION HISTORY
1983, c. 508, §2 (NEW). 1985, c. 459, §§C16,17 (AMD). 1985, c. 603, §8 (AMD). 1989, c. 857, §78 (AMD).

§1609. AUDIT OF MUNICIPAL COST COMPONENT AND THE UNORGANIZED TERRITORY EDUCATION AND SERVICES FUND

The Unorganized Territory Education and Services Fund and each account of the municipal cost component must be audited annually. The audit must cover the last entire fiscal year and be completed no later than February 1st following the end of each fiscal year. The expenses of these auditing services are part of the municipal cost component and are paid out of the Unorganized Territory Education and Services Fund. The audit must be performed in accordance with generally accepted auditing standards and procedures pertaining to governmental accounting and must include a management letter covering the audit of the operational aspects of the fund, as well as suggestions that the auditor determines advisable for the proper administration of the fund. The auditor shall produce the audit report on the forms required by the accounting system established by the Office of the State Auditor in Title 5, section 243. [1989, c. 857, §79 (AMD); 2013, c. 16, §10 (REV).]

The audit must include an accounting of receipts, expenditures, disbursements, allocations, apportionments and methods for calculating requests for transfers from the fund covering each account of the municipal cost component and the Unorganized Territory Education and Services Fund. The audit

must also include a review of the accounting procedure used by agencies or governmental entities receiving transfers from the fund to determine whether the expenditures and transfers from the fund have been used in compliance with laws of this State. [1989, c. 857, §79 (AMD).]

SECTION HISTORY
1983, c. 508, §2 (NEW). 1989, c. 857, §79 (AMD). 2013, c. 16, §10 (REV).

§1610. ADJUSTMENT

(REPEALED)

SECTION HISTORY
1985, c. 458, §2 (NEW). 2007, c. 438, §29 (RP).

§1611. LIMITATION ON MUNICIPAL COST COMPONENT

1. **Growth limitation.** Except as otherwise provided in this section, the municipal cost component may not exceed the growth limitations established in subsection 2.

[2005, c. 624, §1 (NEW) .]

2. **Calculation of growth limitations.** The growth limitation factors are calculated as follows.

A. The growth limitation factor for the aggregate cost of the municipal cost components provided by the State is the same as the General Fund appropriation limitation factor calculated under Title 5, section 1534, subsection 2. [2005, c. 624, §1 (NEW).]

B. The growth limitation factor for the cost of the municipal cost components provided by a county may not exceed the municipal cost component assessment limit for that county. For purposes of this section, a municipal cost component assessment limit must be determined by the State Tax Assessor annually for the unorganized territory in each county using the criteria provided under Title 30-A, section 5721-A as if the unorganized territory for each county were a municipality. [2005, c. 624, §1 (NEW).]

[2005, c. 624, §1 (NEW) .]

3. **Exceeding or increasing growth limitations.** Growth limitations on the municipal cost component may be exceeded or increased as follows.

A. A governmental body with the authority to approve the county municipal cost component under Title 30-A, chapter 305 may exceed or increase the county growth limitation only if that action is approved by a majority of the county budget committee or county budget advisory committee and the county commissioners. [2005, c. 624, §1 (NEW).]

B. The Legislature may exceed or increase the municipal cost component growth limitation for a state component by including a provision in the municipal cost component legislation enacted pursuant to section 1604 that specifically states the intent of the Legislature to exceed or increase the growth limitation. [2005, c. 624, §1 (NEW).]

[2005, c. 624, §1 (NEW) .]

4. **Application.** This section applies to municipal cost component fiscal years beginning on or after July 1, 2007.

[2005, c. 624, §1 (NEW) .]

SECTION HISTORY

2005, c. 624, §1 (NEW).

Part 3: SALES AND USE TAX

Chapter 211: GENERAL PROVISIONS

§1751. SHORT TITLE

Chapters 211 to 225 shall be known and may be cited as the "Sales and Use Tax Law."

§1752. DEFINITIONS

The following words, terms and phrases when used in chapters 211 to 225 have the meaning ascribed to them in this section, except where the context clearly indicates a different meaning:

1. **Advertise.** "Advertise" means to make a public announcement by any means whatsoever, including a notice or announcement in a radio or televised broadcast, newspaper, magazine, catalog, circular, handbill, sign, placard or billboard.

[2007, c. 627, §36 (AMD) .]

1-A. **Aircraft.** "Aircraft" means any powered contrivance designed for navigation in the air except a rocket or missile.

[1975, c. 317, §1 (NEW) .]

1-B. **Automobile.** "Automobile" means a self-propelled 4-wheel motor vehicle designed primarily to carry passengers and not designed to run on tracks. "Automobile" includes a pickup truck or van with a gross vehicle weight rating of 10,000 pounds or less.

[2011, c. 644, §9 (AMD); 2011, c. 644, §33 (AFF) .]

1-C. **Business.** "Business" includes any activity engaged in with the object of gain, benefit or advantage, either direct or indirect.

[2011, c. 240, §16 (AMD) .]

1-D. **Casual sale.** "Casual sale" means an isolated transaction in which tangible personal property or a taxable service is sold other than in the ordinary course of repeated and successive transactions of like character by the person making the sale. "Casual sale" includes transactions at a bazaar, fair, rummage sale, picnic or similar event by a civic, religious or fraternal organization that is not a registered retailer. The sale by a registered retailer of tangible personal property that that retailer has used in the course of the retailer's business is not a casual sale if that property is of like character to that sold by the retailer in the ordinary course of repeated and successive transactions. "Casual sale" does not include any transaction in which a retailer sells tangible personal property or a taxable service on behalf of the owner of that property or the provider of that service.

[2005, c. 218, §12 (AMD) .]

1-E. **Custom computer software program.** "Custom computer software program" means any computer software that is written or prepared exclusively for a particular customer. "Custom computer software program" does not include a "canned" or prewritten program that is held or exists for a general or repeated sale, lease or license, even if the program was initially developed on a custom basis or for in-house

use. An existing prewritten program that has been modified to meet a particular customer's needs is a "custom computer software program" to the extent of the modification, and to the extent that the amount charged for the modification is separately stated.

[1997, c. 557, Pt. B, §1 (NEW); 1997, c. 557, Pt. B, §14 (AFF); 1997, c. 557, Pt. G, §1 (AFF) .]

1-F. **Clean fuel.**

[2007, c. 627, §38 (RP) .]

1-G. **Clean fuel vehicle.**

[2007, c. 627, §39 (RP) .]

1-H. **Commercial groundfishing boat.**

[2011, c. 548, §14 (RP) .]

2. **Business.**

[1987, c. 497, §16 (RP) .]

2-A. **Directly.** "Directly," when used in relation to production of tangible personal property, refers to those activities or operations which constitute an integral and essential part of production, as contrasted with and distinguished from those activities or operations which are simply incidental, convenient or remote to production.

[1977, c. 477, §5 (NEW) .]

2-B. **Extended cable television services.**

[2003, c. 673, Pt. V, §29 (AFF); 2003, c. 673, Pt. V, §7 (RP) .]

2-C. **Fabrication services.**

[2003, c. 673, Pt. V, §29 (AFF); 2003, c. 673, Pt. V, §8 (RP) .]

2-D. **Forest land.** "Forest land" means land used primarily for the growth of trees to be harvested for commercial use.

[2007, c. 658, §1 (NEW) .]

2-E. **Forest products.** "Forest products" means logs, pulpwood, bolt wood, wood chips, stud wood, poles, pilings, biomass or fuel wood or other products commonly known as forest products, but does not include Christmas trees, maple syrup, nursery products used for ornamental purposes, wreaths, bough material or cones or other seed crops.

[2007, c. 658, §2 (NEW) .]

3. **Farm tractor.** "Farm tractor" means any self-propelled vehicle designed and used primarily as a farm implement for drawing plows, mowing machines and other implements of husbandry.

3-A. **Food products.**

[1991, c. 528, Pt. RRR, (AFF); 1991, c. 528, Pt. WW, §4 (AFF); 1991, c. 528, Pt. WW, §1 (RP) .]

3-B. **Grocery staples.** "Grocery staples" means food products ordinarily consumed for human nourishment.

"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; candy and confections; and prepared food.

[1999, c. 698, §1 (AMD); 1999, c. 698, §3 (AFF) .]

3-C. **Flea market.**

[1993, c. 395, §14 (RP) .]

3-D. **Furniture.**

[2003, c. 673, Pt. V, §29 (AFF); 2003, c. 673, Pt. V, §9 (RP) .]

3-E. **Home service provider.**

[2003, c. 673, Pt. V, §29 (AFF); 2003, c. 673, Pt. V, §10 (RP) .]

4. **Hotel.** "Hotel" means every building or other structure kept, used, maintained, advertised as or held out to the public to be a place where living quarters are supplied for pay to transient or permanent guests and tenants.

5. **In this State or in the State.** "In this State" or "in the State" means within the exterior limits of the State of Maine and includes all territory within these limits owned by or ceded to the United States of America.

5-A. **Products for internal human consumption.** "Products for internal human consumption" means edible products sold for human nutrition or refreshment and containers or utensils provided simultaneously for the consumption of these products. It does not include spirituous, malt or vinous liquors, medicines, tonics, vitamins, dietary supplements or cigarettes.

[2009, c. 496, §14 (AMD) .]

5-B. **Liquor.** "Liquor" has the same meaning as in Title 28-A, section 2, subsection 16.

[1989, c. 588, Pt. B, §1 (NEW) .]

5-C. **Loaner vehicle.** "Loaner vehicle" means an automobile to be provided to a motor vehicle dealer's service customers for short-term use free of charge pursuant to the dealer's franchise, as defined in Title 10, section 1171, subsection 6.

[2007, c. 627, §40 (NEW) .]

6. **Living quarters.** "Living quarters" means sleeping rooms, sleeping or housekeeping accommodations, and tent or trailer space.

6-A. **Manufacturing facility.** "Manufacturing facility" means a site at which are located machinery and equipment used directly and primarily in either the production of tangible personal property intended to be sold or leased ultimately for final use or consumption or the production of tangible personal property pursuant to a contract with the Federal Government or any agency thereof. It includes the machinery and equipment and all machinery, equipment, structures and facilities located at the site and used in support of production or associated with the production. "Manufacturing facility" does not include a site at which a retailer is primarily engaged in making retail sales of tangible personal property not produced by the retailer.

[2007, c. 627, §41 (AMD) .]

6-B. **Mobile telecommunications services.**

[2003, c. 673, Pt. V, §29 (AFF); 2003, c. 673, Pt. V, §11 (RP) .]

6-C. **Manufactured housing.** "Manufactured housing" has the same meaning as defined in Title 10, section 9002, subsection 7.

[2005, c. 618, §1 (NEW) .]

7. **Motor vehicle.** "Motor vehicle" means any self-propelled vehicle designed for the conveyance of passengers or property on the public highways. "Motor vehicle" includes an all-terrain vehicle and a snowmobile as defined in Title 12, section 13001.

[2003, c. 414, Pt. B, §60 (AMD); 2003, c. 614, §9 (AFF) .]

7-A. **Vehicle.** "Vehicle" has the same meaning ascribed to that term by Title 29-A, section 101, subsection 91.

[1995, c. 65, Pt. A, §140 (AMD); 1995, c. 65, Pt. A, §153 (AFF); 1995, c. 65, Pt. C, §15 (AFF) .]

7-B. **Machinery and equipment.** "Machinery and equipment" means machinery, equipment and parts and attachments for machinery and equipment, but excludes foundations for machinery and equipment and special purpose buildings used to house or support machinery and equipment.

[1985, c. 276, §1 (RPR) .]

7-C. **Nonprofit.** "Nonprofit" refers to an organization which has been determined by the United States Internal Revenue Service to be exempt from taxation under Section 501(c) of the Code.

[2005, c. 218, §13 (AMD) .]

7-D. **Network elements.**

[2003, c. 673, Pt. V, §29 (AFF); 2003, c. 673, Pt. V, §12 (RP) .]

7-E. **Place of primary use.**

[2003, c. 673, Pt. V, §29 (AFF); 2003, c. 673, Pt. V, §13 (RP) .]

8. **Passenger automobile.**

[1981, c. 706, §19 (RP) .]

8-A. **Prepared food.** "Prepared food" means:

A. Meals served on or off the premises of the retailer; [2001, c. 439, Pt. TTTT, §1 (NEW); 2001, c. 439, Pt. TTTT, §3 (AFF).]

B. Food and drinks that are prepared by the retailer and ready for consumption without further preparation; and [2001, c. 439, Pt. TTTT, §1 (NEW); 2001, c. 439, Pt. TTTT, §3 (AFF).]

C. All food and drinks sold from an establishment whose sales of food and drinks that are prepared by the retailer account for more than 75% of the establishment's gross receipts. [2001, c. 439, Pt. TTTT, §1 (NEW); 2001, c. 439, Pt. TTTT, §3 (AFF).]

"Prepared food" does not include bulk sales of grocery staples.

[2001, c. 439, Pt. TTTT, §3 (AFF); 2001, c. 439, Pt. TTTT, §1 (RPR) .]

8-B. **Prepaid calling service.** "Prepaid calling service" means the right to access exclusively telecommunications services that must be paid for in advance that enables the origination of calls using an access number or authorization code or both, whether manually or electronically dialed, and that is sold in predetermined units or dollars, the number of which declines with use in a known amount. The sale or recharge of the service is considered a sale within the State if the transfer for consideration takes place at the vendor's place of business in the State. If the sale or recharge of prepaid calling service does not take place at the vendor's place of business, the sale or recharge is deemed to take place at the customer's shipping address, or if there is no item shipped, at the customer's billing address or the location associated with the customer's mobile telephone number. The sale of the service is deemed to occur on the date of the transfer for consideration of the service.

[2003, c. 673, Pt. V, §14 (AMD); 2003, c. 673, Pt. V, §29 (AFF) .]

8-C. **Positive airway pressure equipment and supplies.** "Positive airway pressure equipment and supplies" means continuous positive air pressure and bilevel positive air pressure equipment and supplies, and repair and replacement parts for such equipment, used in respiratory ventilation.

[2011, c. 655, Pt. PP, §1 (NEW); 2011, c. 655, Pt. PP, §4 (AFF) .]

9. **Person.**

[2003, c. 390, §6 (RP) .]

9-A. **Primarily.** "Primarily," when used in relation to machinery or equipment used in production, means more than 50% of the time during the period that begins on the date on which the machinery or equipment is first placed in service by the purchaser and ends 2 years from that date or at the time that the machinery or equipment is sold, scrapped, destroyed or otherwise permanently removed from service by the taxpayer, whichever occurs first.

[2001, c. 583, §11 (AMD); 2001, c. 583, §23 (AFF) .]

9-B. **Production.** "Production" means an operation or integrated series of operations engaged in as a business or segment of a business that transforms or converts personal property by physical, chemical or other means into a different form, composition or character from that in which it originally existed. "Production" includes film production.

"Production" includes manufacturing, processing, assembling and fabricating operations that meet the definitional requisites, including biological processes that are part of an integrated process of manufacturing organisms or microorganic materials through the application of biotechnology.

"Production" does not include biological processes except as otherwise provided by this subsection, wood harvesting operations, the severance of sand, gravel, oil, gas or other natural resources produced or severed from the soil or water, or activities such as cooking or preparing drinks, meals, food or food products by a retailer for retail sale.

[2005, c. 332, §13 (AMD) .]

9-C. **Rental of automobile on short-term basis.**

[1987, c. 497, §20 (RP) .]

9-D. **Reseller.**

[2003, c. 673, Pt. V, §29 (AFF); 2003, c. 673, Pt. V, §15 (RP) .]

9-E. **Product transferred electronically.** "Product transferred electronically" means a digital product transferred to the purchaser electronically the sale of which in nondigital physical form would be subject to tax under this Part as a sale of tangible personal property.

[2013, c. 368, Pt. N, §1 (NEW) .]

10. **Retailer.** "Retailer" means a person who makes retail sales or who is required to register by section 1754-A or 1754-B or who is registered under section 1756.

[1997, c. 393, Pt. A, §41 (RPR) .]

11. **Retail sale.** "Retail sale" means any sale of tangible personal property or a taxable service in the ordinary course of business.

A. "Retail sale" includes:

(1) Conditional sales, installment lease sales and any other transfer of tangible personal property when the title is retained as security for the payment of the purchase price and is intended to be transferred later;

(2) Sale of products for internal human consumption to a person for resale through vending machines when sold to a person more than 50% of whose gross receipts from the retail sale of tangible personal property are derived from sales through vending machines. The tax must be paid by the retailer to the State;

(3) A sale in the ordinary course of business by a retailer to a purchaser who is not engaged in selling that kind of tangible personal property or taxable service in the ordinary course of repeated and successive transactions of like character; and

(4) The sale or liquidation of a business or the sale of substantially all of the assets of a business, to the extent that the seller purchased the assets of the business for resale, lease or rental in the ordinary course of business, except when:

(a) The sale is to an affiliated entity and the transferee, or ultimate transferee in a series of transactions among affiliated entities, purchases the assets for resale, lease or rental in the ordinary course of business; or

(b) The sale is to a person that purchases the assets for resale, lease or rental in the ordinary course of business or that purchases the assets for transfer to an affiliate, directly or through a series of transactions among affiliated entities, for resale, lease or rental by the affiliate in the ordinary course of business.

For purposes of this subparagraph, "affiliate" or "affiliated" includes both direct and indirect affiliates. [2007, c. 437, §10 (AMD).]

B. "Retail sale" does not include:

(1) Any casual sale;

(2) Any sale by a personal representative in the settlement of an estate unless the sale is made through a retailer or the sale is made in the continuation or operation of a business;

(3) The sale, to a person engaged in the business of renting automobiles, of automobiles, integral parts of automobiles or accessories to automobiles, for rental or for use in an automobile rented for a period of less than one year. For the purposes of this subparagraph, "automobile" includes a pickup truck or van with a gross vehicle weight of less than 26,000 pounds;

(4) The sale, to a person engaged in the business of renting video media and video equipment, of video media or video equipment for rental;

(5) The sale, to a person engaged in the business of renting or leasing automobiles, of automobiles for rental or lease for one year or more;

(6) The sale, to a person engaged in the business of providing cable or satellite television services, of associated equipment for rental or lease to subscribers in conjunction with a sale of extended cable or extended satellite television services;

(7) The sale, to a person engaged in the business of renting furniture or audio media and audio equipment, of furniture, audio media or audio equipment for rental pursuant to a rental-purchase agreement as defined in Title 9-A, section 11-105;

(8) The sale of loaner vehicles to a new vehicle dealer licensed as such pursuant to Title 29-A, section 953;

(9) The sale of automobile repair parts used in the performance of repair services on an automobile pursuant to an extended service contract sold on or after September 20, 2007 that entitles the purchaser to specific benefits in the service of the automobile for a specific duration;

(10) The sale, to a retailer that has been issued a resale certificate pursuant to section 1754-B, subsection 2-B or 2-C, of tangible personal property for resale in the form of tangible personal property, except resale as a casual sale;

(11) The sale, to a retailer that has been issued a resale certificate pursuant to section 1754-B, subsection 2-B or 2-C, of a taxable service for resale, except resale as a casual sale;

(12) The sale, to a retailer that is not required to register under section 1754-B, of tangible personal property for resale outside the State in the form of tangible personal property, except resale as a casual sale;

(13) The sale, to a retailer that is not required to register under section 1754-B, of a taxable service for resale outside the State, except resale as a casual sale;

(14) The sale of repair parts used in the performance of repair services on telecommunications equipment as defined in section 2551, subsection 19 pursuant to an extended service contract that entitles the purchaser to specific benefits in the service of the telecommunications equipment for a specific duration;

(15) The sale of positive airway pressure equipment and supplies for rental for personal use to a person engaged in the business of renting positive airway pressure equipment;

(16) The sale, to a person engaged in the business of renting or leasing motor homes, as defined in Title 29-A, section 101, subsection 40, or camper trailers, of motor homes or camper trailers for rental; or

(17) The sale of truck repair parts used in the performance of repair services on a truck pursuant to an extended service contract that entitles the purchaser to specific benefits in the service of the truck for a specific duration. [2013, c. 156, §1 (RPR).]

[2013, c. 156, §1 (AMD) .]

11-A. **Retirement facility.** "Retirement facility" means a facility that includes residential dwelling units where, on an average monthly basis, at least 80% of the residents of the facility are persons 62 years of age or older.

[2011, c. 380, Pt. DDDD, §1 (NEW); 2011, c. 380, Pt. DDDD, §§5, 6 (AFF) .]

12. **Rooming house.** "Rooming house" means every house, cottage, condominium unit, vacation home, boat, vehicle, motor court, trailer court or other structure or any place or location kept, used, maintained, advertised or held out to the public to be a place where living quarters are supplied for pay to transient or permanent guests or tenants, whether in one or adjoining buildings.

[2005, c. 12, Pt. O, §1 (AMD); 2005, c. 12, Pt. O, §5 (AFF) .]

12-A. **Rural community health center.** "Rural community health center" means a person that delivers, or provides facilities for the delivery of, comprehensive primary health care in a place or territory that is classified as rural according to the most recent federal decennial census.

[2003, c. 588, §4 (NEW) .]

13. **Sale.** "Sale" means any transfer, exchange or barter, in any manner or by any means whatsoever, for a consideration and includes leases and contracts payable by rental or license fees for the right of possession and use, but only when such leases and contracts are deemed by the State Tax Assessor to be in lieu of purchase.

[1981, c. 706, §20 (AMD) .]

13-A. **Sale at retail.** "Sale at retail" means retail sale.

[1987, c. 497, §23 (NEW) .]

14. **Sale price.** "Sale price" means the total amount of a retail sale valued in money, whether received in money or otherwise.

A. "Sale price" includes:

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

(2) All receipts, cash, credits and property of any kind or nature and any amount for which credit is allowed by the seller to the purchaser, without any deduction on account of the cost of the property sold, the cost of the materials used, labor or service cost, interest paid, losses or any other expenses. [2007, c. 627, §43 (AMD).]

B. "Sale price" does not include:

(1) Discounts allowed and taken on sales;

(2) Allowances in cash or by credit made upon the return of merchandise pursuant to warranty;

(3) The price of property returned by customers, when the full price is refunded either in cash or by credit;

(4) The price received for labor or services used in installing or applying or repairing the property sold, if separately charged or stated;

(5) Any amount charged or collected, in lieu of a gratuity or tip, as a specifically stated service charge, when that amount is to be disbursed by a hotel, restaurant or other eating establishment to its employees as wages;

(6) The amount of any tax imposed by the United States on or with respect to retail sales, whether imposed upon the retailer or the consumer, except any manufacturers', importers', alcohol or tobacco excise tax;

(7) The cost of transportation from the retailer's place of business or other point from which shipment is made directly to the purchaser, provided that those charges are separately stated and the transportation occurs by means of common carrier, contract carrier or the United States mail;

(8) The fee imposed by Title 10, section 1169, subsection 11;

(9) The fee imposed by section 4832, subsection 1;

(10) The lead-acid battery deposit imposed by Title 38, section 1604, subsection 2-B;

(11) Any amount charged or collected by a person engaged in the rental of living quarters as a forfeited room deposit or cancellation fee if the prospective occupant of the living quarters cancels the reservation on or before the scheduled date of arrival;

(12) The premium imposed on motor vehicle oil by Title 10, section 1020, subsection 6-A; or

(13) Any amount charged for the disposal of used tires. [2011, c. 211, §22 (AMD).]

[2011, c. 211, §22 (AMD) .]

14-A. **Solar energy equipment.**

[1985, c. 506, Pt. A, §75 (RP) .]

14-B. **Special mobile equipment.** "Special mobile equipment" means any self-propelled vehicle not designed or used primarily for the transportation of persons or property that may be operated or moved only incidentally over the highways, including, but not limited to, road construction or maintenance machinery, farm tractors, lumber harvesting vehicles or loaders, ditch-digging apparatus, stone crushers, air compressors, power shovels, cranes, graders, rollers, well drillers and wood sawing equipment.

[1997, c. 133, §1 (AMD) .]

14-C. **Snack food.**

[1999, c. 698, §3 (AFF); 1999, c. 698, §2 (RP) .]

14-D. **Serving carrier.**

[2003, c. 673, Pt. V, §29 (AFF); 2003, c. 673, Pt. V, §17 (RP) .]

14-E. **School.** "School" means a public or incorporated nonprofit elementary, secondary or postsecondary educational institution that has a regular faculty, curriculum and organized body of pupils or students in attendance throughout the usual school year and that keeps and furnishes to students and others records required and accepted for entrance to schools of secondary, collegiate or graduate rank.

[2007, c. 438, §30 (AMD) .]

15. **Storage.** "Storage" includes any keeping or retention in this State of tangible personal property.

[2005, c. 218, §16 (AMD) .]

16. **Storage or use.** "Storage" or "use" does not include keeping or retention or the exercise of power over tangible personal property brought into this State for the purpose of subsequently transporting it outside the State for use by the purchaser thereafter solely outside the State, or for the purpose of being processed, fabricated or manufactured into, attached to or incorporated into, other tangible personal property to be transported outside the State and thereafter used by the purchaser solely outside the State.

[1965, c. 114, (AMD) .]

17. **Tangible personal property.** "Tangible personal property" means personal property that may be seen, weighed, measured, felt, touched or in any other manner perceived by the senses, but does not include rights and credits, insurance policies, bills of exchange, stocks and bonds and similar evidences of indebtedness or ownership. "Tangible personal property" includes electricity. "Tangible personal property" includes any computer software that is not a custom computer software program. "Tangible personal property" includes any product transferred electronically.

[2013, c. 546, §9 (AMD) .]

17-A. **Taxable service.**

[2003, c. 673, Pt. V, §29 (AFF); 2003, c. 673, Pt. V, §18 (RP) .]

17-B. **Taxable service.** "Taxable service" means the rental of living quarters in a hotel, rooming house or tourist or trailer camp; the transmission and distribution of electricity; the rental or lease of an automobile, a camper trailer, or a motor home, as defined in Title 29-A, section 101, subsection 40; the rental or lease of a pickup truck or van with a gross vehicle weight of less than 26,000 pounds from a person primarily engaged in the business of renting automobiles; the sale of an extended service contract on an automobile or truck that entitles the purchaser to specific benefits in the service of the automobile or truck for a specific duration; and the sale of prepaid calling service.

[2013, c. 156, §2 (AMD) .]

18. **Tax Assessor.**

[1979, c. 378, §8 (RP) .]

18-A. **Telephone or telegraph service.**

[1999, c. 488, §8 (RP) .]

18-B. **Telephone or telegraph service.**

[1999, c. 488, §9 (RP) .]

18-C. **Telecommunications equipment.**

[2003, c. 673, Pt. V, §29 (AFF); 2003, c. 673, Pt. V, §20 (RP) .]

18-D. **Telecommunications services.**

[2003, c. 673, Pt. V, §29 (AFF); 2003, c. 673, Pt. V, §21 (RP) .]

19. **Tourist camp.** "Tourist camp" means a place where tents or tent houses, or camp cottages or other structures are located and offered to the public or any segment thereof for human habitation.

19-A. **Trailer.** "Trailer" means a vehicle without motive power and mounted on wheels that is designed to carry persons or property and to be drawn by a motor vehicle and not operated on tracks. "Trailer" includes a camper trailer as defined in section 1481, subsection 1-A but without restriction on length.

[2009, c. 207, §1 (AMD) .]

20. **Trailer camp.** "Trailer camp" means a place with or without service facilities where space is offered to the public for tenting or for the parking and accommodation of camper trailers, motor homes or truck campers used for living quarters. The rental price includes all service charges paid to the lessor.

[2007, c. 627, §44 (AMD) .]

20-A. **Truck camper.** "Truck camper" means a slide-in camper designed to be mounted on a truck body to provide temporary living quarters for recreational, camping, travel or other use.

[1991, c. 788, §5 (NEW) .]

20-B. **Truck.** "Truck" means a self-propelled motor vehicle with at least 4 wheels designed and used primarily to carry property, not designed to run on tracks and having a gross vehicle weight rating greater than 10,000 pounds. A truck may be used to tow trailers or semitrailers.

[2013, c. 156, §3 (NEW) .]

21. **Use.** "Use" includes the exercise in this State of any right or power over tangible personal property incident to its ownership, including the derivation of income, whether received in money or in the form of other benefits, by a lessor from the rental of tangible personal property located in this State.

[2005, c. 215, §17 (AMD) .]

22. **Camper trailer.** "Camper trailer" has the same meaning as in section 1481, but without any restriction on length.

[1987, c. 49, §1 (NEW) .]

23. **Video media; video equipment.**

[2003, c. 673, Pt. V, §29 (AFF); 2003, c. 673, Pt. V, §22 (RP) .]

24. **Watercraft.** "Watercraft" means any type of vessel, boat, canoe or craft designed for use as a means of transportation on water, other than a seaplane, including motors, electronic and mechanical equipment and other machinery, whether permanently or temporarily attached, which are customarily used in the operations of the watercraft.

[1989, c. 871, §9 (NEW) .]

SECTION HISTORY
1965, c. 114, (AMD). 1965, c. 361, (AMD). 1965, c. 362, §§1-4 (AMD). 1971, c. 479, (AMD). 1975, c. 317, §1 (AMD). 1975, c. 359, (AMD). 1975, c. 450, (AMD). 1975, c. 702, §5 (AMD). 1975, c. 765, §19 (AMD). 1975, c. 779, (AMD). 1977, c. 198, §§1-4 (AMD). 1977, c. 443, §1 (AMD). 1977, c. 477, §§5-9 (AMD). 1977, c. 542, §3 (AMD). 1977, c. 696, §273 (AMD). 1979, c. 292, §1 (AMD). 1979, c. 342, (AMD). 1979, c. 378, §8 (AMD). 1979, c. 541, §A220 (AMD). 1979, c. 686, §1 (AMD). 1981, c. 163, §§1,2 (AMD). 1981, c. 705, §R1 (AMD). 1981, c. 706, §§19,20 (AMD). 1983, c. 560, §§1,6 (AMD). 1983, c. 828, §4 (AMD). 1983, c.

859, §§M1-M2,M13 (AMD). 1985, c. 276, §§1,2 (AMD). 1985, c. 506, §A75 (AMD). 1985, c. 691, §8 (AMD). 1985, c. 767, §§1,2,4 (AMD). 1985, c. 783, §§1-3 (AMD). 1985, c. 819, §§C6,7 (AMD). 1987, c. 49, §1 (AMD). 1987, c. 128, §1 (AMD). 1987, c. 343, §3 (AMD). 1987, c. 497, §§15-25 (AMD). 1989, c. 501, §§V1-5,V5,V6 (AMD). 1989, c. 533, §§1-4,14 (AMD). 1989, c. 588, §§B1,C2 (AMD). 1989, c. 847, §1 (AMD). 1989, c. 871, §§5-9 (AMD). 1991, c. 528, §§WW1,2 (AMD). 1991, c. 528, §§WW4,RRR (AFF). 1991, c. 546, §16 (AMD). 1991, c. 591, §§WW1,2 (AMD). 1991, c. 591, §WW4 (AFF). 1991, c. 780, §CCC1 (AMD). 1991, c. 788, §5 (AMD). 1991, c. 846, §17 (AMD). 1993, c. 395, §14 (AMD). 1993, c. 670, §1 (AMD). 1993, c. 701, §§1-5 (AMD). 1995, c. 65, §A140 (AMD). 1995, c. 65, §§A153,C15 (AFF). 1995, c. 281, §§11-14 (AMD). 1995, c. 281, §42 (AFF). 1995, c. 477, §§1,2 (AMD). 1995, c. 639, §8 (AMD). 1995, c. 640, §1 (AMD). 1997, c. 133, §1 (AMD). 1997, c. 393, §A41 (AMD). 1997, c. 557, §§B1-3 (AMD). 1997, c. 557, §D1 (AMD). 1997, c. 557, §§D4,G1 (AFF). 1997, c. 557, §§B14,G1 (AFF). 1997, c. 668, §§22,23 (AMD). 1997, c. 791, §A1 (AMD). 1999, c. 414, §§15-17 (AMD). 1999, c. 488, §§2-10 (AMD). 1999, c. 516, §§1-5 (AMD). 1999, c. 516, §7 (AFF). 1999, c. 521, §A5 (AMD). 1999, c. 521, §A11 (AFF). 1999, c. 698, §§1,2 (AMD). 1999, c. 698, §3 (AFF). 1999, c. 708, §§22,23 (AMD). 1999, c. 790, §§A42,44-46 (AMD). 1999, c. 790, §§A43,47 (AFF). 2001, c. 396, §§21,22 (AMD). 2001, c. 439, §TTTT1 (AMD). 2001, c. 439, §TTTT3 (AFF). 2001, c. 526, §§1,2 (AMD). 2001, c. 583, §11 (AMD). 2001, c. 583, §23 (AFF). 2001, c. 584, §§2-8 (AMD). 2001, c. 584, §10 (AFF). 2003, c. 390, §§6-8 (AMD). 2003, c. 414, §B60 (AMD). 2003, c. 414, §D7 (AFF). 2003, c. 588, §§3-5 (AMD). 2003, c. 614, §9 (AFF). 2003, c. 673, §§V7-22 (AMD). 2003, c. 673, §V29 (AFF). 2005, c. 12, §§O1,TTT1 (AMD). 2005, c. 12, §§O5,TTT4 (AFF). 2005, c. 218, §§11-17 (AMD). 2005, c. 332, §13 (AMD). 2005, c. 618, §1 (AMD). 2005, c. 675, §1 (AMD). 2005, c. 675, §2 (AFF). RR 2007, c. 2, §30 (AFF). 2007, c. 240, Pt. WWWW, §1 (AMD). 2007, c. 375, §1 (AMD). 2007, c. 410, §§1, 2 (AMD). 2007, c. 410, §6 (AFF). 2007, c. 437, §10 (AMD). 2007, c. 438, §30 (AMD). 2007, c. 627, §§36-44 (AMD). 2007, c. 627, §96 (AFF). 2007, c. 658, §§1, 2 (AMD). 2007, c. 693, §14 (AMD). 2009, c. 207, §1 (AMD). 2009, c. 434, §§22, 23 (AMD). 2009, c. 434, §86 (AFF). 2009, c. 496, §§14, 15 (AMD). 2009, c. 496, §30 (AFF). 2009, c. 625, §4 (AMD). 2009, c. 625, §§16, 18 (AFF). 2009, c. 652, Pt. C, §8 (AFF). 2011, c. 209, §§1, 2 (AMD). 2011, c. 209, §5 (AFF). 2011, c. 211, §22 (AMD). 2011, c. 240, §16 (AMD). 2011, c. 296, §1 (AMD). 2011, c. 380, Pt. DDDD, §1 (AMD). 2011, c. 380, Pt. DDDD, §§5, 6 (AFF). 2011, c. 548, §14 (AMD). 2011, c. 644, §9 (AMD). 2011, c. 644, §33 (AFF). 2011, c. 655, Pt. PP, §§1, 2 (AMD). 2011, c. 655, Pt. PP, §4 (AFF). 2011, c. 684, §§1, 2 (AMD). 2011, c. 684, §3 (AFF). 2013, c. 156, §§1-3 (AMD). 2013, c. 368, Pt. N, §1 (AMD). 2013, c. 546, §9 (AMD).

§1752-A. RESIDENCE

(REPEALED)

SECTION HISTORY
1999, c. 414, §18 (NEW). 2007, c. 438, §31 (RP).

§1753. TAX IS A LEVY ON CONSUMER

The tax imposed by this Part is declared to be a levy on the consumer. The retailer shall add the amount of the tax to the sale price and may state the amount of the tax separately from the sale price of tangible personal property or taxable services on price display signs, sales or delivery slips, bills and statements that advertise or indicate the sale price of that property or those services. If the retailer does not state the amount of the tax separately from the sale price of tangible personal property or taxable services, the retailer shall include a statement on the sales slip or invoice presented to the purchaser that the stated price includes Maine sales tax. [2011, c. 285, §2 (AMD).]

SECTION HISTORY
1987, c. 497, §26 (RPR). 2011, c. 285, §2 (AMD).

§1754. REGISTRATION OF SELLERS

(REPEALED)

SECTION HISTORY
1965, c. 362, §5 (AMD). 1977, c. 198, §5 (AMD). 1977, c. 694, §§700,701 (AMD). 1979, c. 268, (AMD). 1983, c. 859, §§M3,M13 (AMD). 1987, c. 497, §§27-34 (AMD). 1989, c. 880, §H (AMD). 1995, c. 640, §2 (RP).

§1754-A. REGISTRATION OF OWNERS OF SPACE TEMPORARILY RENTED AS RETAIL SPACE

A person who rents or leases space to more than 4 persons at one location for less than a 12-month period for the purpose of making retail sales shall register with the State Tax Assessor. The form for application for registration and the registration certificates must be prescribed and furnished free of charge by the assessor. For each location where more than 4 persons rent or lease space for less than 12 months from the same person, the assessor shall issue a registration certificate, which must be conspicuously displayed at that location. A registration certificate issued pursuant to this section is nontransferable and is not a license within the meaning of that term in the Maine Administrative Procedure Act. [2011, c. 644, §10 (AMD); 2011, c. 644, §35 (AFF).]

A person required to register with the assessor under this section may not rent or lease space to a person for the purpose of making retail sales without verifying that the person is the holder of a valid registration certificate issued by the assessor under section 1754-B. Each person required to register with the assessor under this section shall maintain a list subject to the requirements of section 135, subsection 1 that includes the names, addresses and sales tax registration certificate numbers of those persons who have rented or leased space at that location for the purpose of making retail sales and the dates on which those rentals or leases occurred. [2011, c. 644, §10 (NEW); 2011, c. 644, §35 (AFF).]

SECTION HISTORY
1991, c. 780, §CCC2 (NEW). 2003, c. 390, §9 (AMD). 2011, c. 644, §10 (AMD). 2011, c. 644, §35 (AFF).

§1754-B. REGISTRATION OF SELLERS

1. **Persons required to register.** Except as otherwise provided in this section, the following persons, other than casual sellers, shall register with the assessor and collect and remit taxes in accordance with the provisions of this Part:

A. Every seller of tangible personal property or taxable services, whether or not at retail, that maintains in this State any office, manufacturing facility, distribution facility, warehouse or storage facility, sales or sample room or other place of business; [1995, c. 640, §3 (NEW).]

B. Every seller of tangible personal property or taxable services that does not maintain a place of business in this State but makes retail sales in this State or solicits orders, by means of one or more salespeople within this State, for retail sales within this State; [1995, c. 640, §3 (NEW).]

C. Every lessor engaged in the leasing of tangible personal property located in this State that does not maintain a place of business in this State but makes retail sales to purchasers from this State; [1995, c. 640, §3 (NEW).]

D. Every person that has a substantial physical presence in this State sufficient to satisfy the requirements of the due process and commerce clauses of the United States Constitution and that makes retail sales in this State of tangible personal property or taxable services on behalf of a principal that is outside of this State if the principal is not the holder of a valid registration certificate. For purposes of this paragraph, paragraph E and paragraph G, the following activities do not constitute a substantial physical presence in this State sufficient to satisfy the requirements of the due process and commerce clauses of the United States Constitution:

(1) Solicitation of business in this State through catalogs, flyers, telephone or electronic media when delivery of ordered goods is effected by the United States mail or by an interstate 3rd-party common carrier;

(2) Attending trade shows, seminars or conventions in this State;

(3) Holding a meeting of a corporate board of directors or shareholders or holding a company retreat or recreational event in this State;

(4) Maintaining a bank account or banking relationship in this State; or

(5) Using a vendor in this State for printing; [2013, c. 200, §1 (AMD).]

E. Every agent, representative, salesperson, solicitor or distributor that has a substantial physical presence in this State sufficient to satisfy the requirements of the due process and commerce clauses of the United States Constitution and that receives compensation by reason of sales of tangible personal property or taxable services made outside this State by a principal for use, storage or other consumption in this State; [2013, c. 200, §2 (AMD).]

F. Every person that manages or operates in the regular course of business or on a casual basis a hotel, rooming house or tourist or trailer camp in this State or that collects or receives rents from a hotel, rooming house or tourist or trailer camp in this State; [2005, c. 218, §19 (AMD).]

G. Every seller of tangible personal property or taxable services that has a substantial physical presence in this State sufficient to satisfy the requirements of the due process and commerce clauses of the United States Constitution. [2013, c. 200, §3 (AMD).]

H. Every person that makes retail sales in this State of tangible personal property or taxable services on behalf of the owner of that property or the provider of those services; [2009, c. 373, §5 (AMD).]

I. Every person not otherwise required to be registered that sells tangible personal property to the State and is required to register as a condition of doing business with the State pursuant to Title 5, section 1825-B; and [2009, c. 373, §6 (AMD).]

J. Every person that holds a wine direct shipper license under Title 28-A, section 1403-A. [2009, c. 373, §7 (NEW).]

[2013, c. 200, §§1-3 (AMD) .]

1-A. **Persons presumptively required to register.** This subsection defines the basis for and obligations associated with the rebuttable presumption created by this subsection that a seller not registered under subsection 1 is engaged in the business of selling tangible personal property or taxable services for use in this State and is required to register as a retailer with the assessor.

A. As used in this subsection, unless the context otherwise indicates, the following terms have the following meanings.

(1) "Affiliated person" means a person that is a member of the same controlled group of corporations as the seller or any other entity that, notwithstanding its form of organization, bears the same ownership relationship to the seller as a corporation that is a member of the same controlled group of corporations. For purposes of this subparagraph, “controlled group of corporations” has the same meaning as in the Code, Section 1563(a).

(2) "Person" means an individual or entity that qualifies as a person under the Code, Section 7701(a)(1).

(3) "Seller" means a person that sells, other than in a casual sale, tangible personal property or taxable services. [2013, c. 200, §4 (NEW).]

B. A seller is presumed to be engaged in the business of selling tangible personal property or taxable services for use in this State if an affiliated person has a substantial physical presence in this State or if any person, other than a person acting in its capacity as a common carrier, that has a substantial physical presence in this State:

(1) Sells a similar line of products as the seller and does so under a business name that is the same as or similar to that of the seller;

(2) Maintains an office, distribution facility, warehouse or storage place or similar place of business in the State to facilitate the delivery of property or services sold by the seller to the seller's customers;

(3) Uses trademarks, service marks or trade names in the State that are the same as or substantially similar to those used by the seller;

(4) Delivers, installs, assembles or performs maintenance services for the seller's customers within the State;

(5) Facilitates the seller's delivery of property to customers in the State by allowing the seller's customers to pick up property sold by the seller at an office, distribution facility, warehouse, storage place or similar place of business maintained by the person in the State; or

(6) Conducts any activities in the State that are significantly associated with the seller's ability to establish and maintain a market in the State for the seller's sales.

A seller who meets the requirements of this paragraph shall register with the assessor and collect and remit taxes in accordance with the provisions of this Part. A seller may rebut the presumption created in this paragraph by demonstrating that the person's activities in the State are not significantly associated with the seller's ability to establish or maintain a market in this State for the seller's sales. [2013, c. 546, §10 (AMD).]

C. A seller that does not otherwise meet the requirements of paragraph B is presumed to be engaged in the business of selling tangible personal property or taxable services for use in this State if the seller enters into an agreement with a person under which the person, for a commission or other consideration, while within this State:

(1) Directly or indirectly refers potential customers, whether by a link on an Internet website, by telemarketing, by an in-person presentation or otherwise, to the seller; and

(2) The cumulative gross receipts from retail sales by the seller to customers in the State who are referred to the seller by all persons with this type of an agreement with the seller are in excess of $10,000 during the preceding 12 months.

A seller who meets the requirements of this paragraph shall register with the assessor and collect and remit taxes in accordance with the provisions of this Part.

A seller may rebut the presumption created in this paragraph by submitting proof that the person with whom the seller has an agreement did not engage in any activity within the State that was significantly associated with the seller's ability to establish or maintain the seller's market in the State during the preceding 12 months. Such proof may consist of sworn, written statements from all of the persons within this State with whom the seller has an agreement stating that they did not engage in any solicitation in the State on behalf of the seller during the preceding 12 months; these statements must be provided and obtained in good faith.

A person who enters into an agreement with a seller under this paragraph to refer customers by a link on an Internet website is not required to register or collect taxes under this Part solely because of the existence of the agreement. [2013, c. 200, §4 (NEW); 2013, c. 200, §6 (AFF).]

[2013, c. 546, §10 (AMD) .]

2. **Registration certificates.** Application forms for sales tax registration certificates must be prescribed and furnished free of charge by the assessor. The assessor shall issue a registration certificate to each applicant that properly completes and submits an application form. A separate application must be completed and a separate registration certificate issued for each place of business. A registration certificate issued pursuant to this section is nontransferable and is not a license within the meaning of that term in the Maine Administrative Procedure Act. Each application for a registration certificate must contain a statement as to the type or types of tangible personal property that the applicant intends to purchase for resale and the type or types of taxable services that the applicant intends to sell, and each retailer registered under this section must inform the assessor in writing of any changes to the type or types of tangible personal property that it purchases for resale or to the type or types of taxable services that it sells.

If the retailer maintains a place of business in this State, the retailer shall make available a copy of the registration certificate issued for that place of business at that place of business for inspection by the assessor, the assessor's representatives and agents or authorized municipal officials. If the retailer does not have a fixed place of business and makes sales from one or more motor vehicles, each motor vehicle is deemed to be a place of business.

[2011, c. 535, §5 (AMD) .]

2-A. **Making sales after revocation.** A person whose sales tax registration certificate has been revoked by the assessor pursuant to section 1757 who continues to make retail sales in this State commits a Class D crime. Violation of this subsection is a strict liability crime as defined in Title 17-A, section 34, subsection 4-A.

[2003, c. 452, Pt. U, §3 (NEW); 2003, c. 452, Pt. X, §2 (AFF) .]

2-B. **Provisional resale certificates; new accounts.** The assessor shall issue a provisional resale certificate to each applicant for initial registration that states on its application that it expects to make annual gross sales of $3,000 or more. A provisional resale certificate issued between January 1st and September 30th is effective for the duration of the calendar year in which it is issued and the 2 subsequent years. A provisional resale certificate issued between October 1st and December 31st is effective until the end of the 3rd succeeding calendar year. Each certificate must contain the name and address of the retailer, the expiration date of the certificate and the certificate number. If a vendor has a true copy of a retailer's resale certificate on file, that retailer need not present the certificate for each subsequent transaction with that vendor during the period for which it is valid.

[2005, c. 519, Pt. OOO, §1 (AMD) .]

2-C. **Issuance and renewal of resale certificates; contents; presentation to vendor.** On November 1st of each year, the assessor shall review the returns filed by each registered retailer unless the retailer has a resale certificate expiring after December 31st of that year. If the retailer reports $3,000 or more in gross sales during the 12 months preceding the assessor's review, the assessor shall issue to the registered retailer a resale

certificate effective for 5 calendar years. Each certificate must contain the name and address of the retailer, the expiration date of the certificate and the certificate number. If a vendor has a true copy of a retailer's resale certificate on file, that retailer need not present the certificate for each subsequent transaction with that vendor during the period for which it is valid.

A registered retailer that fails to meet the $3,000 threshold upon the annual review of the assessor is not entitled to renewal of its resale certificate except as provided in this subsection. When any such retailer shows that its gross sales for a more current 12-month period total $3,000 or more or explains to the satisfaction of the assessor why temporary extraordinary circumstances caused its gross sales for the period used for the assessor's annual review to be less than $3,000, the assessor shall, upon the written request of the retailer, issue to the retailer a resale certificate effective for the next 5 calendar years.

[2013, c. 588, Pt. A, §45 (AMD) .]

3. **Failure to register.** A person who is required by this section to register as a retailer with the assessor and who makes retail sales in this State without being so registered commits a Class E crime. Violation of this subsection is a strict liability crime as defined in Title 17-A, section 34, subsection 4-A.

[2003, c. 452, Pt. U, §4 (AMD); 2003, c. 452, Pt. X, §2 (AFF) .]

SECTION HISTORY
1995, c. 640, §3 (NEW). 1997, c. 504, §8 (AMD). 2003, c. 452, §§U3,4 (AMD). 2003, c. 452, §X2 (AFF). 2003, c. 673, §§AAA1,2 (AMD). 2005, c. 12, §O2 (AMD). 2005, c. 12, §O5 (AFF). 2005, c. 218, §§18-21 (AMD). 2005, c. 519, §OOO1 (AMD). 2007, c. 328, §§5-7 (AMD). 2009, c. 373, §§5-7 (AMD). 2009, c. 496, §17 (AMD). 2011, c. 535, §5 (AMD). 2013, c. 200, §§1-4 (AMD). 2013, c. 200, §6 (AFF). 2013, c. 331, Pt. A, §1 (AMD). 2013, c. 546, §10 (AMD). 2013, c. 588, Pt. A, §45 (AMD).

§1755. NO REGISTRATION UNLESS TAX PAID

Whenever tangible personal property is required by the laws of this State to be registered for use within the State the applicant for registration, whether or not the owner, must either pay the sales tax or use tax or prove that the tax is not due. The applicant shall file a dealer's certificate or use tax certificate with the registering agency in a form prescribed by the State Tax Assessor reporting the name of the seller, the date of purchase, the sale price and other information pertinent to determination of tax liability. The registering agency shall forward the certificate promptly to the Bureau of Revenue Services. [2007, c. 627, §45 (AMD).]

SECTION HISTORY
1969, c. 18, (AMD). 1997, c. 526, §14 (AMD). 2007, c. 627, §45 (AMD).

§1756. VOLUNTARY REGISTRATION

Every seller of tangible personal property or taxable services that is not required by section 1754-B to register may register upon those terms that the assessor prescribes. Upon registration, the seller has the rights and duties of a person required to be registered and is subject to the same penalties, except that the seller's liability may be limited to tax actually collected. The seller so registered may at any time surrender the seller's registration certificate and request that the registration certificate be canceled. Upon receipt of the certificate and request, the assessor shall grant the cancellation, if it appears to the assessor that the seller has satisfied all liability to the State and that the seller is not required by law to register. Upon surrender of the certificate, the seller must cease to collect sales or use taxes upon sales that occur on and after the date of the surrender. [1995, c. 640, §4 (RPR).]

SECTION HISTORY

1971, c. 20, (AMD). 1987, c. 497, §35 (AMD). 1995, c. 640, §4 (RPR).

§1757. REVOCATION OF REGISTRATION

The State Tax Assessor may revoke the registration certificate of a registrant who fails to file, within 15 days after receipt of notice, a bond or deposit required under section 1759 and may revoke for cause a registration certificate issued under this Part. The assessor may revoke the registration certificate of a registrant who fails to file with the assessor within 15 days after the due date a return as required under this Part. A revocation is reviewable in accordance with section 151. If a registrant fails to pay any tax required by this Part when the tax is shown to be due on a return filed by the registrant, or admitted to be due by the registrant, or has been determined to be due and that determination has become final, notification of the registrant by the assessor as provided in this section operates to suspend the registration certificate from the date of the notice of suspension until the delinquent tax is paid or a bond or deposit required under section 1759 is filed with the assessor or it is determined by an appropriate court that revocation is not warranted. [2007, c. 438, §32 (AMD).]

SECTION HISTORY
1977, c. 694, §702 (RPR). 1979, c. 520, §3 (AMD). 1985, c. 691, §9 (AMD). 2007, c. 438, §32 (AMD).

§1758. USE TAX ON INTERIM RENTAL OF PROPERTY PURCHASED FOR RESALE

1. **Definition.** As used in this section, unless the context otherwise indicates, the term "rentals" includes any receipts derived from the use of property that is rented or leased.

[1999, c. 708, §24 (NEW) .]

2. **Generally; tax imposed on rental payments.** This section governs the taxation of tangible personal property that is purchased for resale in this State, other than at casual sale, and upon which no sales tax has been paid pursuant to chapters 211 to 225 when the property is rented or leased after purchase on an interim basis by the purchaser to another person prior to being sold. In lieu of the use tax otherwise imposed by section 1861, a tax is imposed at the same rate as that provided in the case of sales taxes by section 1811 upon all rentals received by the purchaser for the use of that property.

[1999, c. 708, §24 (NEW) .]

3. **Exceptions.** The purchaser is liable for a use tax on the property based on the purchase price less the aggregate amount of tax paid pursuant to this section on the rentals received by the purchaser in the following circumstances:

A. When the purchaser, after first renting tangible personal property purchased for resale, subsequently makes any use of that property other than as set forth in subsection 2; or [1999, c. 708, §24 (NEW).]

B. When the purchaser rents the property for a period of 12 months or more to any one person. [1999, c. 708, §24 (NEW).]

[1999, c. 708, §24 (NEW) .]

4. **Other sections applicable.** The tax on rentals imposed by this section is subject to section 1812 and all other pertinent provisions of this Part and for the purposes of this Part is treated the same as the sales tax imposed by section 1811 with the lessor deemed to be the retailer, the lease payments deemed to be the sale price and the lessee deemed to be the purchaser and consumer.

[1999, c. 708, §24 (NEW) .]

SECTION HISTORY
1999, c. 708, §24 (RPR).

§1759. BONDS

Either as a condition for issuance or subsequent to the issuance of a registration certificate under section 1754-B, the State Tax Assessor may require from a taxpayer a bond written by a surety company qualified to do business in this State , in an amount and upon conditions to be determined by the assessor. In lieu of a bond the assessor may accept a deposit of money or securities in an amount and of a kind acceptable to the assessor. The deposit must be delivered to the Treasurer of State, who shall safely keep it subject to the instructions of the assessor. [2007, c. 627, §46 (AMD).]

SECTION HISTORY
1979, c. 520, §4 (AMD). 2007, c. 627, §46 (AMD).

§1760. EXEMPTIONS

Subject to the provisions of section 1760-C, no tax on sales, storage or use may be collected upon or in connection with: [1999, c. 521, Pt. A, §6 (AMD).]

1. **Exemptions by constitutional provisions.** Sales which this State is prohibited from taxing under the Constitution or laws of the United States or under the Constitution of this State.

2. **Certain governmental entities.** Sales to the State or any political subdivision of the State, or to the Federal Government, or to any unincorporated agency or instrumentality of either of them or to any incorporated agency or instrumentality of them wholly owned by them. This exemption does not apply to corporations organized under Title IV, Part E of the Farm Credit Act of 1971, 12 United States Code, Sections 2211 to 2214.

[2005, c. 622, §5 (AMD) .]

3. **Grocery staples.** Sales of grocery staples.

A. [1991, c. 528, Pt. RRR, (AFF); 1991, c. 528, Pt. WW, §4 (AFF); 1991, c. 528, Pt. WW, §3 (RP); 1991, c. 591, Pt. WW, §4 (AFF); 1991, c. 591, Pt. WW, §3 (RP).]

B. [1991, c. 528, Pt. RRR, (AFF); 1991, c. 528, Pt. WW, §4 (AFF); 1991, c. 528, Pt. WW, §3 (RP); 1991, c. 591, Pt. WW, §4 (AFF); 1991, c. 591, Pt. WW, §3 (RP).]

C. [1991, c. 528, Pt. RRR, (AFF); 1991, c. 528, Pt. WW, §4 (AFF); 1991, c. 528, Pt. WW, §3 (RP); 1991, c. 591, Pt. WW, §4 (AFF); 1991, c. 591, Pt. WW, §3 (RP).]

D. [1991, c. 528, Pt. RRR, (AFF); 1991, c. 528, Pt. WW, §4 (AFF); 1991, c. 528, Pt. WW, §3 (RP); 1991, c. 591, Pt. WW, §4 (AFF); 1991, c. 591, Pt. WW, §3 (RP).]

E. [1991, c. 824, Pt. A, §73 (RP).]

[1991, c. 824, Pt. A, §73 (AMD) .]

4. **Ships' stores.** Sale of cabin, deck, engine supplies and bunkering oil to ships engaged in transporting cargo or passengers for hire in interstate or foreign commerce.

[1967, c. 89, (AMD) .]

5. **Medicines.** Sales of medicines for human beings sold on a doctor's prescription. This subsection does not apply to the sale of marijuana pursuant to Title 22, chapter 558-C.

[2011, c. 548, §15 (AMD) .]

5-A. **Prosthetic devices.** Sale of prosthetic aids, hearing aids or eyeglasses and artificial devices designed for the use of a particular individual to correct or alleviate physical incapacity; and sale of crutches and wheelchairs for the use of sick, injured or disabled persons and not for rental.

[2009, c. 434, §24 (AMD) .]

6. **Certain meals.** Sales of meals:

A. Served by public or private schools, school districts, student organizations and parent-teacher associations to the students or teachers of a school; [1979, c. 663, §220 (AMD).]

B. To patients of institutions licensed by the Department of Health and Human Services for the hospitalization or nursing care of human beings, or to patients or residents of institutions licensed by the Department of Health and Human Services under Title 22, Subtitle 6 or Title 22, section 1781; [2007, c. 438, §33 (AMD).]

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; [1999, c. 502, §1 (AMD).]

D. To residents of incorporated nonprofit church-affiliated congregate housing facilities for the elderly in which at least 75% of the units are available for leasing to eligible lower-income residents; [2007, c. 529, §1 (AMD).]

E. Served by a college to its employees if the meals are purchased with debit cards issued by the college; [2011, c. 380, Pt. DDDD, §2 (AMD); 2011, c. 380, Pt. DDDD, §§5, 6 (AFF).]

F. Served by youth camps licensed by the Department of Health and Human Services and defined in Title 22, section 2491, subsection 16; and [2011, c. 380, Pt. DDDD, §3 (AMD); 2011, c. 380, Pt. DDDD, §§5, 6 (AFF).]

G. Served by a retirement facility to its residents when participation in the meal program is a condition of occupancy or the cost of the meals is included in or paid with a comprehensive fee that includes the right to reside in a residential dwelling unit and meals or other services, whether that fee is charged annually, monthly, weekly or daily. [2011, c. 380, Pt. DDDD, §4 (NEW); 2011, c. 380, Pt. DDDD, §§5, 6 (AFF).]

[2011, c. 380, Pt. DDDD, §§2-4 (AMD); 2011, c. 380, Pt. DDDD, §§5, 6 (AFF) .]

7. **Products used in agricultural and aquacultural production, and bait.**

[2005, c. 12, Pt. GGG, §1 (RP) .]

7-A. **Products used in aquacultural production and bait.** Sales of feed, hormones, pesticides, antibiotics and medicine for use in aquacultural production and sales of bait to commercial fishermen.

[2005, c. 12, Pt. GGG, §2 (NEW) .]

7-B. **Products used in commercial agricultural production.** Sales of seed, fertilizers, defoliants and pesticides, including, but not limited to, rodenticides, insecticides, fungicides and weed killers, for use in commercial agricultural production as defined in section 2013, subsection 1, paragraph A.

[2011, c. 657, Pt. N, §1 (AMD); 2011, c. 657, Pt. N, §3 (AFF) .]

7-C. **Products used in animal agriculture.** Sales of breeding stock, semen, embryos, feed, hormones, antibiotics, medicine, pesticides and litter for use in animal agricultural production and sales of antiseptics and cleaning agents used in commercial animal agricultural production. Animal agricultural production includes the raising and keeping of equines.

[2009, c. 632, §1 (AMD) .]

8. **Certain motor fuels.** Sales of:

A. Motor fuels upon which a tax at the maximum rate for highway use pursuant to Part 5 or a comparable tax of another state or a province of Canada has been paid; or [2011, c. 548, §16 (AMD).]

B. Internal combustion engine fuel, as defined in section 2902, bought and used for the purpose of propelling jet engine aircraft. [2011, c. 548, §16 (AMD).]

C. [1991, c. 546, §18 (RP).]

D. [2011, c. 548, §16 (RP).]

[2011, c. 548, §16 (AMD) .]

9. **Coal, oil and wood.** Coal, oil, wood and all other fuels, except gas and electricity, when bought for cooking and heating in buildings designed and used for both human habitation and sleeping. Kerosene or home heating oil that is prepackaged or dispensed from a tank for retail sale in containers with a capacity of 5 gallons or less is presumed to meet the requirements of this subsection. Until September 30, 2013, a purchase of 1,000 pounds or less of wood pellets or of any 100% compressed wood product intended for use in a wood stove or fireplace is presumed to meet the requirements of this subsection. Beginning October 1, 2013, a purchase of any amount of wood pellets is presumed to meet the requirements of this subsection. A purchase of less than one cord of wood is presumed to meet the requirements of this subsection. For purposes of this subsection, "cord" has the same meaning as in Title 10, section 2302, subsection 1.

[2011, c. 670, §1 (AMD) .]

9-A. **Fuels for burning blueberry lands.** Sales of all fuels used in burning blueberry fields.

[1973, c. 594, (NEW) .]

9-B. **Residential electricity.** Sale and delivery of residential electricity as follows:

A. The first 750 kilowatt hours of residential electricity per month; and [2011, c. 673, §1 (NEW).]

B. Off-peak residential electricity used for space heating or water heating by means of an electric thermal storage device. For the purpose of this paragraph, "off-peak residential electricity" means the off-peak delivery of residential electricity pursuant to tariffs on file with the Public Utilities Commission and the electricity supplied. [2011, c. 673, §1 (NEW).]

For the purpose of this subsection, "residential electricity" means electricity furnished to buildings designed and used for both human habitation and sleeping, with the exception of hotels. When residential electricity is furnished through one meter to more than one residential unit and when the transmission and distribution utility applies its tariff on a per unit basis, the furnishing of electricity is considered a separate sale for each unit to which the tariff applies. For the purpose of this subsection, "delivery" means transmission and distribution;

[2011, c. 673, §1 (RPR) .]

9-C. **Residential gas.** Sales of gas when bought for cooking and heating in buildings designed and used for both human habitation and sleeping, with the exception of hotels.

[2007, c. 438, §36 (AMD) .]

9-D. **Fuel and electricity used at a manufacturing facility.** Ninety-five percent of the sale price of all fuel and electricity purchased for use at a manufacturing facility. For purposes of this subsection, "sale price" includes, in the case of electricity, any charge for transmission and distribution.

[1999, c. 414, §20 (AMD) .]

9-E. **Electricity consumed in an electrolytic process.**

[1989, c. 871, §10 (NEW); T. 36 , §1760, sub-§9-E (RP) .]

9-F. **Fuel oil or coal.**

[1989, c. 871, §10 (NEW); T. 36 , §1760, sub-§9-F (RP) .]

9-G. **Fuel oil or coal.** Fuel oil or coal, the by-products from the burning of which become an ingredient or component part of tangible personal property for later sale.

[1991, c. 851, §1 (NEW) .]

10. **Cigarettes.**

[1983, c. 855, §6 (RP) .]

11. **Sales of liquor.**

[1983, c. 859, Pt. M, §§4, 13 (RP) .]

12. **Containers.** Sale of returnable containers when sold with the contents in connection with a retail sale of the contents or when resold for refilling.

12-A. **Packaging materials.** Sales of containers, boxes, crates, bags, cores, twines, tapes, bindings, wrappings, labels and other packing, packaging and shipping materials to:

A. Persons engaged in the business of:

(1) Packing or packaging tangible personal property; and

(2) Shipping or transporting that tangible personal property; or [2011, c. 240, §18 (RPR).]

B. Persons for use in packing, packaging or shipping tangible personal property sold by them or on which they have performed the service of cleaning, pressing, dyeing, washing, repairing or reconditioning in their regular course of business that are transferred to the possession of the purchaser of that tangible personal property; [1995, c. 634, §1 (NEW); 1995, c. 634, §2 (AFF).]

[2011, c. 240, §18 (AMD) .]

13. **Bibles.**

[1991, c. 546, §19 (RP) .]

14. **Publications.**

[2013, c. 368, Pt. P, §2 (AFF); 2013, c. 368, Pt. P, §1 (RP) .]

14-A. **Free publications and components of publications.** Sales of publications and printed materials included in publications as follows:

A. Any publication that is purchased for distribution without charge as a free publication; and [2013, c. 564, §1 (NEW); 2013, c. 564, §3 (AFF).]

B. Printed paper materials, including advertising flyers and promotional materials, purchased for inclusion in a publication. [2013, c. 564, §1 (NEW); 2013, c. 564, §3 (AFF).]

For purposes of this subsection, "publication" means printed paper material, including without limitation newspapers, magazines and trade journals and employee, client and organization newsletters, issued at average intervals not exceeding 3 months that manifests a continuity of identity from issue to issue by a front page masthead bearing the name, date, volume and issue number of the publication and by a continuity of style, format, themes and subject matter. For purposes of this subsection, "publication" does not include printed paper materials consisting primarily of advertisements or the promotion of a single seller’s products or services.

[2013, c. 564, §1 (NEW); 2013, c. 564, §3 (AFF) .]

15. **Sales to proprietors of unincorporated hospitals.**

[1979, c. 687, §5 (RP) .]

16. **Hospitals, research centers, churches and schools.** Sales to:

A. Incorporated hospitals; [2005, c. 622, §6 (NEW).]

B. Incorporated nonprofit nursing homes licensed by the Department of Health and Human Services; [2005, c. 622, §6 (NEW).]

C. Incorporated nonprofit residential care facilities licensed by the Department of Health and Human Services; [2005, c. 622, §6 (NEW).]

D. Incorporated nonprofit assisted housing programs for the elderly licensed by the Department of Health and Human Services; [2005, c. 622, §6 (NEW).]

E. Incorporated nonprofit home health agencies certified under the United States Social Security Act of 1965, Title XVIII, as amended; [2005, c. 622, §6 (NEW).]

F. Incorporated nonprofit rural community health centers; [2005, c. 622, §6 (NEW).]

G. Incorporated nonprofit dental health centers; [2005, c. 622, §6 (NEW).]

G-1. Incorporated nonprofit medical clinics whose sole mission is to provide free medical care to the indigent or uninsured; [2007, c. 416, §1 (NEW); 2007, c. 416, §2 (AFF).]

H. Incorporated nonprofit organizations organized for the sole purpose of conducting medical research; [2005, c. 622, §6 (NEW).]

I. Incorporated nonprofit organizations organized for the purpose of establishing and maintaining laboratories for scientific study and investigation in the field of biology or ecology; [2005, c. 622, §6 (NEW).]

J. Institutions incorporated as nonprofit corporations for the purpose of operating educational television or radio stations; [2005, c. 622, §6 (NEW).]

K. Schools; [2005, c. 622, §6 (NEW).]

L. Incorporated nonprofit organizations or their affiliates whose purpose is to provide literacy assistance or free clinical assistance to children with dyslexia; and [2005, c. 622, §6 (NEW).]

M. Regularly organized churches or houses of religious worship. [2005, c. 622, §6 (NEW).]

[2007, c. 416, §1 (AMD); 2007, c. 416, §2 (AFF) .]

17. **Camps.** Rental charged for living quarters, sleeping or housekeeping accommodations at camps entitled to exemption from property tax under section 652, subsection 1.

18. **Certain institutions.** Rental charged for living or sleeping quarters in an institution licensed by the State for the hospitalization or nursing care of human beings.

18-A. **Other institutions.** Sales to incorporated private nonprofit residential child caring institutions which are licensed by the Department of Health and Human Services as child caring institutions.

[1975, c. 293, §4 (AMD); 2003, c. 689, Pt. B, §6 (REV) .]

19. **Schools.** Rental charged for living quarters, sleeping or housekeeping accommodations to any student necessitated by attendance at a school.

[2003, c. 588, §7 (AMD) .]

20. **Continuous residence; refunds and credits.** Rental charged to any person who resides continuously for 28 days or more at any one hotel, rooming house, tourist camp or trailer camp if:

A. The person does not maintain a primary residence at some other location; or [1989, c. 588, Pt. E, (NEW).]

B. The person is residing away from that person's primary residence in connection with employment or education. [1989, c. 588, Pt. E, (NEW).]

Tax paid by such a person to the retailer under section 1812 during the initial 28-day period must be refunded by the retailer. If the tax has been reported and paid to the State by the retailer, it may be taken as a credit by the retailer on the return filed by the retailer covering the month in which the refund was made to the tenant.

[2007, c. 438, §37 (AMD) .]

21. **Automobiles used in driver education program.** Sales to automobile dealers, registered under section 1754-B, of automobiles for the purpose of equipping the same with dual controls and loaning or leasing the same to public or private secondary schools without consideration or for a consideration of not more than $1 a year, and used exclusively by such schools in driver education programs.

[1995, c. 640, §5 (AMD) .]

21-A. **Certain loaner vehicles.** The use of a loaner vehicle provided by a new vehicle dealer, as defined in Title 29-A, section 851, subsection 9, to a service customer pursuant to a manufacturer's or dealer's warranty.

[2007, c. 627, §47 (AMD) .]

22. **Automobiles to amputee veterans.** Sales of automobiles to veterans who are granted free registration of such vehicles by the Secretary of State under Title 29-A, section 523, subsection 1. Certificates of exemption or refunds of taxes paid must be granted under such rules or regulations as the State Tax Assessor may prescribe.

[1995, c. 65, Pt. A, §141 (AMD); 1995, c. 65, Pt. A, §153 (AFF); 1995, c. 65, Pt. C, §15 (AFF) .]

23. **Certain vehicles purchased by nonresidents.**

[1999, c. 759, §1 (AMD); T. 36, §1760, sub-§23 (RP) .]

23-A. **Truck bodies and trailers.**

[1991, c. 788, §7 (RP) .]

23-B. **Semitrailers.**

[1991, c. 788, §8 (RP) .]

23-C. **Certain vehicles purchased or leased by nonresidents.** Sales or leases of the following vehicles to a person that is not a resident of this State, if the vehicle is intended to be driven or transported outside the State immediately upon delivery:

A. Motor vehicles, except:

(1) Automobiles rented for a period of less than one year; [2013, c. 86, §2 (AMD); 2013, c. 86, §5 (AFF).]

B. Semitrailers; [1999, c. 759, §2 (NEW); 1999, c. 759, §5 (AFF).]

C. Aircraft, if the property is an aircraft not exempted under subsection 88-A; and [2011, c. 380, Pt. GGGG, §1 (AMD).]

D. [2005, c. 618, §2 (RP).]

E. Camper trailers, including truck campers. [1999, c. 759, §2 (NEW); 1999, c. 759, §5 (AFF).]

If the vehicles are registered for use in the State within 12 months of the date of purchase, the person seeking registration is liable for use tax on the basis of the original purchase price.

[2013, c. 86, §2 (AMD); 2013, c. 86, §5 (AFF) .]

23-D. **Certain vehicles purchased or leased by qualifying resident businesses.** The sale or lease of a motor vehicle, except an automobile rented for a period of less than one year or an all-terrain vehicle or snowmobile as defined in Title 12, section 13001, to a qualifying resident business if the vehicle is intended to be driven or transported outside the State immediately upon delivery and intended to be used exclusively in the qualifying resident business's out-of-state business activities.

For purposes of this subsection, "qualifying resident business" includes any individual, association, society, club, general partnership, limited partnership, limited liability company, trust, estate, corporation or any other legal entity that:

A. Is organized under the laws of this State or has its principal place of business in this State; and [2007, c. 410, §4 (NEW); 2007, c. 410, §6 (AFF).]

B. Conducts business activities from a fixed location or locations outside the State. [2007, c. 410, §4 (NEW); 2007, c. 410, §6 (AFF).]

If the vehicle is not used exclusively in the qualifying resident business's out-of-state business activities or is registered for use in the State within 12 months of the date of purchase, the person seeking registration is liable for use tax on the basis of the original purchase price.

[2007, c. 410, §4 (NEW); 2007, c. 410, §6 (AFF) .]

24. **Funeral services.** Sales of funeral services.

25. **Watercraft purchased by nonresidents.** Sales to or use by a person that is not a resident of this State of watercraft or materials used in watercraft as specified in this subsection.

A. The following are exempt when the sale is made in this State to a person that is not a resident of this State and the watercraft is sailed or transported outside the State within 30 days of delivery by the seller:

(1) A watercraft;

(2) Sales, under contract for the construction of a watercraft, of materials to be incorporated in that watercraft; and

(3) Sales of materials to be incorporated in the watercraft for the repair, alteration, refitting, reconstruction, overhaul or restoration of that watercraft. [2009, c. 620, §1 (NEW); 2009, c. 620, §2 (AFF).]

B. The purchase of a watercraft outside this State is exempt if the watercraft is registered outside the State by the purchaser and used outside the State by the purchaser and the watercraft is present in the State not more than 30 days, not including any time spent in this State for temporary storage, during the 12 months following its purchase. For purposes of this paragraph, "used outside the State" does not include storage but means actual use of the watercraft for a purpose consistent with its design. [2011, c. 285, §15 (AFF); 2011, c. 285, §3 (RPR).]

C. If, for a purpose other than temporary storage, a watercraft is present in the State for more than 30 days during the 12-month period following its date of purchase, the exemption is 60% of the sale price of the watercraft or materials for the construction, repair, alteration, refitting, reconstruction, overhaul or restoration of the watercraft, as specified in paragraph A. [2009, c. 620, §1 (NEW); 2009, c. 620, §2 (AFF).]

[2011, c. 285, §3 (AMD); 2011, c. 285, §15 (AFF) .]

25-A. **All-terrain vehicles.**

[2013, c. 86, §5 (AFF); 2013, c. 86, §3 (RP) .]

25-B. **Snowmobiles.**

[2013, c. 86, §5 (AFF); 2013, c. 86, §4 (RP) .]

26. **Nonprofit fire departments and nonprofit ambulance services.** Sales to incorporated nonprofit fire departments, sales to incorporated nonprofit ambulance services, sales to air ambulance services that are limited liability companies all of whose members are nonprofit organizations and sales of tangible personal property leased to air ambulance services that are limited liability companies all of whose members are nonprofit organizations.

[2007, c. 419, §1 (AMD) .]

27. **Aircraft purchased by a nonresident.**

[1991, c. 788, §9 (RP) .]

28. **Community mental health facilities, community adult developmental services facilities and community substance abuse facilities.** Sales to mental health facilities, adult developmental services facilities or substance abuse facilities that are:

A. Contractors under or receiving support under the Federal Community Mental Health Centers Act, or its successors; or

B. Receiving support from the Department of Health and Human Services pursuant to Title 5, section 20005 or Title 34-B, section 3604, 5433 or 6204. [1999, c. 708, §28 (AMD); 2001, c. 354, §3 (AMD); 2003, c. 689, Pt. B, §6 (REV).]

[2011, c. 542, Pt. A, §135 (AMD) .]

29. **Water pollution control facilities.** Sales of water pollution control facilities, certified as such by the Commissioner of Environmental Protection, and sales of parts or accessories of a certified facility, materials for the construction, repair or maintenance of a certified facility and chemicals or supplies that are integral to the effectiveness of a certified facility.

As used in this subsection, unless the context otherwise indicates, the following terms have the following meanings.

A. "Disposal system" means any system used primarily for disposing of or isolating industrial or other waste and includes thickeners, incinerators, pipelines or conduits, pumping stations, force mains and all other constructions, devices, appurtenances and facilities used for collecting or conducting water borne industrial or other waste to a point of disposal, treatment or isolation, except that which is necessary to the manufacture of products. [1973, c. 575, §1 (AMD).]

B. "Facility" means any disposal system or any treatment works, appliance, equipment, machinery, installation or structures installed, acquired or placed in operation primarily for the purpose of reducing, controlling or eliminating water pollution caused by industrial or other waste, except septic tanks and the pipelines and leach fields connected or appurtenant thereto. [1973, c. 575, §1 (AMD).]

C. "Industrial waste" means any liquid, gaseous or solid waste substance capable of polluting the waters of the State and resulting from any process, or the development of any process, of industry or manufacture. [1969, c. 471, (NEW).]

D. "Treatment works" means any plant, pumping station, reservoir or other works used primarily for the purpose of treating, stabilizing, isolating or holding industrial or other waste. [1973, c. 575, §1 (AMD).]

[2007, c. 438, §42 (AMD) .]

30. **Air pollution control facilities.** Sales of air pollution control facilities, certified as such by the Commissioner of Environmental Protection, and sales of parts or accessories of a certified facility, materials for the construction, repair or maintenance of a certified facility and chemicals or supplies that are integral to the effectiveness of a certified facility.

As used in this subsection, unless the context otherwise indicates, the following terms have the following meanings.

A. "Facility" means any appliance, equipment, machinery, installation or structures installed, acquired or placed in operation primarily for the purpose of reducing, controlling, eliminating or disposing of industrial or other air pollutants.

Facilities such as air conditioners, dust collectors, fans and similar facilities designed, constructed or installed solely for the benefit of the person for whom installed or the personnel of such person, and facilities designed or installed for the reduction or control of automobile exhaust emissions shall not be deemed air pollution control facilities for purposes of this subsection. [1973, c. 575, §2 (AMD).]

[2007, c. 438, §43 (AMD) .]

31. **Machinery and equipment.** Sales of machinery and equipment:

A. For use by the purchaser directly and primarily in the production of tangible personal property intended to be sold or leased ultimately for final use or consumption or in the production of tangible personal property pursuant to a contract with the Federal Government or any agency thereof, or, in the case of sales occurring after June 30, 2007, in the generation of radio and television broadcast signals by broadcast stations regulated under 47 Code of Federal Regulations, Part 73. This exemption applies even if the purchaser sells the machinery or equipment and leases it back in a sale and leaseback transaction. This exemption also applies whether the purchaser agrees before or after the purchase of the machinery or equipment to enter into the sale and leaseback transaction and whether the purchaser's use of the machinery or equipment in production commences before or after the sale and leaseback transaction occurs; and [2007, c. 627, §48 (AMD).]

B. To a bank, leasing company or other person as part of a sale and leaseback transaction, by a person that uses the machinery or equipment as described in paragraph A, whether the original purchaser's use of the machinery or equipment in production commences before or after the sale and leaseback transaction occurs. [1999, c. 516, §6 (NEW); 1999, c. 516, §7 (AFF).]

[2007, c. 627, §48 (AMD) .]

32. **Machinery and equipment for research.** Sales of machinery and equipment for use by the purchaser directly and exclusively in research and development in the experimental and laboratory sense and sales of machinery, equipment, instruments and supplies for use by the purchaser directly and primarily in biotechnology applications, including the application of technologies such as recombinant DNA techniques, biochemistry, molecular and cellular biology, immunology, genetics and genetic engineering, biological cell fusion techniques and new bioprocesses using living organisms or parts of organisms to produce or modify products, improve plants or animals, develop microorganisms for specific uses, identify targets for small-molecule pharmaceutical development, transform biological systems and useful processes and products or to develop microorganisms for specific uses. Equipment and supplies used for biotechnology include but are not limited to microscopes, diagnostic testing materials, glasswares, chemical reagents, computer software and technical books and manuals. "Research and development" includes testing and evaluation for the purposes of approval and compliance with regulatory standards for biotechnological products or materials. "Research and development" does not include the ordinary testing or inspecting of materials or products for quality control, efficiency surveys, management studies, consumer surveys, advertising, promotions or research in connection with literary, historical or similar projects.

[1997, c. 557, Pt. D, §2 (AMD); 1997, c. 557, Pt. D, §4 (AFF); 1997, c. 557, Pt. G, §1 (AFF) .]

33. **Diabetic supplies.** All equipment and supplies, whether medical or otherwise, used in the diagnosis or treatment of diabetes;

[1977, c. 238, (RPR) .]

34. **Sales through vending machines.** Sales of products for internal human consumption when sold through vending machines by a person more than 50% of whose gross receipts from the retail sale of tangible personal property are derived from sales through vending machines.

[2005, c. 218, §23 (AMD) .]

35. **Seeing eye dogs.** Sales of tangible personal property and taxable services essential for the care and maintenance of seeing eye dogs used to aid any blind person.

[1993, c. 670, §2 (AMD) .]

36. **Spirituous and vinous liquors.**

[1983, c. 859, Pt. M, §§5, 13 (RP) .]

37. **Regional planning commissions and councils of government.** Sales to regional planning commissions and councils of government, which are established in accordance with Title 30-A.

[1987, c. 737, Pt. C, §§82, 106 (AMD); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD) .]

38. **Solar energy equipment.**

[1985, c. 506, Pt. B, §34-A (RP) .]

39. **Residential water.** Sales of water purchased for use in buildings designed and used for both human habitation and sleeping, with the exception of hotels.

[2007, c. 438, §44 (AMD) .]

40. **Manufactured housing.** Sales of:

A. Used manufactured housing; and [2005, c. 618, §3 (AMD).]

B. New manufactured housing to the extent of all costs, other than materials, included in the sale price, but the exemption may not exceed 50% of the sale price. [2005, c. 618, §3 (AMD).]

[2005, c. 618, §3 (AMD) .]

41. **Certain instrumentalities of interstate or foreign commerce.** The sale of a vehicle, railroad rolling stock, aircraft or watercraft that is placed in use by the purchaser as an instrumentality of interstate or foreign commerce within 30 days after that sale and that is used by the purchaser not less than 80% of the time for the next 2 years as an instrumentality of interstate or foreign commerce. The State Tax Assessor may for good cause extend for not more than 60 days the time for placing the instrumentality in use in interstate or foreign commerce. For purposes of this subsection, property is "placed in use as an instrumentality of interstate or foreign commerce" by its carrying of, or providing the motive power for the carrying of, a bona fide payload in interstate or foreign commerce, or by being dispatched to a specific location at which it will be loaded upon arrival with, or will be used as motive power for the carrying of, a payload in interstate or foreign commerce. For purposes of this subsection, "bona fide payload" means a cargo of persons or property transported by a contract or common carrier for compensation that exceeds the direct cost of carrying that cargo or pursuant to a legal obligation to provide service as a public utility or a cargo of property transported in the reasonable conduct of the purchaser's own nontransportation business in interstate commerce.

A. [1999, c. 759, §3 (NEW); 1999, c. 759, §4 (AFF); T. 36, §1760, sub-§41, ¶ A (RP).]

B. For purposes of this subsection, personal property is not in use as an instrumentality of interstate or foreign commerce when carrying a bona fide payload that both originates and terminates within the State, unless the personal property is a bus with a capacity of at least 47 passengers that is engaged in transporting within the State a bona fide payload of travelers on an interstate or foreign cruise that originates outside the State and terminates outside the State and the transportation is provided pursuant to a contract between the interstate or foreign cruise provider and the person providing the transportation. [2011, c. 501, §1 (AMD).]

C. The exemption provided by this subsection is not limited to instrumentalities otherwise required to be exempt under the United States Constitution. [2009, c. 361, §19 (NEW); 2009, c. 361, §37 (AFF).]

[2011, c. 501, §1 (AMD) .]

42. **Historical societies, museums and certain memorial foundations.** Sales to incorporated nonprofit memorial foundations that primarily provide cultural programs free to the public, historical societies and museums.

[2001, c. 439, Pt. PPP, §1 (AMD); 2001, c. 439, Pt. PPP, §2 (AFF) .]

43. **Nursery schools and day-care centers.** Sales to licensed, incorporated nonprofit nursery schools and day-care centers.

[1983, c. 828, §6 (AMD) .]

44. **Certain church affiliated residential homes.** Sales to any church affiliated nonprofit organization which operates, under a charter granted by the Legislature, a residential home for adults.

[1983, c. 562, (RAL) .]

45. **Certain property purchased outside State.** Sales of property purchased and used by the present owner outside the State:

A. If the property is an automobile, as defined in Title 29-A, section 101, subsection 7, and if the owner is an individual who was, at the time of purchase, a resident of the other state; [2009, c. 625, §8 (AMD).]

A-1. [2011, c. 285, §15 (AFF); 2011, c. 285, §4 (RP).]

A-2. If the property is a snowmobile or all-terrain vehicle as defined in Title 12, section 13001 and the purchaser is an individual who is not a resident of the State; [2007, c. 438, §45 (AMD).]

A-3. If the property is an aircraft not exempted under subsection 88 or 88-A and the owner at the time of purchase was a resident of another state or tax jurisdiction and the aircraft is present in this State not more than 20 days during the 12 months following its purchase, exclusive of days during which the aircraft is in this State for the purpose of undergoing "major alterations," "major repairs" or "preventive maintenance" as those terms are described in 14 Code of Federal Regulations, Appendix A to Part 43, as in effect on January 1, 2005. For the purposes of this paragraph, the location of an aircraft on the ground in the State at any time during a day is considered presence in the State for that entire day, and a day must be disregarded if at any time during that day the aircraft is used to provide free emergency or compassionate air transportation arranged by an incorporated nonprofit organization providing free air transportation in private aircraft by volunteer pilots so children and adults may access life-saving medical care; [2011, c. 622, §2 (AMD).]

A-4. If the property is brought into this State solely to conduct activities directly related to a declared state disaster or emergency, at the request of the State, a county, city, town or political subdivision of the State or a registered business, the property is owned by a person not otherwise required to register as a seller under section 1754-B and the property is present in this State only during a disaster period.

As used in this paragraph, "declared state disaster or emergency" has the same meaning as in Title 10, section 9902, subsection 1 and "disaster period" means the period of 60 days that begins with the date of the Governor's proclamation of a state of emergency or the declaration by the President of the United States of a major disaster or major emergency, whichever occurs first; or [2011, c. 2, §40 (COR).]

B. For more than 12 months in all other cases. [1987, c. 772, §22 (RPR).]

Property, other than automobiles, snowmobiles, all-terrain vehicles and aircraft, that is required to be registered for use in this State does not qualify for this exemption unless it was registered by its present owner outside this State more than 12 months prior to its registration in this State. If property required to be registered for use in this State was not required to be registered for use outside this State, the owner must be able to document actual use of the property outside this State for more than 12 months prior to its registration in this State. For purposes of this subsection, "use" does not include storage but means actual use of the property for a purpose consistent with its design.

[2013, c. 331, Pt. C, §8 (AMD) .]

46. **Medical patients and their families.** Sales to incorporated nonprofit organizations providing:

A. Temporary residential accommodations to pediatric patients suffering from critical illness or disease such as cancer or who are accident victims, to adult patients with cancer or to the families of the patients; or [2003, c. 451, Pt. AA, §1 (NEW).]

B. Temporary residential accommodations, or food, or both, to hospital patients or to the families of hospital patients. [2003, c. 451, Pt. AA, §1 (NEW).]

[2003, c. 451, Pt. AA, §1 (RPR) .]

46. **Scheduled Airlines.**

[1985, c. 504, §1 (RP) .]

47. **Emergency shelters, feeding organizations and emergency food supply programs.**

[1995, c. 625, Pt. B, §13 (RPR); T. 36, §1760, sub-§47 (RP) .]

47-A. **Emergency shelter and feeding organizations.** Beginning October 1, 1996, sales to incorporated nonprofit organizations that provide free temporary emergency shelter or food for underprivileged individuals in this State;

[1995, c. 2, §95 (COR) .]

48. **Scheduled airlines.**

[1987, c. 865, §1 (AMD); T. 36, §1760, sub-§48 (RP) .]

48. **Rail track materials.**

[1985, c. 737, Pt. A, §94 (RP) .]

49. **Child abuse and neglect prevention councils; child advocacy organizations; community action agencies.** Sales to:

A. Incorporated, nonprofit child abuse and neglect prevention councils as defined in Title 22, section 3872, subsection 1-A; [2009, c. 204, §12 (AMD).]

B. Statewide organizations that advocate for children and that are members of the Medicaid Advisory Committee; and [1999, c. 499, §1 (NEW).]

C. Community action agencies designated in accordance with Title 22, section 5324. [1999, c. 499, §1 (NEW).]

[2009, c. 204, §12 (AMD) .]

50. **Certain libraries.** Sales to any nonprofit free public lending library that is funded in part or wholly by the State or any political subdivision or the federal government and sales by any such library or a nonprofit corporation organized to support that library as long as the proceeds from the sales are used to benefit the library.

[2013, c. 420, §1 (AMD) .]

51. **Veterans' Memorial Cemetery Associations.** Sales to incorporated nonprofit Veterans' Memorial Cemetery Associations;

[1985, c. 737, Pt. A, §95 (RPR) .]

52. **Railroad track materials.** Railroad track materials purchased and installed on railroad lines located within the boundaries of the State. The track materials shall include rail, ties, ballast, joint bars and associated materials, such as bolts, nuts, tie plates, spikes, culverts, steel, concrete or stone, switch stands, switch points, frogs, switch ties, bridge ties and bridge steel.

In order for a taxpayer to qualify for an exemption under this subsection, the taxpayer may not require any landowner to pay any fee or charge for maintenance or repair or to assume liability for crossings or rights-of-way if the landowner was not required to do so prior to July 1, 1981, and the taxpayer must continue to maintain crossings and rights-of-way which it was required to maintain on that date and may not remove the crossings if there is any objection to their being removed; and

[1985, c. 737, Pt. A, §96 (NEW) .]

53. **Nonprofit volunteer search and rescue organizations.** Sales to incorporated, nonprofit volunteer search and rescue organizations.

[1985, c. 737, Pt. A, §97 (NEW) .]

54. **Food stamp and WIC purchases.** Sales of items purchased with federal food stamps or Women, Infants and Children, WIC, Special Supplemental Food Program food instruments distributed by the Department of Health and Human Services.

[2001, c. 396, §23 (AMD); 2003, c. 689, Pt. B, §6 (REV) .]

55. **Incorporated nonprofit hospice organizations.** Sales to incorporated nonprofit hospice organizations which provide a program or care for the physical and emotional needs of terminally ill patients.

[1985, c. 788, §1 (NEW) .]

56. **Nonprofit youth organizations.** Sales to nonprofit youth organizations whose primary purpose is to provide athletic instruction in a nonresidential setting, or to councils and local units of incorporated nonprofit national scouting organizations;

[1989, c. 533, §7 (AMD) .]

57. **Self-help literature on alcoholism.** Sales of self-help literature relating to alcoholism to alcoholics anonymous groups.

[1987, c. 343, §5 (NEW) .]

58. **Portable classrooms.** Sales of tangible personal property to be physically incorporated in and become a part of a portable classroom for lease to a school. If the portable classroom is used for an otherwise taxable use within 2 years from the date of the first use, the lessor is liable for use tax based on the original sale price.

[2003, c. 588, §8 (AMD) .]

59. **Sales to certain incorporated nonprofit educational organizations.** Incorporated nonprofit educational organizations that are receiving, or have received, funding from the Department of Education and that provide educational programs specifically designed for teaching young people how to make decisions about drugs, alcohol and interpersonal relationships at a residential youth camp setting.

[2009, c. 211, Pt. B, §31 (AMD) .]

60. **Sales to incorporated nonprofit animal shelters.** Sales to incorporated nonprofit animal shelters of tangible personal property used in the operation and maintenance of those shelters or in the maintenance and care of any animal, including wildlife, housed in those shelters.

[1997, c. 545, §1 (AMD) .]

61. **Construction contracts with exempt organizations.** Sales to a construction contractor or its subcontractor of tangible personal property that is to be physically incorporated in, and become a permanent part of, real property for sale to any organization or government agency provided exemption under this section, except as otherwise provided by section 1760-C.

[2005, c. 622, §8 (AMD) .]

62. **Charitable suppliers of medical equipment.** Sales to local branches of incorporated international nonprofit charitable organizations that lend medical supplies and equipment to persons free of charge.

[2011, c. 240, §19 (AMD) .]

63. **Organizations fulfilling the wishes of children with life-threatening diseases.** Sales to incorporated nonprofit organizations whose sole purpose is to fulfill the wishes of children with life-threatening diseases when their family or guardian is unable to otherwise financially fulfill those wishes.

[1989, c. 502, Pt. A, §130 (NEW) .]

64. **Schools and school-sponsored organizations.** Sales of tangible personal property and taxable services by elementary and secondary schools and by student organizations sponsored by those schools, including booster clubs and student or parent-teacher organizations, as long as the profits from the sales are used to benefit those schools or student organizations or are used for a charitable purpose.

[2003, c. 588, §10 (AMD) .]

65. **Monasteries and convents.** Sales of tangible personal property to incorporated nonprofit monasteries and convents for use in their operation and maintenance. For the purpose of this subsection, "monasteries" and "convents" means the dwelling places of communities of religious persons.

[1993, c. 670, §6 (AMD) .]

66. **Incorporated nonprofit providers of certain support systems for single-parent families.** Sales to incorporated nonprofit organizations engaged primarily in providing support systems for single-parent families for the development of psychological and economic self-sufficiency.

[1989, c. 502, Pt. B, §47 (NEW); 1989, c. 581, §20 (NEW); 1989, c. 871, §12 (RPR) .]

67. **Nonprofit home construction organizations.** Sales to local branches of incorporated nonprofit organizations whose purpose is to construct low-cost housing for low-income people.

[1989, c. 501, Pt. P, §30 (NEW); 1989, c. 533, §8 (NEW); 1989, c. 871, §13 (RPR) .]

68. **Maine Science and Technology Foundation.**

[2003, c. 20, Pt. RR, §18 (AFF); 2003, c. 20, Pt. RR, §11 (RP) .]

69. **Vietnam veteran registries.** Sales to incorporated, nonprofit organizations whose sole purpose is to create, maintain and update a registry of Vietnam veterans;

[1989, c. 533, §8 (NEW) .]

70. **Organizations providing certain services for hearing-impaired persons.** Sales to incorporated nonprofit organizations whose primary purposes are to promote public understanding of hearing impairment and to assist hearing-impaired persons through the dissemination of information about hearing impairment to the general public and referral to and coordination of community resources available to hearing-impaired persons.

[1989, c. 533, §8 (NEW); 1989, c. 871, §14 (AMD) .]

71. **State-chartered credit unions.** Sales to credit unions that are organized under the laws of this State. This subsection shall remain in effect only for the time that federally chartered credit unions are, by reason of federal law, exempt from payment of state sales tax.

[1989, c. 533, §8 (NEW) .]

72. **Nonprofit housing development organization.** Sales to nonprofit organizations whose primary purpose is to develop housing for low-income people.

[1999, c. 708, §30 (AMD) .]

73. **Seedlings for commercial forestry use.** Sales of tree seedlings for use in commercial forestry. This subsection takes effect September 1, 1990.

[1989, c. 871, §15 (NEW) .]

74. **Property used in production.** Sales of:

A. Tangible personal property that becomes an ingredient or component part of tangible personal property produced for later sale or lease, other than lease for use in this State, or that becomes an ingredient or component part of tangible personal property produced pursuant to a contract with the Federal Government or an agency of the Federal Government; and [2007, c. 438, §46 (NEW).]

B. Tangible personal property, other than fuel or electricity, that is consumed or destroyed or loses its identity directly and primarily in the production of tangible personal property for later sale or lease, other than lease for use in this State, or that is consumed or destroyed or loses its identity directly and primarily in the production of tangible personal property produced pursuant to a contract with the Federal Government or an agency of the Federal Government. [2007, c. 438, §46 (NEW).]

For purposes of this subsection, tangible personal property is "consumed or destroyed" or "loses its identity" in production if it has a normal physical life expectancy of less than one year as a usable item in the use to which it is applied.

[2007, c. 438, §46 (RPR) .]

75. **Certain meals and lodging.** Meals or lodging provided to employees at their place of employment when the value of those meals or that lodging is allowed as a credit toward the wages of those employees.

[1989, c. 871, §15 (NEW) .]

76. **Aircraft parts.** The sale or use in this State of replacement or repair parts of an aircraft used by a scheduled airline in the performance of service under 49 United States Code, Subtitle VII and Federal Aviation Administration regulations.

[2003, c. 588, §11 (AMD) .]

77. **Eye banks.** Sales to nonprofit organizations whose primary purpose is to obtain, medically evaluate and distribute eyes for use in corneal transplantation, research and education.

[1993, c. 532, §1 (NEW) .]

78. **Farm animal bedding and hay.** Sales of organic bedding materials for farm animals and hay.

[1997, c. 725, §1 (RPR) .]

79. **Partial exemption for clean fuel vehicles.**

[1997, c. 791, Pt. A, §2 (NEW); T. 36, §1760, sub-§79 (RP) .]

80. **Electricity used for net billing.** Sale or delivery of kilowatt hours of electricity to net energy billing customers as defined by the Public Utilities Commission for which no money is paid to the electricity provider or to the transmission and distribution utility.

[1999, c. 286, §1 (NEW) .]

80. (REALLOCATED TO T. 36, §1760, sub-§82) **Sales of property delivered outside this State.**

[1999, c. 1, §48 (RAL); 1999, c. 414, §22 (NEW); 1999, c. 414, §55 (AFF) .]

81. **Animal waste storage facility.** Any materials for the construction, repair or maintenance of an animal waste storage facility. For the purposes of this section, "animal waste storage facility" means a structure or pit constructed and used solely for storing manure, animal bedding waste or other wastes generated by animal production. For a facility to be eligible for this exemption, the Commissioner of Agriculture, Conservation and Forestry must certify that a nutrient management plan has been prepared in accordance with Title 7, section 4204 for the farm utilizing that animal waste storage facility.

[1999, c. 530, §10 (NEW); 2011, c. 657, Pt. W, §6 (REV) .]

81. (REALLOCATED TO T. 36, §1760, sub-§83) **Sales of certain printed materials.**

[1999, c. 1, §49 (RAL); 1999, c. 521, Pt. A, §7 (NEW); 1999, c. 521, Pt. A, §11 (AFF) .]

82. (REALLOCATED FROM T. 36, §1760, sub-§80) **Sales of property delivered outside this State.** Sales of tangible personal property when the seller delivers the property to a location outside this State or to the United States Postal Service, a common carrier or a contract carrier hired by the seller for delivery to a location outside this State, regardless of whether the property is purchased F.O.B. shipping point or other point in this State and regardless of whether passage of title occurs in this State. This exemption does not apply to any subsequent use of the property in this State.

[2007, c. 627, §49 (AMD) .]

83. (REALLOCATED FROM T. 36, §1760, sub-§81) **Sales of certain printed materials.** Sales of advertising or promotional materials printed on paper and purchased for the purpose of subsequently transporting such materials outside the State for use by the purchaser thereafter solely outside the State.

[1999, c. 1, §49 (RAL) .]

84. **Centers for innovation.** Sales to centers for innovation as described in Title 5, section 13141.

[2001, c. 95, §6 (NEW) .]

84. (REALLOCATED TO T. 36, §1760, sub-§85) **Certain sales by auxiliary organization of American Legion.**

[2001, c. 1, §45 (RAL); 2001, c. 439, Pt. III, §1 (NEW); 2001, c. 439, Pt. III, §2 (AFF) .]

85. (REALLOCATED FROM T. 36, §1760, sub-§84) **Certain sales by auxiliary organization of American Legion.** Sales of meals and related items and services by a nonprofit auxiliary organization of the American Legion in connection with a fund-raising event sponsored by the auxiliary organization if the meals and related items and services are provided in a room that is separate from the lounge facilities, if any, of the American Legion and patrons are prohibited from taking alcoholic beverages from the lounge facilities to the separate room where the meals and related items and services are provided.

[2001, c. 1, §45 (RAL) .]

86. **Construction contracts with qualified development zone businesses.**

[2005, c. 351, §26 (AFF); 2005, c. 351, §7 (RP) .]

87. **Sales of tangible personal property and transmission and distribution of electricity to qualified development zone businesses.** Beginning July 1, 2005, sales of tangible personal property, and of the transmission and distribution of electricity, to a qualified Pine Tree Development Zone business, as defined in Title 30-A, section 5250-I, subsection 17, for use directly and primarily in one or more qualified business activities, as defined in Title 30-A, section 5250-I, subsection 16. The exemption provided by this subsection is limited for each qualified Pine Tree Development Zone business to sales occurring within a period of 10 years in the case of a business located in a tier 1 location, as defined in Title 30-A, section 5250-I, subsection 21-A, and 5 years in the case of a business located in a tier 2 location, as defined in Title 30-A, section 5250-I, subsection 21-B, from the date the business is certified pursuant to Title 30-A, section 5250-O or until December 31, 2028, whichever occurs first. As used in this subsection, "primarily" means more than 50%

of the time during the period that begins on the date on which the property is first placed in service by the purchaser and ends 2 years from that date or at the time the property is sold, scrapped, destroyed or otherwise permanently removed from service by the purchaser, whichever occurs first.

[2011, c. 285, §5 (AMD) .]

88. **Aircraft.** Sales or leases of aircraft that weigh over 6,000 pounds, that are propelled by one or more turbine engines or that are in use by a Federal Aviation Administration classified 135 operator.

[2005, c. 519, Pt. EE, §2 (NEW); 2005, c. 519, Pt. EE, §3 (AFF) .]

88-A. **Aircraft and parts.** Sales, use or leases of aircraft and sales of repair and replacement parts exclusively for use in aircraft or in the significant overhauling or rebuilding of aircraft or aircraft parts or components from July 1, 2011 to June 30, 2033.

[2013, c. 379, §2 (AMD) .]

89. **Sales of tangible personal property to qualified community wind power generators.** Beginning October 1, 2006, sales of tangible personal property to a qualified community wind power generator, as defined in section 2017, subsection 1, paragraph B, for use directly and primarily in the generation of electricity in this State at a community wind power generation facility, as defined in section 2017, subsection 1, paragraph A-1. The exemption provided by this subsection is limited to sales occurring on or before December 31, 2011.

[2007, c. 693, §15 (AMD); 2007, c. 693, §37 (AFF) .]

90. **Qualified snowmobile trail grooming equipment.** Sales to snowmobile clubs incorporated under the provisions of Title 13-B of snowmobiles and snowmobile trail grooming equipment used directly and exclusively for the grooming of snowmobile trails.

(Subsection 90 as enacted by PL 2007, c. 438, §47 is REALLOCATED TO TITLE 36, SECTION 1760, SUBSECTION 91)

[2009, c. 491, §1 (AMD) .]

91. (REALLOCATED FROM T. 36, §1760, sub-§90) **Certain sales of electrical energy.** Sale or use of electrical energy, or water stored for the purpose of generating electricity, when the sale is to or by a wholly owned subsidiary by or to its parent corporation, except for electrical energy or water purchased for resale to or by the wholly owned subsidiary.

[2007, c. 695, Pt. A, §44 (RAL) .]

92. **Certain vehicle rentals.** The rental for a period of less than one year of an automobile when the rental is to the service customer of a new vehicle dealer, as defined in Title 29-A, section 851, subsection 9, pursuant to a manufacturer's or new vehicle dealer's warranty and the rental fee is paid by that new vehicle dealer or warrantor.

[2011, c. 209, §3 (NEW); 2011, c. 209, §5 (AFF) .]

93. **Plastic bags sold to redemption centers.** Sales to a local redemption center licensed under Title 32, section 1871-A of plastic bags used by the redemption center to sort, store or transport returnable beverage containers.

[2011, c. 380, Pt. FFFF, §1 (NEW); 2011, c. 380, Pt. FFFF, §2 (AFF) .]

94. **Positive airway pressure equipment and supplies.** Positive airway pressure equipment and supplies sold or leased for personal use.

[2011, c. 655, Pt. PP, §3 (NEW); 2011, c. 655, Pt. PP, §4 (AFF) .]

95. **Sales of certain adaptive equipment.** Sales to a person with a disability or a person at the request of a person with a disability of adaptive equipment for installation in or on a motor vehicle to make that vehicle operable or accessible by a person with a disability who is issued a disability plate or placard by the Secretary of State pursuant to Title 29-A, section 521.

[2013, c. 442, §1 (NEW); 2013, c. 442, §2 (AFF) .]

SECTION HISTORY
1965, c. 257, (AMD). 1967, c. 46, (AMD). 1967, c. 89, (AMD). 1967, c. 116, (AMD). 1967, c. 211, (AMD). 1969, c. 24, (AMD). 1969, c. 223, §1 (AMD). 1969, c. 471, (AMD). 1969, c. 590, §68 (AMD). 1971, c. 23, (AMD). 1971, c. 353, §§1,2 (AMD). 1971, c. 507, (AMD). 1971, c. 508, (AMD). 1971, c. 604, (AMD). 1971, c. 618, §12 (AMD). 1971, c. 622, §126 (AMD). P&SL 1973, c. 148, §B5 (AMD). 1973, c. 573, (AMD). 1973, c. 575, §§1,2 (AMD). 1973, c. 580, §1 (AMD). 1973, c. 593, (AMD). 1973, c. 594, (AMD). 1973, c. 766, §1 (AMD). 1973, c. 788, §§186,187 (AMD). 1973, c. 794, (AMD). 1975, c. 279, (AMD). 1975, c. 293, §4 (AMD). 1975, c. 527, (AMD). 1975, c. 623, §57 (AMD). 1975, c. 741, §33 (AMD). 1975, c. 773, (AMD). 1977, c. 238, (AMD). 1977, c. 342, §2 (AMD). 1977, c. 443, §§2,3 (AMD). 1977, c. 477, §§10,11 (AMD). 1977, c. 542, §4 (AMD). 1977, c. 559, (AMD). 1977, c. 572, §1 (AMD). 1977, c. 686, §§1-3 (AMD). 1977, c. 696, §§273-A (AMD). 1977, c. 716, §1 (AMD). 1979, c. 292, §§2,3 (AMD). 1979, c. 513, §§1,2 (AMD). 1979, c. 520, §5 (AMD). 1979, c. 528, (AMD). 1979, c. 663, §§220,221 (AMD). 1979, c. 686, §2 (AMD). 1979, c. 687, §§5-7 (AMD). 1981, c. 163, §§3,4 (AMD). 1981, c. 470, §A156 (AMD). 1981, c. 493, §2 (AMD). 1981, c. 502, (AMD). 1981, c. 702, §VI (AMD). 1981, c. 705, §K (AMD). 1981, c. 706, §21 (AMD). 1983, c. 519, §24 (AMD). 1983, c. 560, §§2,3,6 (AMD). 1983, c. 562, (AMD). 1983, c. 571, §2 (AMD). 1983, c. 583, §§23,24 (AMD). 1983, c. 828, §§5,6 (AMD). 1983, c. 851, (AMD). 1983, c. 852, §§2,3 (AMD). 1983, c. 854, (AMD). 1983, c. 855, §§6,7 (AMD). 1983, c. 859, §§M4-M6,M13 (AMD). 1985, c. 276, §§3,4 (AMD). 1985, c. 417, (AMD). 1985, c. 419, (AMD). 1985, c. 460, §§1,2 (AMD). 1985, c. 473, (AMD). 1985, c. 477, §1 (AMD). 1985, c. 504, §§1,2 (AMD). 1985, c. 506, §§B34-A (AMD). 1985, c. 535, §§2,3 (AMD). 1985, c. 691, §§10-15 (AMD). 1985, c. 737, §§A94-97 (AMD). 1985, c. 767, §3 (AMD). 1985, c. 783, §4 (AMD). 1985, c. 788, §1 (AMD). 1985, c. 819, §§A40-43 (AMD). 1987, c. 343, §§4-6 (AMD). 1987, c. 497, §§36-39 (AMD). 1987, c. 522, §1 (AMD). 1987, c. 737, §§C82,C106 (AMD). 1987, c. 769, §§A153,A154 (AMD). 1987, c. 772, §§21,22 (AMD). 1987, c. 798, §1 (AMD). 1987, c. 822, (AMD). 1987, c. 824, (AMD). 1987, c. 865, §1 (AMD). 1987, c. 895, (AMD). 1989, c. 6, (AMD). 1989, c. 9, §2 (AMD). 1989, c. 28, (AMD). 1989, c. 104, §§C8,C10 (AMD). 1989, c. 130, (AMD). 1989, c. 501, §§P30,U,V4,5 (AMD). 1989, c. 502, §§A129,130 (AMD). 1989, c. 502, §B46, 47 (AMD). 1989, c. 533, §§5-8 (AMD). 1989, c. 571, §A4 (AMD). 1989, c. 581, §20 (AMD). 1989, c. 588, §E (AMD). 1989, c. 700, §A169 (AMD). 1989, c. 847, §2 (AMD). 1989, c. 871, §§10-15 (AMD). 1989, c. 875, §E47 (AMD). 1989, c. 878, §A105 (AMD). 1989, c. 890, §§A10,11,40 (AMD). 1991, c. 317, (AMD). 1991, c. 528, §§N1,WW3 (AMD). 1991, c.

528, §§N2,WW4,RRR (AFF). 1991, c. 546, §§17-22 (AMD). 1991, c. 591, §§N1,WW3 (AMD). 1991, c. 591, §§N2,WW4 (AFF). 1991, c. 620, (AMD). 1991, c. 788, §§6-9 (AMD). 1991, c. 824, §A73 (AMD). 1991, c. 846, §§18-22 (AMD). 1991, c. 851, §1 (AMD). 1993, c. 395, §15 (AMD). 1993, c. 410, §E23 (AMD). 1993, c. 532, §1 (AMD). 1993, c. 670, §§2-6 (AMD). RR 1995, c. 2, §§94,95 (COR). 1995, c. 65, §§A141,142 (AMD). 1995, c. 65, §§A153,C15 (AFF). 1995, c. 281, §§15,16 (AMD). 1995, c. 420, §1 (AMD). 1995, c. 462, §B9 (AMD). 1995, c. 467, §§15-17 (AMD). 1995, c. 478, §1 (AMD). 1995, c. 478, §2 (AFF). 1995, c. 560, §K82 (AMD). 1995, c. 560, §K83 (AFF). 1995, c. 625, §§B13,14 (AMD). 1995, c. 634, §1 (AMD). 1995, c. 634, §2 (AFF). 1995, c. 640, §5 (AMD). 1997, c. 545, §1 (AMD). 1997, c. 550, §§1,2 (AMD). 1997, c. 557, §D2 (AMD). 1997, c. 557, §§D4,G1 (AFF). 1997, c. 668, §24 (AMD). 1997, c. 723, §1 (AMD). 1997, c. 725, §1 (AMD). 1997, c. 729, §A1 (AMD). 1997, c. 791, §A2 (AMD). RR 1999, c. 1, §§48,49 (COR). 1999, c. 286, §1 (AMD). 1999, c. 414, §§19-22 (AMD). 1999, c. 414, §55 (AFF). 1999, c. 485, §1 (AMD). 1999, c. 499, §1 (AMD). 1999, c. 502, §§1-3 (AMD). 1999, c. 516, §6 (AMD). 1999, c. 516, §7 (AFF). 1999, c. 521, §§A6,7 (AMD). 1999, c. 521, §A11 (AFF). 1999, c. 530, §10 (AMD). 1999, c. 657, §21 (AMD). 1999, c. 708, §§25-30 (AMD). 1999, c. 708, §52 (AFF). 1999, c. 759, §§1-3 (AMD). 1999, c. 759, §§4,5 (AFF). RR 2001, c. 1, §45 (COR). 2001, c. 95, §6 (AMD). 2001, c. 354, §3 (AMD). 2001, c. 396, §23 (AMD). 2001, c. 439, §PPP1 (AMD). 2001, c. 439, §III1 (AMD). 2001, c. 439, §III2 (AFF). 2001, c. 439, §PPP2 (AFF). 2001, c. 682, §1 (AMD). 2001, c. 682, §2 (AFF). 2001, c. 709, §1 (AMD). 2001, c. 714, §Z1 (AMD). 2003, c. 20, §§Z1,RR11 (AMD). 2003, c. 20, §RR18 (AFF). 2003, c. 390, §10 (AMD). 2003, c. 414, §§B61-63 (AMD). 2003, c. 414, §D7 (AFF). 2003, c. 451, §§AA1,NNN3 (AMD). 2003, c. 588, §§6-11 (AMD). 2003, c. 614, §9 (AFF). 2003, c. 688, §§B12,D3 (AMD). 2003, c. 688, §B13 (AFF). 2003, c. 689, §B6 (REV). 2003, c. 695, §B25 (AMD). 2003, c. 695, §C1 (AFF). 2003, c. 705, §4 (AMD). 2003, c. 705, §14 (AFF). 2005, c. 12, §§S1,GGG1,2 (AMD). 2005, c. 218, §§22-24 (AMD). 2005, c. 351, §§7,8 (AMD). 2005, c. 351, §26 (AFF). 2005, c. 519, §§EE1,2 (AMD). 2005, c. 519, §EE3 (AFF). 2005, c. 618, §§2,3 (AMD). 2005, c. 622, §§5-8 (AMD). 2005, c. 646, §5 (AMD). 2007, c. 240, Pt. WWWW, §2 (AMD). 2007, c. 410, §§3, 4 (AMD). 2007, c. 410, §6 (AFF). 2007, c. 416, §1 (AMD). 2007, c. 416, §2 (AFF). 2007, c. 419, §1 (AMD). 2007, c. 429, §2 (AMD). 2007, c. 429, §3 (AFF). 2007, c. 438, §§33-47 (AMD). 2007, c. 529, §§1-3 (AMD). 2007, c. 627, §§47-49 (AMD). 2007, c. 675, §1 (AMD). 2007, c. 675, §2 (AFF). 2007, c. 693, §15 (AMD). 2007, c. 693, §37 (AFF). 2007, c. 695, Pt. A, §44 (AMD). 2009, c. 204, §12 (AMD). 2009, c. 211, Pt. B, §§30, 31 (AMD). 2009, c. 361, §§18, 19 (AMD). 2009, c. 361, §37 (AFF). 2009, c. 422, §1 (AMD). 2009, c. 434, §§24, 25 (AMD). 2009, c. 491, §1 (AMD). 2009, c. 620, §1 (AMD). 2009, c. 620, §2 (AFF). 2009, c. 625, §§6-8 (AMD). 2009, c. 627, §6 (AMD). 2009, c. 627, §12 (AFF). 2009, c. 632, §1 (AMD). RR 2011, c. 2, §40 (COR). 2011, c. 209, §3 (AMD). 2011, c. 209, §5 (AFF). 2011, c. 240, §§17-19 (AMD). 2011, c. 285, §§3-5 (AMD). 2011, c. 285, §15 (AFF). 2011, c. 380, Pt. DDDD, §§2-4 (AMD). 2011, c. 380, Pt. DDDD, §§5, 6 (AFF). 2011, c. 380, Pt. FFFF, §1 (AMD). 2011, c. 380, Pt. FFFF, §2 (AFF). 2011, c. 380, Pt. GGGG, §§1-3 (AMD). 2011, c. 501, §1 (AMD). 2011, c. 542, Pt. A, §135 (AMD). 2011, c. 548, §§15, 16 (AMD). 2011, c. 622, §§2, 3 (AMD). 2011, c. 655, Pt. PP, §3 (AMD). 2011, c. 655, Pt. PP, §4 (AFF). 2011, c. 657, Pt. N, §1 (AMD). 2011, c. 657, Pt. N, §3 (AFF). 2011, c. 657, Pt. W, §6 (REV). 2011, c.

670, §1 (AMD). 2011, c. 673, §1 (AMD). 2013, c. 86, §§2-4 (AMD). 2013, c. 86, §5 (AFF). 2013, c. 331, Pt. C, §8 (AMD). 2013, c. 368, Pt. P, §1 (AMD). 2013, c. 368, Pt. P, §2 (AFF). 2013, c. 368, Pt. VVVV, §2 (AMD). 2013, c. 379, §2 (AMD). 2013, c. 420, §1 (AMD). 2013, c. 442, §1 (AMD). 2013, c. 442, §2 (AFF). 2013, c. 564, §1 (AMD). 2013, c. 564, §3 (AFF).

§1760-A. LEGISLATIVE REVIEW OF SALES TAX EXEMPTIONS

(REPEALED)

SECTION HISTORY
1977, c. 490, §4 (NEW). 1977, c. 696, §274 (AMD). 1979, c. 687, §8 (RPR). 1985, c. 691, §16 (RP).

§1760-B. CONSISTENCY

(REPEALED)

SECTION HISTORY
1985, c. 691, §17 (NEW). 1997, c. 526, §14 (AMD). 2009, c. 434, §26 (RP).

§1760-C. EXEMPT ACTIVITIES

The tax exemptions provided by section 1760 to a person based upon its charitable, nonprofit or other public purposes apply only if the property or service purchased is intended to be used by the person primarily in the activity identified by the particular exemption. The tax exemptions provided by section 1760 to a person based upon its charitable, nonprofit or other public purposes do not apply where title is held or taken by the person as security for any financing arrangement. Exemption certificates issued by the State Tax Assessor pursuant to section 1760 must identify the exempt activity and must state that the certificate may be used by the holder only when purchasing property or services intended to be used by the holder primarily in the exempt activity. If the holder of an exemption certificate furnishes that certificate to a person for use in purchasing tangible personal property or taxable services that are physically incorporated in, and become a permanent part of, real property that is not used by the holder of the certificate primarily in the exempt activity, the State Tax Assessor may assess the unpaid tax against the holder of the certificate as provided in section 141. When an otherwise qualifying person is engaged in both exempt and nonexempt activities, an exemption certificate may be issued to the person only if the person has established to the satisfaction of the assessor that the applicant has adequate accounting controls to limit the use of the certificate to exempt purchases. [2007, c. 437, §11 (AMD).]

SECTION HISTORY
1999, c. 521, §A8 (NEW). 1999, c. 708, §31 (AMD). 2005, c. 622, §9 (AMD). 2007, c. 437, §11 (AMD).

§1760-D. EXEMPTIONS OF CERTAIN PRODUCTS; INFORMATION POSTED ON PUBLICLY ACCESSIBLE WEBSITE

1. **List of products.** The assessor shall post on the bureau's publicly accessible website, and update quarterly, a list of products used in commercial agricultural or silvicultural crop production or in animal agricultural production with respect to which the assessor has made a written determination on the applicability of a sales tax exemption under section 1760, subsection 7-B or 7-C and of items of depreciable machinery and equipment that the assessor has determined may be eligible for a refund of sales tax under section 2013. In the case of products exempt from tax under section 1760, subsection 7-B or 7-C, the list must include the name of the product and any other information necessary to identify the product at the point of sale.

When the assessor receives a request in writing for a determination as to whether or not a product used in commercial agricultural or silvicultural crop production or in animal agricultural production is exempt from sales tax under section 1760, subsection 7-B or 7-C, the assessor shall respond in writing.

[2011, c. 285, §6 (AMD); 2011, c. 285, §15 (AFF) .]

2. **Information on procedures for appeals and refunds.** The assessor shall provide information on the bureau's publicly accessible website regarding the procedures for:

A. Requesting a refund of sales tax paid on an exempt product; [2011, c. 285, §6 (NEW); 2011, c. 285, §15 (AFF).]

B. Appealing an assessment of tax liability; and [2011, c. 285, §6 (NEW); 2011, c. 285, §15 (AFF).]

C. Appealing the denial of an exemption certificate or refund request under section 2013. [2011, c. 285, §6 (NEW); 2011, c. 285, §15 (AFF).]

[2011, c. 285, §6 (AMD); 2011, c. 285, §15 (AFF) .]

SECTION HISTORY
2009, c. 632, §2 (NEW). 2011, c. 285, §6 (AMD). 2011, c. 285, §15 (AFF).

§1761. ADVERTISING OF PAYMENT BY RETAILER

It shall be unlawful for any retailer to advertise or hold out or state to the public or to any consumer, directly or indirectly, that the tax or any part thereof imposed by chapters 211 to 225 will be assumed or absorbed by the retailer, or that it will not be added to or included in the selling price of the property sold, or if added or included that it or any part thereof will be refunded. Any person violating any part of this section shall be guilty of a Class E crime. [1979, c. 541, Pt. A, §221 (AMD).]

SECTION HISTORY
1977, c. 696, §275 (AMD). 1979, c. 541, §A221 (AMD).

§1762. SALE OF BUSINESS; PURCHASER LIABLE FOR TAX

(REPEALED)

SECTION HISTORY
1985, c. 535, §4 (AMD). 1991, c. 846, §39 (AFF). 1991, c. 846, §23 (RP).

§1763. PRESUMPTIONS

The burden of proving that a transaction was not taxable is on the person charged with tax liability. The presumption that a sale was not for resale may be overcome during an audit or upon reconsideration if the seller proves that the purchaser was the holder of a currently valid resale certificate as provided in section 1754-B at the time of the sale or proves through other means that the property purchased was purchased for resale by the purchaser in the ordinary course of business. Notwithstanding section 1752, subsection 11, paragraph B, if the seller satisfies the seller's burden of proof, the sale is not considered a retail sale. [2007, c. 693, §16 (AMD).]

SECTION HISTORY
2007, c. 693, §16 (AMD).

§1764. TAX AGAINST CERTAIN CASUAL SALES

The tax imposed by this Part must be levied upon all casual rentals of living quarters in a hotel, rooming house, tourist camp or trailer camp and upon all casual sales involving the sale of trailers, truck campers, motor vehicles, special mobile equipment, watercraft or aircraft unless the property is sold for resale at retail sale or to a corporation, partnership, limited liability company or limited liability partnership when the seller is the owner of 50% or more of the common stock of the corporation or of the ownership interests in the partnership, limited liability company or limited liability partnership. This section does not apply to the rental of living quarters rented for a total of fewer than 15 days in the calendar year, except that a person who owns and offers for rental more than one property in the State during the calendar year is liable for collecting sales tax with respect to the rental of each unit regardless of the number of days for which it is rented. For purposes of this section, "special mobile equipment" does not include farm tractors and lumber harvesting vehicles or loaders. [2013, c. 331, Pt. C, §9 (AMD).]

SECTION HISTORY
1975, c. 317, §2 (AMD). 1987, c. 49, §2 (AMD). 1987, c. 128, §2 (AMD). 1987, c. 769, §A155 (RPR). 1989, c. 508, §12 (AMD). 1989, c. 588, §C3 (AMD). 1989, c. 878, §A106 (RPR). 1991, c. 546, §23 (AMD). 1995, c. 281, §17 (AMD). 1997, c. 133, §2 (AMD). 1999, c. 518, §1 (AMD). 2005, c. 12, §O3 (AMD). 2005, c. 12, §O5 (AFF). 2005, c. 218, §25 (AMD). 2007, c. 375, §2 (AMD). 2011, c. 548, §17 (AMD). 2013, c. 331, Pt. C, §9 (AMD).

§1765. TRADE-IN CREDIT

When one or more items in one of the following categories are traded in toward the sale price of another item in that same category, the tax imposed by this Part must be levied only upon the difference between the sale price of the purchased property and the trade-in allowance of the property taken in trade. This section does not apply to transactions between dealers involving exchange of the property from inventory: [2007, c. 627, §50 (AMD); 2007, c. 627, §96 (AFF).]

1. **Motor vehicles.** Motor vehicles;

[1987, c. 402, Pt. A, §180 (RPR) .]

3. **Watercraft.** Watercraft;

[1989, c. 588, Pt. C, §4 (RPR) .]

4. **Aircraft.** Aircraft;

[1987, c. 402, Pt. A, §180 (RPR) .]

6. **Chain saws.** Chain saws;

[1987, c. 402, Pt. A, §180 (RPR) .]

7. **Special mobile equipment.** Special mobile equipment; or

[2009, c. 207, §2 (AMD) .]

8. **Trailers and truck campers.** Trailers and truck campers.

[2009, c. 207, §3 (AMD) .]

9. Truck campers.

[2009, c. 207, §4 (RP) .]

The trade-in credit allowed by this section is not available unless the items traded are in the same category. The tax must be levied only upon the difference between the sale price of the purchased property and the trade-in allowance of the property taken in trade. [2009, c. 207, §5 (AMD).]

SECTION HISTORY
1967, c. 108, (AMD). P&SL 1969, c. 154, §G1 (REEN). 1969, c. 295, §1 (RP). 1975, c. 317, §3 (AMD). 1975, c. 528, (AMD). 1975, c. 765, §20 (RPR). 1977, c. 686, §4 (RPR). 1979, c. 541, §A222 (AMD). 1985, c. 519, (RPR). 1987, c. 49, §§3,4 (AMD). 1987, c. 128, §3 (AMD). 1987, c. 402, §A180 (RPR). 1987, c. 467, §§1,2 (AMD). 1989, c. 533, §9 (AMD). 1989, c. 588, §C4 (AMD). 1997, c. 133, §§3,4 (AMD). 1999, c. 518, §2 (AMD). 2007, c. 375, §3 (AMD). 2007, c. 627, §50 (AMD). 2007, c. 627, §96 (AFF). 2009, c. 207, §§2-5 (AMD).

Chapter 213: SALES TAX

§1811. SALES TAX

A tax is imposed on the value of all tangible personal property, products transferred electronically and taxable services sold at retail in this State. The rate of tax is 7% on the value of liquor sold in licensed establishments as defined in Title 28-A, section 2, subsection 15, in accordance with Title 28-A, chapter 43; 7% on the value of rental of living quarters in any hotel, rooming house or tourist or trailer camp; 10% on the value of rental for a period of less than one year of an automobile, of a pickup truck or van with a gross vehicle weight of less than 26,000 pounds rented from a person primarily engaged in the business of renting automobiles or of a loaner vehicle that is provided other than to a motor vehicle dealer's service customers pursuant to a manufacturer’s or dealer’s warranty; 7% on the value of prepared food; and 5% on the value of all other tangible personal property and taxable services and products transferred electronically. Notwithstanding the other provisions of this section, from October 1, 2013 to June 30, 2015, the rate of tax is 8% on the value of rental of living quarters in any hotel, rooming house or tourist or trailer camp; 8% on the value of prepared food; 8% on the value of liquor sold in licensed establishments as defined in Title 28-A, section 2, subsection 15, in accordance with Title 28-A, chapter 43; and 5.5% on the value of all other tangible personal property and taxable services and products transferred electronically. Value is measured by the sale price, except as otherwise provided. The value of rental for a period of less than one year of an automobile or of a pickup truck or van with a gross vehicle weight of less than 26,000 pounds rented from a person primarily engaged in the business of renting automobiles is the total rental charged to the lessee and includes, but is not limited to, maintenance and service contracts, drop-off or pick-up fees, airport surcharges, mileage fees and any separately itemized charges on the rental agreement to recover the owner’s estimated costs of the charges imposed by government authority for title fees, inspection fees, local excise tax and agent fees on all vehicles in its rental fleet registered in the State. All fees must be disclosed when an estimated quote is provided to the lessee. [2013, c. 588, Pt. E, §11 (RPR).]

The tax imposed upon the sale and distribution of gas, water or electricity by any public utility, the rates for which sale and distribution are established by the Public Utilities Commission, must be added to the rates so established. [2007, c. 438, §48 (AMD).]

Rental or lease of an automobile for one year or more must be taxed at the time of the lease or rental transaction at 5% of the following: the total monthly lease payment multiplied by the number of payments in the lease or rental, the amount of equity involved in any trade-in and the value of any cash down payment.

Collection and remittance of the tax is the responsibility of the person that negotiates the lease transaction with the lessee. [2003, c. 510, Pt. C, §13 (AFF); 2003, c. 510, Pt. C, §12 (RPR).]

A product transferred electronically is sold in this State if: the product is delivered electronically to a purchaser located in this State, the product is received by the purchaser at the seller's location in this State, a Maine billing address is provided by the purchaser in connection with the transaction or a Maine billing address is indicated in the seller's business records. [2013, c. 368, Pt. N, §2 (NEW).]

SECTION HISTORY
1965, c. 362, §6 (AMD). 1967, c. 71, (AMD). P&SL 1967, c. 191, §D1 (AMD). 1967, c. 544, §92 (AMD). 1967, c. 544, §112 (RP). 1969, c. 295, §2 (AMD). 1973, c. 766, §2 (AMD). 1977, c. 198, §6 (AMD). 1983, c. 859, §§M7,M13 (AMD). 1985, c. 783, §5 (AMD). 1987, c. 497, §40 (AMD). 1989, c. 533, §§10,14 (AMD). 1989, c. 588, §B2 (AMD). 1989, c. 871, §16 (AMD). 1991, c. 528, §§XX1,2 (AMD). 1991, c. 528, §§XX7,8,RRR (AFF). 1991, c. 591, §§XX1,2 (AMD). 1991, c. 591, §§XX7,8 (AFF). 1993, c. 410, §§LLL1,KKKK1 (AMD). 1993, c. 410, §LLL5 (AFF). 1993, c. 471, §3 (AMD). 1993, c. 701, §§6,7 (AMD). 1993, c. 701, §10 (AFF). 1995, c. 5, §F1 (AMD). 1995, c. 5, §F2 (AFF). 1995, c. 281, §§18,19 (AMD). 1995, c. 281, §42 (AFF). 1999, c. 401, §§X1-3 (AMD). 1999, c. 401, §X5 (AFF). 1999, c. 414, §23 (AMD). 1999, c. 488, §11 (AMD). 2001, c. 439, §TTTT2 (AMD). 2001, c. 439, §TTTT3 (AFF). 2003, c. 510, §C12 (AMD). 2003, c. 510, §C13 (AFF). 2003, c. 673, §V23 (AMD). 2003, c. 673, §V29 (AFF). 2007, c. 410, §5 (AMD). 2007, c. 410, §6 (AFF). 2007, c. 438, §48 (AMD). 2007, c. 444, §1 (AMD). 2007, c. 627, §51 (AMD). 2007, c. 627, §96 (AFF). 2011, c. 209, §4 (AMD). 2011, c. 209, §5 (AFF). 2013, c. 368, Pt. M, §2 (AMD). 2013, c. 368, Pt. N, §2 (AMD). 2013, c. 588, Pt. E, §11 (AMD).

§1811-A. CREDIT FOR WORTHLESS ACCOUNTS

The tax paid on sales represented by accounts charged off as worthless may be credited against the tax due on a subsequent return filed within 3 years of the charge-off, but, if any such accounts are thereafter collected by the retailer, a tax must be paid upon the amounts so collected. [2007, c. 438, §49 (AMD).]

SECTION HISTORY
1965, c. 196, §1 (NEW). 1981, c. 706, §22 (AMD). 2007, c. 438, §49 (AMD).

§1811-B. CREDIT FOR TAX PAID ON PURCHASES FOR RESALE

A retailer registered under section 1754-B may claim a credit for sales tax imposed by this Part if the retailer has paid the sales tax on tangible personal property purchased for resale at retail sale. The credit may be claimed only on the return that corresponds to the period in which the tax was paid. The credit may not be claimed if the item has been withdrawn from inventory by the retailer for the retailer's own use prior to its sale. If the retailer purchases an item for resale at retail sale and pays tax to its vendor and if the retailer's sales and use tax liability for the tax period in question is less than the credit being claimed, the retailer is entitled either to carry the credit forward or to receive a refund of the tax paid. [2005, c. 332, §14 (AMD); 2005, c. 332, §30 (AFF).]

SECTION HISTORY
2003, c. 673, §AAA3 (NEW). 2005, c. 332, §14 (AMD). 2005, c. 332, §30 (AFF).

§1812. ADDING TAX TO SALE PRICE

1. **Computation.** Every retailer shall add the sales tax imposed by chapters 211 to 225, or the average equivalent of that tax, to his sale price, except as otherwise provided, and when added the tax shall constitute a part of the price, shall be a debt of the purchaser to the retailer until paid and shall be recoverable at law in the same manner as the purchase price. When the sale price shall involve a fraction of a dollar, the tax shall be added to the sale price upon the following schedules:

A. [1999, c. 414, §24 (RP).]

A-1. If the tax rate is 5%:

Amount of Sale Price	Amount of Tax
$0.01 to $0.10, inclusive	0¢
.11 to .20, inclusive	1¢
.21 to .40, inclusive	2¢
.41 to .60, inclusive	3¢
.61 to .80, inclusive	4¢
.81 to 1.00, inclusive	5¢

[1999, c. 401, Pt. X, §4 (NEW).]

Paragraph A-1 as enacted by PL 1999, c. 414, §25 is REALLOCATED TO TITLE 36, SECTION 1812, SUBSECTION 1, PARAGRAPH A-2

A-2. (REALLOCATED FROM T. 36, §1812, sub-§1, ¶A-1) If the tax rate is 5 1/2%:

Amount of Sale Price	Amount of Tax
$0.01 to $0.09, inclusive	0¢
.10 to .18, inclusive	1¢
.19 to .36, inclusive	2¢
.37 to .54, inclusive	3¢
.55 to .72, inclusive	4¢
.73 to .90, inclusive	5¢
.91 to 1.09, inclusive	6¢
1.10 to 1.27, inclusive	7¢
1.28 to 1.45, inclusive	8¢
1.46 to 1.63, inclusive	9¢
1.64 to 1.81, inclusive	10¢
1.82 to 2.00, inclusive	11¢

[1999, c. 790, Pt. A, §48 (RAL).]

B. If the tax rate is 7%:

Amount of Sale Price	Amount of Tax
$0.01 to $0.07, inclusive	0¢
.08 to .21, inclusive	1¢
.22 to .35, inclusive	2¢
.36 to .49, inclusive	3¢
.50 to .64, inclusive	4¢
.65 to .78, inclusive	5¢
.79 to .92, inclusive	6¢
.93 to 1.00, inclusive	7¢

[1987, c. 402, Pt. A, §181 (RPR).]

C. [1991, c. 528, Pt. RRR, (AFF); 1991, c. 528, Pt. XX, §7 (AFF); 1991, c. 528, Pt. XX, §5 (RP); 1991, c. 591, Pt. XX, §7 (AFF); 1991, c. 591, Pt. XX, §5 (RP).]

D. If the tax rate is 10%:

Amount of Sale Price	Amount of Tax
$0.01 to $0.10, inclusive	0¢
.11 to .20, inclusive	2¢
.21 to .40, inclusive	4¢
.41 to .60, inclusive	6¢
.61 to .80, inclusive	8¢
.81 to 1.00, inclusive	10¢

[1995, c. 281, §20 (NEW).]

E. If the tax rate is 8%:

Amount of Sale Price	Amount of Tax
$0.01 to $0.06, inclusive	0¢
.07 to .13, inclusive	1¢
.14 to .25, inclusive	2¢
.26 to .38, inclusive	3¢
.39 to .50, inclusive	4¢
.51 to .63, inclusive	5¢
.64 to .75, inclusive	6¢
.76 to .88, inclusive	7¢
.89 to 1.00, inclusive	8¢

[2013, c. 368, Pt. M, §3 (NEW).]

When the sale price exceeds $1, the tax to be added to the price shall be the scheduled amount for each whole dollar plus the scheduled amount for each fractional part of $1.

[2013, c. 368, Pt. M, §3 (AMD) .]

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

[1991, c. 846, §24 (AMD) .]

3. **Breakage.** Breakage under this section shall be retained by the retailer as compensation for the collection.

[1987, c. 402, Pt. A, §181 (NEW) .]

SECTION HISTORY
P&SL 1967, c. 191, §D2 (AMD). 1967, c. 544, §93 (AMD). 1967, c. 544, §112 (RP). 1969, c. 295, §3 (AMD). 1985, c. 783, §6 (RPR). 1987, c. 402, §A181 (RPR). 1989, c. 588, §§B3,B4 (AMD). 1989, c. 871, §17 (AMD). 1991, c. 528, §§XX3-5 (AMD). 1991, c. 528, §§XX7,8,RRR (AFF). 1991, c. 591, §§XX3-5 (AMD). 1991, c. 591, §§XX7,8 (AFF). 1991, c. 846, §24 (AMD). 1993, c. 410, §LLL2 (AMD). 1993, c. 410, §LLL5 (AFF). 1995, c. 281, §20 (AMD). 1999, c. 401, §X4 (AMD). 1999, c. 414, §§24,25 (AMD). 1999, c. 790, §A48 (AMD). 2013, c. 368, Pt. M, §3 (AMD).

§1813. ILLEGAL COLLECTION OF SALES TAX PROHIBITED

Any retailer who knowingly charges or collects as the sales tax due on the sale price of any property or service an amount in excess of that provided by section 1812 commits a Class E crime. [1991, c. 546, §24 (AMD).]

SECTION HISTORY
1977, c. 696, §276 (AMD). 1991, c. 546, §24 (AMD).

§1814. EXCESSIVE AND ERRONEOUS COLLECTIONS

1. **Tax liability.** Whenever the tax collected by a retailer for any period exceeds that provided by law, whether the excess is attributable to the collection of tax on exempt or nontaxable transactions or erroneous computation, the total amount collected, excluding only that portion of the excess that has been returned or credited to the person or persons from whom it was collected, constitutes a tax liability of the retailer that must be reported and paid at the time and in the manner provided by sections 1951-A and 1952.

[2003, c. 390, §11 (AMD) .]

2. **Tax liability subject to assessment, collection and enforcement.** The tax liability specified in subsection 1 shall be subject to assessment, collection and enforcement by the State Tax Assessor in the manner provided in chapters 7 and 211 to 225.

[1979, c. 378, §9 (AMD) .]

3. **Refund.** Any such amount which has been paid by or collected from a retailer shall be refunded by the State Tax Assessor to the retailer in accordance with section 2011 only upon submission of proof to the satisfaction of the State Tax Assessor that the amount has been returned or credited to the person or persons from whom it was originally collected. In such cases, interest shall be paid by the State Tax Assessor only upon proof that interest was included in the repayment by the retailer to that person or persons.

[1987, c. 772, §23 (AMD) .]

SECTION HISTORY
1977, c. 316, §1 (NEW). 1979, c. 378, §9 (AMD). 1987, c. 772, §23 (AMD). 2003, c. 390, §11 (AMD).

§1815. TAX FROM SALES OCCURRING ON PASSAMAQUODDY RESERVATION

1. **Passamaquoddy Sales Tax Fund.** The Passamaquoddy Sales Tax Fund, referred to in this section as the "fund," is established as a dedicated account to be administered by the Treasurer of State for the purpose of returning sales tax revenue to the Passamaquoddy Tribe pursuant to subsections 2 and 3.

[1999, c. 477, §1 (NEW) .]

2. **Monthly transfer.** By the 20th day of each month, the assessor shall notify the State Controller and the Treasurer of State of the amount of revenue attributable to the tax collected under this Part in the previous month on sales occurring on the Passamaquoddy reservation at either Pleasant Point or Indian Township reduced by the transfer to the Local Government Fund required by Title 30-A, section 5681. When notified by the assessor, the State Controller shall transfer that amount to the Passamaquoddy Sales Tax Fund.

[1999, c. 477, §1 (NEW) .]

3. **Monthly payment.** By the end of each month, the Treasurer of State shall make payments to the Passamaquoddy Tribe from the Passamaquoddy Sales Tax Fund equal to the amounts transferred into the fund.

[1999, c. 477, §1 (NEW) .]

SECTION HISTORY
1999, c. 477, §1 (NEW).

§1816. SPECIAL RULES FOR MOBILE TELECOMMUNICATIONS SERVICES *(REPEALED)*

SECTION HISTORY
2001, c. 584, §9 (NEW). 2001, c. 584, §10 (AFF). 2003, c. 673, §V29 (AFF). 2003, c. 673, §V24 (RP).

Chapter 215: USE TAX

§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 would be subject to tax under section 1764 or 1811. Every person so storing, using or otherwise consuming is liable for the tax until the person has paid the tax or has taken a receipt from the seller, as duly authorized by the assessor, showing that the seller has collected the sales or use tax, in which case the seller is liable for it. Retailers registered under section 1754-B or 1756 shall collect the tax and make remittance to the assessor. The amount of the tax payable by the purchaser 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 the retailer's own use, use tax liability accrues at the date of withdrawal. [1995, c. 640, §6 (AMD).]

SECTION HISTORY
1965, c. 136, (AMD). P&SL 1967, c. 191, §D3 (AMD). 1967, c. 544, §94 (AMD). 1967, c. 544, §112 (RP). 1969, c. 295, §4 (AMD). 1985, c. 783, §7 (RPR). 1987, c. 497, §41 (AMD). 1991, c. 846, §25 (AMD). 1995, c. 640, §6 (AMD).

§1861-A. REPORTING USE TAX ON INDIVIDUAL INCOME TAX RETURNS

The assessor shall provide that individuals report use tax on items with a sale price of $5,000 or less on their Maine individual income tax returns. Taxpayers are required to attest to the amount of their use tax liability for the period of the tax return. Alternatively, they may elect to report an amount that is .08% of their Maine adjusted gross income. A taxpayer electing to satisfy a use tax liability by estimating it shall calculate the liability in accordance with the use tax table. The estimated liability is applicable only to purchases of any individual items each having a sale price no greater than $1,000. For each taxable item with a sale price greater than $1,000 but no more than $5,000, the actual use tax liability for each purchase must be added to the amount of the estimated liability derived from the use tax table. Upon subsequent review, if use tax liability for the period of the return exceeds the amount of use tax paid with the return, a credit of that amount paid relative to the item or items being supplementarily assessed is allowed. Use tax on any item with a sale price of more than $5,000 must be reported in accordance with section 1951-A. [2007, c. 240, Pt. W, §1 (AMD); 2007, c. 240, Pt. W, §2 (AFF).]

SECTION HISTORY

1989, c. 880, §F (NEW). RR 1991, c. 2, §133 (COR). 1999, c. 521, §A9 (AMD). 1999, c. 521, §A11 (AFF). 2001, c. 583, §12 (AMD). 2003, c. 391, §1 (AMD). 2007, c. 240, Pt. W, §1 (AMD). 2007, c. 240, Pt. W, §2 (AFF).

§1862. SALES OR USE TAX PAID TO ANOTHER JURISDICTION

The tax imposed by this Part does not apply to the use, storage or other consumption in this State of tangible personal property or taxable services purchased outside the State upon which the purchaser has paid a sales or use tax imposed by another taxing jurisdiction that is equal to or greater than the tax imposed by this Part. If the amount of sales or use tax paid to another taxing jurisdiction is less than the amount of tax imposed by this Part, then the purchaser shall pay to the State Tax Assessor an amount sufficient to make the total amount of sales and use tax paid to the other taxing jurisdiction and this State equal to the amount imposed by this Part. [2011, c. 240, §20 (AMD).]

SECTION HISTORY
1985, c. 783, §8 (AMD). 1987, c. 772, §24 (AMD). 2011, c. 240, §20 (AMD).

§1863. NO TAX ON RETURNED MERCHANDISE DONATED TO CHARITY

No use tax may be imposed on the donation of merchandise by a retailer to an organization exempt from taxation under the United States Internal Revenue Code, Section 501(c)(3), as amended, when the merchandise has been returned to the retailer by the purchaser and the retailer then gives to the purchaser an allowance in cash or by credit pursuant to warranty or when the full price of the merchandise returned is refunded, either in cash or by credit, to the purchaser. [1981, c. 503, (NEW).]

SECTION HISTORY
1981, c. 503, (NEW).

§1864. NO USE TAX ON DONATIONS TO EXEMPT ORGANIZATION

A use tax is not imposed on the donation of merchandise by a retailer from inventory to an organization if sales to that organization are exempt from sales tax under section 1760. [2001, c. 439, Pt. II, §1 (NEW); 2001, c. 439, Pt. II, §2 (AFF).]

SECTION HISTORY
2001, c. 439, §II1 (NEW). 2001, c. 439, §II2 (AFF).

§1865. DEPOSIT OF USE TAXES PAID ON CERTAIN FUELS

The Treasurer of State shall deposit all use taxes received for fuel consumed by vehicles operating on rails and qualifying for a fuel tax refund under section 3218 and taxed under this chapter into the Multimodal Transportation Fund account established in Title 23, section 4210-B. [2011, c. 649, Pt. E, §4 (AMD).]

SECTION HISTORY
2003, c. 498, §7 (NEW). 2003, c. 498, §12 (AFF). 2005, c. 457, §GGG6 (AMD). 2011, c. 649, Pt. E, §4 (AMD).

Chapter 217: ADMINISTRATION AND OPERATION

§1901. POWERS OF TAX ASSESSOR

(REPEALED)

SECTION HISTORY
1981, c. 706, §23 (RP).

§1902. ASSISTANTS

(REPEALED)

SECTION HISTORY
1977, c. 165, §1 (AMD). 1981, c. 706, §23 (RP).

§1903. EXAMINATION OF RECORDS AND PREMISES

(REPEALED)

SECTION HISTORY
1981, c. 706, §23 (RP).

§1904. HEARINGS

(REPEALED)

SECTION HISTORY
1981, c. 706, §23 (RP).

§1905. WITNESSES

(REPEALED)

SECTION HISTORY
1981, c. 706, §23 (RP).

§1906. NOTICES, HOW GIVEN

(REPEALED)

SECTION HISTORY
1979, c. 378, §10 (RP).

Chapter 218: TRUST FUNDS

§1921. TAXES HELD IN TRUST FOR THE TAX ASSESSOR

(REPEALED)

SECTION HISTORY
1977, c. 316, §2 (NEW). 1979, c. 378, §11 (AMD). 1985, c. 691, §18 (RP).

§1922. NOTICE TO SEGREGATE TRUST FUNDS

(REPEALED)

SECTION HISTORY

1977, c. 316, §2 (NEW). 1985, c. 691, §18 (RP).

§1923. REVOCATION OF REGISTRATION

(REPEALED)

SECTION HISTORY
1977, c. 316, §2 (NEW). 1977, c. 694, §703 (RPR). 1985, c. 691, §18 (RP).

§1924. MISAPPROPRIATION OF TRUST FUNDS

(REPEALED)

SECTION HISTORY
1977, c. 316, §2 (NEW). 1985, c. 691, §18 (RP).

§1925. REMEDIES NOT EXCLUSIVE

(REPEALED)

SECTION HISTORY
1977, c. 316, §2 (NEW). 1981, c. 706, §24 (RP).

Chapter 219: ASSESSMENT AND COLLECTION OF TAX

§1951. COLLECTION OF TAX; REPORT TO TAX ASSESSOR

(REPEALED)

SECTION HISTORY
1965, c. 196, §2 (AMD). 1977, c. 679, §6A (AMD). 1991, c. 9, §E23 (RP).

§1951-A. COLLECTION OF TAX; REPORT TO STATE TAX ASSESSOR

1. **Monthly report and payment.** Every retailer shall file with the State Tax Assessor, on or before the 15th day of each month, a return made under the penalties of perjury on a form prescribed by the assessor. The return must report the total sale price of all sales made during the preceding calendar month and such other information as the assessor requires. The assessor may permit the filing of returns other than monthly. The assessor, by rule, may waive reporting nontaxable sales. The assessor may for good cause extend for not more than 30 days the time for filing returns required under this Part. Every person subject to the use tax shall file similar returns, at similar dates, and pay the tax or furnish a receipt for the tax from a registered retailer.

[2011, c. 285, §7 (AMD) .]

2. **Estimated payment.**

[1999, c. 471, §1 (RP) .]

3. **Reporting tax on casual rentals on individual income tax returns.** An individual whose only sales tax collection responsibility under this Title is the collection of sales tax on casual rentals of living quarters pursuant to section 1764 and whose sales tax liability in connection with those rentals during the period of the individual's income tax return is expected to be less than $2,000 may report and pay that sales

tax on the individual's Maine income tax return for that year in lieu of filing returns under subsection 1. If the individual's actual sales tax liability in connection with those rentals is $2,000 or more for that year, the individual must file returns as required under subsection 1 during the succeeding year.

[2011, c. 285, §7 (AMD) .]

SECTION HISTORY
1991, c. 9, §E24 (NEW). 1991, c. 780, §Q2 (AMD). 1991, c. 780, §Q4 (AFF). 1993, c. 395, §16 (AMD). 1999, c. 471, §1 (AMD). 2007, c. 438, §50 (AMD). 2007, c. 539, Pt. KKK, §1 (AMD). 2011, c. 285, §7 (AMD).

§1952. PAYMENT OF TAX

The taxes imposed by chapters 211 to 225 on sales of tangible personal property and taxable services are due and payable at the time of the sale. Upon such terms and conditions as the State Tax Assessor may prescribe, the assessor may permit a postponement of payment to a date not later than the date on which the sales so taxed are required to be reported. [2003, c. 390, §12 (AMD).]

SECTION HISTORY
1977, c. 198, §7 (AMD). 1977, c. 679, §7 (AMD). 1981, c. 364, §27 (AMD). 2003, c. 390, §12 (AMD).

§1952-A. PAYMENT OF TAX ON VEHICLES AND RECREATIONAL VEHICLES

The tax imposed by this Part on the sale or use of any vehicle, snowmobile, all-terrain vehicle or watercraft must, except where the dealer has collected the tax in full, be paid by the purchaser or other person seeking registration of the vehicle, snowmobile, all-terrain vehicle or watercraft at the time and place of registration. In the case of vehicles, the tax must be collected by the Secretary of State and transmitted to the Treasurer of State as provided by Title 29-A, section 409. In the case of watercraft, snowmobiles and all-terrain vehicles, the tax must be collected by the Commissioner of Inland Fisheries and Wildlife and transmitted to the Treasurer of State as provided by Title 12, sections 13002 to 13005. [2005, c. 218, §26 (AMD).]

SECTION HISTORY
1975, c. 702, §6 (NEW). 1989, c. 588, §C5 (AMD). RR 1991, c. 1, §51 (COR). 1991, c. 586, §6 (AMD). 1995, c. 65, §A143 (AMD). 1995, c. 65, §§A153,C15 (AFF). 1995, c. 467, §18 (AMD). 1995, c. 625, §A50 (AMD). 2003, c. 414, §B64 (AMD). 2003, c. 414, §D7 (AFF). 2003, c. 614, §9 (AFF). 2005, c. 218, §26 (AMD).

§1952-B. MANUFACTURED HOUSING

The tax imposed by this Part on the sale or use of manufactured housing, except when the dealer has collected the tax in full, must be paid by the purchaser to the State Tax Assessor. The assessor shall provide a tax receipt to the purchaser. Upon request by the municipal officials or the Maine Land Use Planning Commission, the receipt must be made available by the purchaser to certify that the tax has been paid, pursuant to Title 30-A, section 4358, subsection 4 or Title 30-A, section 7060, subsection 1, paragraph C. [2005, c. 618, §4 (AMD); 2011, c. 682, §38 (REV).]

A valid bill of sale from a dealer showing that the tax has been collected in full serves to certify that the tax has been paid, pursuant to Title 30-A, section 4358, subsection 4, or Title 30-A, section 7060, subsection 1, paragraph C, in lieu of a tax receipt provided by the assessor. [2005, c. 618, §4 (AMD).]

SECTION HISTORY

1987, c. 647, §4 (NEW). 1991, c. 846, §26 (AMD). 2005, c. 618, §4 (AMD). 2011, c. 682, §38 (REV).

§1953. TAX A DEBT; RECOVERY; PREFERENCE

The taxes, interest and penalties imposed by chapters 7 and 211 to 225, from the time they are due, are a personal debt of the retailer or user to the State, recoverable in any court of competent jurisdiction in a civil action in the name of the State. [2005, c. 218, §27 (AMD).]

SECTION HISTORY
1979, c. 541, §B46 (AMD). 2005, c. 218, §27 (AMD).

§1954. ARBITRARY ASSESSMENT

(REPEALED)

SECTION HISTORY
1965, c. 196, §3 (AMD). 1979, c. 378, §12 (RP).

§1955. DEFICIENCY ASSESSMENT

(REPEALED)

SECTION HISTORY
1965, c. 196, §4 (AMD). 1975, c. 702, §7 (RPR). 1979, c. 378, §13 (RP).

§1955-A. FAILURE TO PAY TAX ON VEHICLES

If, after notice of assessment and demand for payment, any amount required to be paid for any vehicle is not paid as demanded within the 10-day period prescribed in section 171, the State Tax Assessor, in addition to enforcing collection by any method authorized by Part 1 or this Part, may immediately notify the Secretary of State who shall proceed in accordance with Title 29-A, section 154, subsection 5 to mail the required 10-day notice and suspend any registration certificate and plates issued for the vehicle for which the tax remains unpaid at the expiration of the 10-day period. [1995, c. 65, Pt. A, §144 (AMD); 1995, c. 65, Pt. A, §153 (AFF); 1995, c. 65, Pt. C, §15 (AFF).]

SECTION HISTORY
1975, c. 702, §8 (NEW). 1979, c. 541, §A223 (AMD). 1987, c. 497, §42 (AMD). 1989, c. 502, §A131 (AMD). 1989, c. 508, §13 (AMD). 1989, c. 878, §A107 (RPR). 1995, c. 65, §A144 (AMD). 1995, c. 65, §§A153,C15 (AFF).

§1955-B. PAYMENT OF TAX ON VEHICLES RESULTING IN PROTEST

If a payment of the tax due for a vehicle results in a protest or is returned by the bank upon which it was drawn because of "Insufficient Funds," "Account Closed," "No Account" or a similar reason, the State Tax Assessor shall promptly mail a notice to the person liable for the payment of the tax warning that person that if payment is not made as demanded within 10 days after the mailing of the notice, the registration issued for the vehicle may be suspended in accordance with Title 29-A, section 154, subsection 5. If that person fails to pay the amount due within 10 days after the mailing of the notice, the assessor, in addition to enforcing collection by any method authorized by Part 1 or this Part, may notify the Secretary of State who, in accordance with Title 29-A, section 154, subsection 5, shall proceed to mail the required 10-day notice and shall suspend the registration issued for the vehicle if the tax remains unpaid at the expiration of the 10-day period. [2011, c. 240, §21 (AMD).]

SECTION HISTORY

1975, c. 702, §8 (NEW). 1989, c. 508, §14 (AMD). 1995, c. 65, §A145 (AMD). 1995, c. 65, §§A153,C15 (AFF). 2011, c. 240, §21 (AMD).

§1955-C. ASSESSMENT FOR VEHICLES

Certificates forwarded to the State Tax Assessor under Title 29-A, section 409, subsection 4 or Title 12, section 13003, must be treated as returns filed under this Title for purposes of section 141. [2003, c. 414, Pt. B, §65 (AMD); 2003, c. 614, §9 (AFF).]

SECTION HISTORY
1979, c. 378, §14 (NEW). RR 1991, c. 1, §52 (COR). 1991, c. 376, §56 (AMD). 1995, c. 65, §A146 (AMD). 1995, c. 65, §§A153,C15 (AFF). 1995, c. 467, §19 (AMD). 2003, c. 414, §B65 (AMD). 2003, c. 414, §D7 (AFF). 2003, c. 614, §9 (AFF).

§1956. JEOPARDY ASSESSMENTS

(REPEALED)

SECTION HISTORY
1977, c. 316, §3 (RPR). 1979, c. 378, §15 (RP).

§1957. PETITION FOR RECONSIDERATION OF ASSESSMENT

(REPEALED)

SECTION HISTORY
1977, c. 694, §704 (RP).

§1958. APPEALS

(REPEALED)

SECTION HISTORY
1977, c. 694, §704 (RP).

§1959. WARRANT; REQUEST FOR

(REPEALED)

SECTION HISTORY
1975, c. 702, §9 (AMD). 1977, c. 165, §§2-4 (AMD). 1977, c. 694, §705 (AMD). 1981, c. 470, §A157 (AMD). 1985, c. 691, §19 (RP).

§1960. -- ISSUANCE

(REPEALED)

SECTION HISTORY
1985, c. 691, §20 (RP).

§1961. LIEN OF TAX

(REPEALED)

SECTION HISTORY

1975, c. 765, §21 (RPR). 1979, c. 378, §16 (AMD). 1985, c. 691, §21 (RP).

§1962. FORM AND EFFECT

(REPEALED)

SECTION HISTORY
1973, c. 21, §1 (AMD). 1975, c. 765, §22 (AMD). 1977, c. 165, §5 (RPR). 1977, c. 694, §706 (AMD). 1983, c. 480, §A41 (AMD). 1985, c. 691, §22 (RP).

§1963. -- ARREST AND COMMITMENT

(REPEALED)

SECTION HISTORY
1971, c. 622, §127 (AMD). 1975, c. 765, §23 (RP).

§1964. PRIORITY OF TAX

(REPEALED)

SECTION HISTORY
2005, c. 218, §28 (RP).

§1965. ENFORCEMENT OF LIEN

(REPEALED)

SECTION HISTORY
1975, c. 765, §24 (NEW). 1985, c. 691, §23 (RP).

Chapter 221: OVERPAYMENTS, REFUNDS

§2011. OVERPAYMENT; REFUNDS

If the State Tax Assessor determines, upon written application by a taxpayer or during the course of an audit, that any tax under this Part has been paid more than once or has been erroneously or illegally collected or computed, the assessor shall certify to the State Controller the amount paid in excess of that legally due. That amount must be credited by the assessor on any taxes then due from the taxpayer and the balance refunded to the taxpayer or the taxpayer's successor in interest, but no such credit or refund may be allowed unless within 3 years from the date of overpayment either a written petition stating the grounds upon which the refund or credit is claimed is filed with the assessor or the overpayment is discovered on audit. Interest at the rate determined pursuant to section 186 must be paid on any balance refunded pursuant to this chapter from the date the return listing the overpayment was filed or the date the payment was made, whichever is later, except that no interest may be paid with respect to the refunds provided by section 2013 and, in cases of excessive or erroneous collections, interest must be paid in accordance with section 1814, subsection 3. At the election of the assessor, unless the taxpayer specifically requests a cash refund, the refund may be credited to the taxpayer's sales and use tax account, but, in the case of a credit no further interest may accrue from the date of that election. The taxpayer may not apply for a refund of any amount assessed when administrative and judicial review under section 151 has been completed. [2005, c. 218, §29 (AMD).]

A taxpayer dissatisfied with the decision of the assessor, upon a written request for refund filed under this section may request reconsideration and appeal from the reconsideration in the same manner and under the same conditions as in the case of assessments made under chapter 7. The decision of the assessor upon a written request for refund becomes final as to law and fact in the same manner and under the same conditions as in the case of assessments made under chapter 7. [2013, c. 331, Pt. C, §10 (AMD); 2013, c. 331, Pt. C, §41 (AFF).]

SECTION HISTORY
1977, c. 694, §707 (AMD). 1979, c. 378, §17 (AMD). 1981, c. 180, §§2,3 (AMD). 1985, c. 691, §24 (AMD). 1987, c. 772, §25 (AMD). 2005, c. 218, §29 (AMD). 2013, c. 331, Pt. C, §10 (AMD). 2013, c. 331, Pt. C, §41 (AFF).

§2012. REFUND OF SALES TAX ON GOODS REMOVED FROM STATE

When a business which operates from fixed locations within and without this State purchases supplies and equipment in this State, places them in inventory in this State, and subsequently withdraws them from inventory either for use at a location of the business in another taxing jurisdiction or for fabrication, attachment or incorporation into other tangible personal property for use at a location of the business in another taxing jurisdiction, without having made use other than storage or such fabrication, attachment or incorporation within this State, it may request a refund of Maine sales tax paid at the time of purchase, provided it maintains inventory records by which the acquisition and disposition of such supplies and equipment purchased can be traced. No refund shall be made where the taxing jurisdiction to which the supplies and equipment are removed levies a sales or use tax. Such refunds must be requested in accordance with section 2011. [1967, c. 88, (AMD).]

SECTION HISTORY
1967, c. 88, (AMD).

§2013. REFUND OF SALES TAX ON DEPRECIABLE MACHINERY AND EQUIPMENT PURCHASES

1. **Definitions.** As used in this section, unless the context otherwise indicates, the following words have the following meanings.

A. "Commercial agricultural production" means commercial production of crops, plants, trees, compost and livestock. [2011, c. 657, Pt. N, §2 (AMD); 2011, c. 657, Pt. N, §3 (AFF).]

A-1. "Commercial aquacultural production" means the commercial production of cultured fish, shellfish, seaweed or other marine plants for human and animal consumption, including:

(1) All cultivating activities occurring at hatcheries or nurseries, from the egg, larval or spore stages to the transfer of the product to a growing site; and

(2) All cultivating activities occurring on water, from the receipt of fish, shellfish, seaweed or other marine plants from onshore facilities to the delivery of harvested products to onshore facilities for processing. [1993, c. 151, §1 (NEW).]

B. "Commercial fishing" means attempting to catch fish or any other marine animals or organisms with the intent of disposing of them for profit or trade in commercial channels and does not include subsistence fishing for personal use, sport fishing or charter boat fishing where the vessel is used for carrying sport anglers to available fishing grounds. [1993, c. 151, §1 (AMD).]

B-1. "Commercial wood harvesting" means the commercial severance and yarding of trees for sale or for processing into logs, pulpwood, bolt wood, wood chips, stud wood, poles, pilings, biomass or fuel wood or other products commonly known as forest products. [2011, c. 657, Pt. N, §2 (NEW); 2011, c. 657, Pt. N, §3 (AFF).]

C. "Depreciable machinery and equipment" means, except as otherwise provided by this paragraph, that part of the following machinery and equipment for which depreciation is allowable under the Code and repair parts for that machinery and equipment:

(1) New or used machinery and equipment for use directly and primarily in commercial agricultural production, including self-propelled vehicles; attachments and equipment for the production of field and orchard crops; new or used machinery and equipment for use directly and primarily in production of milk, animal husbandry and production of livestock, including poultry; new or used machinery and equipment used in the removal and storage of manure; and new or used machinery and equipment not used directly and primarily in commercial agricultural production, but used to transport potatoes from a truck into a storage location;

(2) New or used watercraft, nets, traps, cables, tackle and related equipment necessary to and used directly and primarily in commercial fishing;

(3) New or used watercraft, machinery or equipment used directly and primarily for commercial aquacultural production, including, but not limited to: nets; ropes; cables; anchors and anchor weights; shackles and other hardware; buoys; fish tanks; fish totes; oxygen tanks; pumping systems; generators; water-heating systems; boilers and related pumping systems; diving equipment; feeders and related equipment; power-generating equipment; tank water-level sensors; aboveground piping; water-oxygenating systems; fish-grading equipment; safety equipment; and sea cage systems, including walkways and frames, lights, netting, buoys, shackles, ropes, cables, anchors and anchor weights; and

(4) New or used machinery and equipment for use directly and primarily in commercial wood harvesting, including, but not limited to, chain saws, skidders, delimbers, forwarders, slashers, feller bunchers and wood chippers.

"Depreciable machinery and equipment" does not include a motor vehicle as defined in section 1752, subsection 7 or a trailer as defined in section 1752, subsection 19-A. [2011, c. 2, §41 (COR).]

[2011, c. 2, §41 (COR) .]

2. **Refund authorized.** Any person, association of persons, firm or corporation that purchases electricity, or that purchases or leases depreciable machinery or equipment, for use in commercial agricultural production, commercial fishing, commercial aquacultural production or commercial wood harvesting or that purchases fuel for use in a commercial fishing vessel must be refunded the amount of sales tax paid upon presenting to the State Tax Assessor evidence that the purchase is eligible for refund under this section.

Evidence required by the assessor may include a copy or copies of that portion of the purchaser's or lessee's most recent filing under the United States Internal Revenue Code that indicates that the purchaser or lessee is engaged in commercial agricultural production, commercial fishing, commercial aquacultural production or commercial wood harvesting and that the purchased machinery or equipment is depreciable for those purposes or would be depreciable for those purposes if owned by the lessee.

In the event that any piece of machinery or equipment is only partially depreciable under the United States Internal Revenue Code, any reimbursement of the sales tax must be prorated accordingly. In the event that electricity or fuel for a commercial fishing vessel is used in qualifying and nonqualifying activities, any reimbursement of the sales tax must be prorated accordingly.

Application for refunds must be filed with the assessor within 36 months of the date of purchase or execution of the lease.

[2011, c. 657, Pt. N, §2 (AMD); 2011, c. 657, Pt. N, §3 (AFF) .]

3. **Purchases made free of tax with certificate.** Sales tax need not be paid on the purchase of electricity, fuel for a commercial fishing vessel or a single item of machinery or equipment if the purchaser has obtained a certificate from the assessor stating that the purchaser is engaged in commercial agricultural production, commercial fishing, commercial aquacultural production or commercial wood harvesting and authorizing the purchaser to purchase electricity, fuel for a commercial fishing vessel or depreciable machinery and equipment without paying Maine sales tax. The seller is required to obtain a copy of the certificate together with an affidavit as prescribed by the assessor, to be maintained in the seller's records, attesting to the qualification of the purchase for exemption pursuant to this section. In order to qualify for this exemption, the electricity, fuel for a commercial fishing vessel or depreciable machinery or equipment must be used directly in commercial agricultural production, commercial fishing, commercial aquacultural production or commercial wood harvesting. In order to qualify for this exemption, the electricity or fuel for a commercial fishing vessel must be used in qualifying activities, including support operations.

[2011, c. 657, Pt. N, §2 (AMD); 2011, c. 657, Pt. N, §3 (AFF) .]

4. **Information on processes for refunds and appeals.** The assessor shall post information describing the process for requesting a refund under this section on the bureau’s publicly accessible website along with a description of the process to appeal a denial of refund request.

[2011, c. 285, §8 (AMD); 2011, c. 285, §15 (AFF) .]

SECTION HISTORY
1977, c. 686, §5 (NEW). 1979, c. 190, (AMD). 1981, c. 364, §28 (AMD). 1981, c. 680, (AMD). 1983, c. 571, §3 (AMD). 1985, c. 411, §§1,2 (AMD). 1985, c. 447, §§1-3 (AMD). 1985, c. 691, §§25,26,48 (AMD). 1985, c. 737, §A98 (AMD). 1989, c. 533, §§11-13 (AMD). 1989, c. 847, §3 (AMD). 1993, c. 151, §1 (AMD). 1993, c. 395, §17 (AMD). 1993, c. 680, §A30 (AMD). 1997, c. 514, §1 (AMD). 1999, c. 708, §32 (AMD). 1999, c. 757, §1 (AMD). 1999, c. 757, §3 (AFF). 2001, c. 396, §24 (AMD). 2005, c. 519, §QQQ1 (AMD). 2005, c. 519, §QQQ2 (AFF). 2005, c. 638, §2 (AMD). 2007, c. 466, Pt. A, §60 (AMD). 2007, c. 649, §8 (AMD). 2009, c. 632, §3 (AMD). RR 2011, c. 2, §41 (COR). 2011, c. 285, §8 (AMD). 2011, c. 285, §15 (AFF). 2011, c. 380, Pt. EEEE, §§1, 2 (AMD). 2011, c. 380, Pt. EEEE, §3 (AFF). 2011, c. 657, Pt. N, §2 (AMD). 2011, c. 657, Pt. N, §3 (AFF).

§2014. FISH PASSAGE FACILITIES

Taxes on the sale or use of materials used in the construction of fish passage facilities in new, reconstructed or redeveloped dams, when the fish passage facilities are built in accordance with plans and specifications approved by the Department of Inland Fisheries and Wildlife or the Department of Marine Resources, shall be refundable. [1983, c. 560, §§4, 6 (NEW).]

The State Tax Assessor shall refund sales or use tax paid on these construction materials upon the submission by a person of the following: [1983, c. 560, §§4, 6 (NEW).]

1. **Certification concerning construction.** A certification from the Department of Inland Fisheries and Wildlife or the Department of Marine Resources that the fish passage facilities were constructed in accordance with approved plans and specifications; and

[1983, c. 560, §§4, 6 (NEW) .]

2. **Application for tax rebate.** An application for a tax rebate which shall state at a minimum the construction materials purchased, its manufacturers, its cost, the use of which the purchaser has made of the materials and the seller from whom the purchase was made, and shall be accompanied by a copy of the purchase invoices.

[1983, c. 560, §§4, 6 (NEW) .]

SECTION HISTORY
1983, c. 560, §§4,6 (NEW).

§2015. RENTAL VEHICLE EXCISE TAX REIMBURSEMENT

1. **Report.** Annually, on or before September 1st, a vehicle owner or rental company engaged in the business of renting automobiles for a period of less than one year, in order to claim an excise tax reimbursement, shall file a report with the State Tax Assessor. The report must include the information required by the State Tax Assessor to determine the taxpayer's excise tax reimbursement entitlement. The State Tax Assessor may extend the September 1st filing deadline for a period not to exceed one year for good cause.

[1993, c. 701, §8 (NEW); 1993, c. 701, §10 (AFF) .]

2. **Reimbursement.** The State Tax Assessor shall determine the reimbursement to be paid to a taxpayer filing a return pursuant to subsection 1. The reimbursement is the amount that is the smaller of:

A. The amount determined by computing the total excise tax credit entitlement during the most recently completed period from July 1st to June 30th for which a taxpayer has filed a return pursuant to subsection 1. An excise tax credit accrues for each vehicle excise tax paid in the prior completed period for which the associated Maine registration was surrendered prior to the expiration of the associated 12-month excise tax period, unless the excise tax was credited to another registration, in which case the 12-month period continues to run in association with the replacement registration. The amount of the credit is equal to the amount of the excise tax paid in order to register the original vehicle multiplied by a fraction, the numerator of which is the number of complete months short of 12 months during which the registration was surrendered and the denominator is 12; or [1993, c. 701, §8 (NEW); 1993, c. 701, §10 (AFF).]

B. Three-tenths of the amount of tax paid to the State by the taxpayer resulting from the tax on the rental of automobiles for a period of less than one year during the most recently completed period from July 1st to June 30th. [1993, c. 701, §8 (NEW); 1993, c. 701, §10 (AFF).]

[1993, c. 701, §8 (NEW); 1993, c. 701, §10 (AFF) .]

3. **Treasurer of State; notification.** Upon the determination of the reimbursement amount to be paid to a vehicle owner or rental company, the State Tax Assessor shall inform the Treasurer of State of the determination and the Treasurer of State shall make the reimbursement. These reimbursements must be accounted for and paid as sales and use tax refunds. Unless the reimbursement is paid before November

1st of the year in which the report required in subsection 1 is filed or within 60 days of the filing of that report, whichever is later, interest at the rate provided in section 186 must be paid for the period of time that transpires after the deadline before payment is made.

[1993, c. 701, §8 (NEW); 1993, c. 701, §10 (AFF) .]

SECTION HISTORY
1993, c. 701, §8 (NEW). 1993, c. 701, §10 (AFF).

§2016. PINE TREE DEVELOPMENT ZONE BUSINESSES; REIMBURSEMENT OF CERTAIN TAXES

1. **Terms defined.** As used in this section, the terms "qualified Pine Tree Development Zone business" and "qualified business activity" have the meanings given to them in Title 30-A, section 5250-I. For the purposes of this section, "primarily" means more than 50% of the time during the period that begins on the date on which the property is first placed in service by the purchaser and ends 2 years from that date or at the time the property is sold, destroyed or otherwise permanently removed from service by the purchaser, whichever occurs first.

[2005, c. 351, §9 (NEW); 2005, c. 351, §26 (AFF) .]

2. **Reimbursement allowed.** A reimbursement is allowed as provided in this section for a tax paid pursuant to this Part with respect to the sale or use of tangible personal property that is physically incorporated in and becomes a permanent part of real property that is owned by or sold to a qualified Pine Tree Development Zone business and that is used directly and primarily by that business in one or more qualified business activities.

[2005, c. 351, §9 (NEW); 2005, c. 351, §26 (AFF) .]

3. **Claim for reimbursement.** Claims under this section for reimbursement of taxes are controlled by this subsection.

A. A claim for reimbursement under this section must be filed by the contractor or subcontractor with the State Tax Assessor within 3 years from the date on which the tangible personal property was incorporated into real property. The reimbursement claim must be submitted on a form prescribed by the assessor and must be accompanied by a statement from a qualified Pine Tree Development Zone business certifying, under penalties of perjury, that the personal property with respect to which the tax was paid by the claimant has been placed in use directly and primarily in a qualified business activity. All records pertaining to such certification and to the transactions in question must be retained for at least 6 years by the contractor or subcontractor, by the qualified Pine Tree Development Zone business and by the person, if any, that sold the real property in question to that business. The reimbursement claim must be accompanied by such additional information as the assessor may require. If a sales or use tax is included in the contractor's or subcontractor's contract price, the contractor or subcontractor shall file, at the request of the qualified Pine Tree Development Zone business, a claim for reimbursement in accordance with this section and pay the reimbursement to the qualified Pine Tree Development Zone business. [2005, c. 351, §9 (NEW); 2005, c. 351, §26 (AFF).]

B. If, by agreement between the contractor or subcontractor and the qualified Pine Tree Development Zone business, the contractor or subcontractor assigns its right to claim and receive reimbursement, the qualified Pine Tree Development Zone business must file a claim for reimbursement in accordance with this subsection. A reimbursement may not be issued to a qualified Pine Tree Development Zone business under this paragraph unless the contractor or subcontractor has previously submitted to the bureau a

certificate, signed by the contractor or subcontractor, releasing the contractor's or subcontractor's claim to the reimbursement. The certificate must be in a format prescribed by the assessor. [2005, c. 351, §9 (NEW); 2005, c. 351, §26 (AFF).]

[2005, c. 351, §9 (NEW); 2005, c. 351, §26 (AFF) .]

4. **Limitations.** The following are the limitations on reimbursements made pursuant to this section.

A. Reimbursements made by the assessor pursuant to this section are limited to taxes paid in connection with sales of tangible personal property that occur within a period of 10 years in the case of a qualified Pine Tree Development Zone business located in a tier 1 location, as defined in Title 30-A, section 5250-I, subsection 21-A, and 5 years in the case of a qualified Pine Tree Development Zone business located in a tier 2 location, as defined in Title 30-A, section 5250-I, subsection 21-B, from the date the qualified Pine Tree Development Zone business receiving the property is certified pursuant to Title 30-A, section 5250-O or by December 31, 2028, whichever occurs first. [2009, c. 627, §7 (AMD); 2009, c. 627, §12 (AFF).]

B. Reimbursement pursuant to this section of taxes paid in connection with the sale of tangible personal property subsequently attached to real property may not be made when those real property improvements:

(1) Are owned by more than one person prior to their acquisition by the qualified Pine Tree Development Zone business whose certification accompanies the reimbursement claim pursuant to subsection 3; or

(2) Have been used for a business purpose by a person other than the qualified Pine Tree Development Zone business whose certification accompanies the reimbursement claim pursuant to subsection 3. [2005, c. 351, §9 (NEW); 2005, c. 351, §26 (AFF).]

[2009, c. 627, §7 (AMD); 2009, c. 627, §12 (AFF) .]

5. **Audit.** The assessor has the authority to audit any claim filed under this section. If the assessor determines that the amount of the claimed reimbursement is incorrect, the assessor shall redetermine the claim and notify the claimant in writing of the redetermination. If the claimant has received reimbursement of an amount that the assessor concludes should not have been reimbursed, the assessor may issue an assessment for that amount within 3 years from the date the reimbursement claim was filed or at any time if a fraudulent reimbursement claim was filed. The claimant may seek reconsideration, pursuant to section 151, of the redetermination or assessment.

[2005, c. 351, §9 (NEW); 2005, c. 351, §26 (AFF) .]

6. **Payment of claims.** The State Tax Assessor shall determine the benefit for each claimant under this section. The assessor shall pay the certified amounts to each approved applicant qualifying for the benefit under this section within 30 days after receipt of a properly completed claim. Interest is not allowed on any payment made to a claimant pursuant to this section.

[2011, c. 655, Pt. L, §3 (AMD) .]

SECTION HISTORY
2005, c. 351, §9 (NEW). 2005, c. 351, §26 (AFF). 2009, c. 461, §25 (AMD). 2009, c. 627, §7 (AMD). 2009, c. 627, §12 (AFF). 2011, c. 655, Pt. L, §3 (AMD).

§2017. QUALIFIED COMMUNITY WIND POWER GENERATOR; REIMBURSEMENT OF CERTAIN TAXES

1. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Primarily" means more than 50% of the time during the period that begins on the date on which the property is first placed in service by the purchaser and ends 2 years from that date or at the time the property is sold, destroyed or otherwise permanently removed from service by the purchaser, whichever occurs first. [2005, c. 646, §6 (NEW).]

A-1. "Community wind power generation facility" means an electricity-generating facility at any one site with an instantaneous generating nameplate capacity of not more than 10 megawatts that is powered entirely by wind energy. [2007, c. 693, §17 (NEW).]

B. "Qualified community wind power generator" means a person that has been certified as a community wind power generator by the Public Utilities Commission pursuant to Title 35-A, section 3403, subsection 3. [2007, c. 693, §18 (AMD); 2007, c. 693, §37 (AFF).]

[2007, c. 693, §§17, 18 (AMD); 2007, c. 693, §37 (AFF) .]

2. **Reimbursement allowed.** A reimbursement is allowed as provided in this section for a tax paid pursuant to this Part with respect to the sale or use of tangible personal property that is physically incorporated in and becomes a permanent part of real property that is owned by or sold to a qualified community wind power generator and that is used directly and primarily in the generation of electricity at a community wind power generation facility in this State.

[2007, c. 693, §19 (AMD); 2007, c. 693, §37 (AFF) .]

3. **Claim for reimbursement.** Claims under this section for reimbursement of taxes are controlled by this subsection.

A. A claim for reimbursement under this section must be filed by the contractor or subcontractor with the State Tax Assessor within 3 years from the date on which the tangible personal property was incorporated into real property. The reimbursement claim must be submitted on a form prescribed by the assessor and must be accompanied by a statement from a qualified community wind power generator certifying, under penalties of perjury, that the personal property with respect to which the tax was paid by the claimant has been placed in use directly and primarily in the generation of electricity in this State at a community wind power generation facility. All records pertaining to such certification and to the transactions in question must be retained for at least 6 years by the contractor or subcontractor, by the qualified community wind power generator and by the person, if any, that sold the real property in question to the qualified community wind power generator. The reimbursement claim must be accompanied by such additional information as the assessor may require. If a sales or use tax is included in the contractor's or subcontractor's contract price, the contractor or subcontractor shall file, at the request of the qualified community wind power generator, a claim for reimbursement in accordance with this section and pay the reimbursement to the qualified community wind power generator. [2007, c. 693, §20 (AMD); 2007, c. 693, §37 (AFF).]

B. If, by agreement between the contractor or subcontractor and the qualified community wind power generator, the contractor or subcontractor assigns its right to claim and receive reimbursement, the qualified community wind power generator must file a claim for reimbursement in accordance with this subsection. Reimbursement may not be issued to a qualified community wind power generator under this paragraph unless the contractor or subcontractor has previously submitted to the assessor a

certificate, signed by the contractor or subcontractor, releasing the contractor's or subcontractor's claim to the reimbursement. The certificate must be in a format prescribed by the assessor. [2007, c. 693, §20 (AMD); 2007, c. 693, §37 (AFF).]

[2007, c. 693, §20 (AMD); 2007, c. 693, §37 (AFF) .]

4. **Limitations.** Limitations on reimbursements made pursuant to this section are governed by this subsection.

A. Reimbursements made by the State Tax Assessor pursuant to this section are limited to taxes paid in connection with sales of tangible personal property that occur within a period of 5 years from the date the qualified community wind power generator receiving the property is certified pursuant to Title 35-A, section 3403, subsection 3 or by December 31, 2011, whichever occurs first. [2007, c. 693, §21 (AMD); 2007, c. 693, §37 (AFF).]

B. Reimbursement pursuant to this section of taxes paid in connection with the sale of tangible personal property subsequently attached to real property may not be made when those real property improvements:

(1) Are owned by more than one person prior to their acquisition by the qualified community wind power generator whose certification accompanies the reimbursement claim pursuant to subsection 3; or

(2) Have been used for a business purpose by a person other than the qualified community wind power generator whose certification accompanies the reimbursement claim pursuant to subsection 3. [2005, c. 646, §6 (NEW).]

[2007, c. 693, §21 (AMD); 2007, c. 693, §37 (AFF) .]

5. **Audit.** The State Tax Assessor has the authority to audit any claim filed under this section. If the assessor determines that the amount of the claimed reimbursement is incorrect, the assessor shall redetermine the claim and notify the claimant in writing of the redetermination. If the claimant has received reimbursement of an amount that the assessor concludes should not have been reimbursed, the assessor may issue an assessment for that amount within 3 years from the date the reimbursement claim was filed or at any time if a fraudulent reimbursement claim was filed. The claimant may seek reconsideration, pursuant to section 151, of the redetermination or assessment.

[2005, c. 646, §6 (NEW) .]

6. **Payment of claims.** The State Tax Assessor shall determine the benefit for each claimant under this section and certify to the State Controller the amount to be transferred to the qualified community wind power generator reimbursement reserve account established, maintained and administered by the State Controller from General Fund undedicated revenue within the sales tax category. The assessor shall pay the certified amounts to each approved applicant qualifying for the benefit under this section within 30 days after receipt of a properly completed claim. Interest is not allowed on any payment made to a claimant pursuant to this section.

§2017. Reimbursement of certain taxes relating to advanced communications technology infrastructure

(As enacted by PL 2005, c. 665, §4 is to REALLLOCATED TO TITLE 36, SECTION 2018)

SECTION HISTORY
2005, c. 646, §6 (NEW). 2005, c. 665, §4 (NEW). 2007, c. 466, Pt. A, §61 (RAL). 2007, c. 693, §§17-21 (AMD). 2007, c. 693, §37 (AFF).

§2018. REIMBURSEMENT OF CERTAIN TAXES RELATING TO ADVANCED COMMUNICATIONS TECHNOLOGY INFRASTRUCTURE

(REALLOCATED FROM TITLE 36, SECTION 2017)
(REPEALED)

SECTION HISTORY
2007, c. 466, Pt. A, §61 (RAL). MRSA T. 36, §2018, sub-§8 (RP).

§2019. REFUND OF SALES TAX ON PURCHASES OF PARTS AND SUPPLIES

1. **Definition.** For purposes of this section, "harvest-related transport of forest products" means the transportation of forest products from the forest land where they were harvested to their initial destination involving production or use.

[2007, c. 658, §3 (NEW) .]

2. **Refund authorized.** The State Tax Assessor shall refund to a person that purchases parts and supplies for use in the repair and maintenance of motor vehicles and trailers that are used directly and primarily in the harvest-related transport of forest products the amount of sales tax paid with respect to those parts and supplies upon the person's presenting evidence that the purchase is eligible for a refund under this section. The refund claim must be submitted on a form prescribed by the assessor and must be accompanied by a copy or copies of that portion of the purchaser's most recent filing under the Code indicating that the purchaser is engaged in the harvest-related transport of forest products and such additional information as the assessor may require. The purchase must have been made on or after April 1, 2008 but before October 1, 2008. An application for a refund under this subsection must be filed with the assessor within 36 months of the date of purchase.

[2007, c. 658, §3 (NEW) .]

3. **Purchases made free of tax with certificate.** Sales tax need not be paid on the purchase of parts and supplies for use in the repair and maintenance of motor vehicles and trailers that are used directly and primarily in the harvest-related transport of forest products if the purchaser has obtained a certificate from the assessor stating that the purchaser is engaged in the harvest-related transport of forest products and authorizing the purchaser to purchase parts and supplies for use in the repair and maintenance of motor vehicles and trailers without paying Maine sales tax. The seller shall obtain a copy of the certificate together with an affidavit as prescribed by the assessor, to be maintained in the seller's records, attesting to the qualification of purchases for exemption pursuant to this section. In order for the purchase of parts and supplies to qualify for this exemption, the motor vehicle or trailer to be repaired or maintained must be used directly and primarily in the harvest-related transport of forest products.

[2007, c. 658, §3 (NEW) .]

4. **Audit.** The assessor may audit a claim for refund filed under subsection 2 or the use of a certificate issued under subsection 3. If the assessor determines that the amount of the claimed refund is incorrect or that the certificate has been used inappropriately, the assessor may issue an assessment within 3 years from the date of purchase or the date the claim was filed, whichever is later, or at any time if a fraudulent claim was filed. The claimant may seek reconsideration of the assessment pursuant to section 151.

[2007, c. 658, §3 (NEW) .]

5. **Payment of claims.** The assessor shall pay the approved amount to qualified applicants under this section within 30 days after receipt of a properly completed claim. Interest is not allowed on any payment made to a claimant pursuant to this section.

[2007, c. 658, §3 (NEW) .]

SECTION HISTORY
2007, c. 658, §3 (NEW).

§2020. REFUND OF SALES TAX ON PURCHASES OF PARTS AND SUPPLIES FOR WINDJAMMERS

1. **Definition.** For purposes of this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Parts and supplies" means any products used directly and primarily for the operation, repair or maintenance of a windjammer, including, but not limited to, sails, rope, wood, rigging, masts, paints, varnishes, undersealers, engines and pumps, and lubricants and fuel. [2011, c. 425, §1 (NEW); 2011, c. 425, §3 (AFF).]

B. "Windjammer" means a United States Coast Guard-certified sailing vessel based in the State of traditional construction and designed to a historic standard that is used primarily for providing overnight passenger cruises along the Maine coast for a fee. [2011, c. 425, §1 (NEW); 2011, c. 425, §3 (AFF).]

[2011, c. 425, §1 (NEW); 2011, c. 425, §3 (AFF) .]

2. **Refund authorized.** The State Tax Assessor shall refund to a person that purchases parts and supplies for use in the operation, repair or maintenance of a windjammer the amount of sales tax paid with respect to those parts and supplies upon the person's presenting evidence that the purchase is eligible for a refund under this section. The refund claim must be submitted on a form prescribed by the assessor and must be accompanied by a copy or copies of that portion of the purchaser's most recent filing under the Code indicating that the purchaser is engaged in the operation of a windjammer and such additional information as the assessor may require. An application for a refund under this subsection must be filed with the assessor within 36 months of the date of purchase.

[2011, c. 425, §1 (NEW); 2011, c. 425, §3 (AFF) .]

3. **Purchases made free of tax with certificate.** Sales tax need not be paid on the purchase of parts and supplies for use in the operation, repair or maintenance of a windjammer if the purchaser has obtained a certificate from the assessor stating that the purchaser is engaged in the operation of a windjammer and authorizing the purchaser to purchase parts and supplies for use in the operation, repair and maintenance of a windjammer without paying Maine sales tax. The seller shall obtain a copy of the certificate together with an affidavit as prescribed by the assessor, to be maintained in the seller's records, attesting to the qualification of purchases for exemption pursuant to this section.

[2011, c. 425, §1 (NEW); 2011, c. 425, §3 (AFF) .]

4. **Audit.** The assessor may audit a claim for refund filed under subsection 2 or the use of a certificate issued under subsection 3. If the assessor determines that the amount of the claimed refund is incorrect or that the certificate has been used inappropriately, the assessor may issue an assessment within 3 years from the date of purchase or the date the claim was filed, whichever is later, or at any time if a fraudulent claim was filed. The claimant may seek reconsideration of the assessment pursuant to section 151.

[2011, c. 425, §1 (NEW); 2011, c. 425, §3 (AFF) .]

5. **Payment of claims.** The assessor shall pay the approved amount to qualified applicants under this section within 30 days after receipt of a properly completed claim. Interest is not allowed on any payment made to a claimant pursuant to this section.

[2011, c. 425, §1 (NEW); 2011, c. 425, §3 (AFF) .]

SECTION HISTORY
2011, c. 425, §1 (NEW). 2011, c. 425, §3 (AFF).

Chapter 223: RECORDS

§2061. RECORDS OF RETAILERS

(REPEALED)

SECTION HISTORY
1965, c. 362, §7 (AMD). 1979, c. 378, §18 (RP).

§2062. TAX ASSESSOR'S RECORDS CONFIDENTIAL

(REPEALED)

SECTION HISTORY
1969, c. 584, §2 (AMD). 1977, c. 668, §3 (RP).

Chapter 225: ENFORCEMENT AND PENALTIES

§2111. INJUNCTIONS

(REPEALED)

SECTION HISTORY
1981, c. 470, §A158 (AMD). 2001, c. 583, §13 (RP).

§2112. PENALTIES

(REPEALED)

SECTION HISTORY
1977, c. 679, §8 (RP).

§2113. CRIMINAL PENALTIES

(REPEALED)

SECTION HISTORY
1977, c. 696, §277 (AMD). 1991, c. 780, §CCC3 (AMD). 1995, c. 639, §9 (AMD). 1995, c. 640, §7 (AMD). 1997, c. 393, §A42 (RPR). 2003, c. 452, §X2 (AFF). 2003, c. 452, §U5 (RPR). 2007, c. 438, §51 (RP).

Part 4: BUSINESS TAXES

Chapter 351: GENERAL PROVISIONS

§2351. FAILURE TO MAKE RETURN; ASSESSMENT

(REPEALED)

SECTION HISTORY
1965, c. 135, §2 (AMD). 1973, c. 788, §188 (RP).

§2352. AUTHORITY OF STATE TAX ASSESSOR TO EXAMINE BOOKS

(REPEALED)

SECTION HISTORY
1965, c. 135, §3 (AMD). 1973, c. 788, §189 (AMD). 1975, c. 623, §58 (AMD). 1977, c. 679, §§9, 10 (AMD). 1981, c. 364, §29 (RP).

Chapter 353: CORPORATE FRANCHISES

§2401. TAXATION AND RATE

(REPEALED)

SECTION HISTORY
1971, c. 439, §24 (AMD). 1973, c. 730, §6 (RP).

§2402. TAXES, HOW ASSESSED, WHEN DUE AND PAYABLE

(REPEALED)

SECTION HISTORY
1971, c. 565, §23 (AMD). 1973, c. 730, §6 (RP).

§2403. TAX TO BE A DEBT DUE FROM CORPORATION

(REPEALED)

SECTION HISTORY
1973, c. 382, §1 (AMD). 1973, c. 730, §6 (RP).

§2404. NEGLECT OR REFUSAL TO PAY

(REPEALED)

SECTION HISTORY
1973, c. 382, §2 (AMD). 1973, c. 730, §6 (RP).

§2405. COMPANY IN ARREARS 6 MONTHS

(REPEALED)

SECTION HISTORY
1973, c. 382, §3 (RP).

§2406. PREPARATION AND PUBLICATION OF ANNUAL LIST

(REPEALED)

SECTION HISTORY
1971, c. 565, §24 (AMD). 1973, c. 382, §4 (AMD). 1973, c. 730, §6 (RP).

§2407. REVIVAL OF CHARTER; RECORDING OF DATA

(REPEALED)

SECTION HISTORY
1973, c. 730, §7 (AMD). 1975, c. 18, §4 (RP).

Chapter 355: EXPRESS COMPANIES

§2461. COMPANIES AND PERSONS DOING EXPRESS BUSINESS TO APPLY ANNUALLY FOR LICENSE AND TO PAY TAX

(REPEALED)

SECTION HISTORY
1965, c. 135, §4 (RP).

§2462. ANNUAL RETURN TO STATE TAX ASSESSOR; ASSESSMENT OF TAX

(REPEALED)

SECTION HISTORY
1965, c. 135, §4 (RP).

§2463. STATE TAX IN PLACE OF LOCAL TAXATION

(REPEALED)

SECTION HISTORY
1965, c. 135, §4 (RP).

§2464. PENALTY

(REPEALED)

SECTION HISTORY
1965, c. 135, §4 (RP).

Chapter 357: INSURANCE COMPANIES

§2511. COMPANIES TAXABLE; RATE

(REPEALED)

SECTION HISTORY
1973, c. 727, §2 (AMD). 1975, c. 241, (AMD). 1981, c. 514, §1 (AMD).
1983, c. 479, §1 (AMD). 1985, c. 783, §9 (RP).

§2512. ANNUAL RETURNS TO SUPERINTENDENT OF INSURANCE

Every domestic life insurance company shall include in its annual return to the Superintendent of Insurance a statement of the amount of premiums and annuity considerations liable to taxation as provided in section 2513, and of the real estate held by it on the 31st day of the previous December, showing in detail the amount of all premiums including annuity considerations whether in cash or notes absolutely payable, received by the company from residents of this State during the preceding calendar year and all dividends paid to policyholders in this State on account of the premiums or annuity considerations as required by blanks furnished by the superintendent. The taxes provided by section 2513 shall be paid as provided in section 2521-A, and this section and section 2518 shall be applicable thereto. [1985, c. 783, §10 (AMD).]

SECTION HISTORY
1973, c. 585, §12 (AMD). 1973, c. 727, §3 (RPR). 1985, c. 783, §10 (AMD).

§2513. TAX ON PREMIUMS AND ANNUITY CONSIDERATIONS

Every insurance company or association that does business or collects premiums or assessments including annuity considerations in the State, including surety companies and companies engaged in the business of credit insurance or title insurance, shall, for the privilege of doing business in this State and in addition to any other taxes imposed for that privilege, pay a tax upon all gross direct premiums including annuity considerations, whether in cash or otherwise, on contracts written on risks located or resident in the State for insurance of life, annuity, fire, casualty and other risks at the rate of 2% a year. Every nonadmitted insurer that does business or collects premiums in the State shall, for the privilege of doing business in this State and in addition to any other taxes imposed for that privilege, pay a tax upon all gross direct premiums, whether in cash or otherwise, as provided in section 2531. For purposes of this section, the term "annuity considerations" includes amounts paid to an insurance company for the purchase of a contract that may result in an annuity, even if the annuitization never occurs or does not occur until some time in the future and the amounts are in the meantime applied to an investment vehicle other than an annuity. This section does not apply to mutual fire insurance companies subject to tax under section 2517 or to captive insurance companies formed or licensed under Title 24-A, chapter 83 or under the laws of another state. [2011, c. 331, §12 (AMD); 2011, c. 331, §§16, 17 (AFF).]

Notwithstanding this section, annuity considerations received in tax years ending prior to January 1, 1999 upon which no tax was paid in the year received must be taxed in the year in which an annuity is actually purchased. [2003, c. 20, Pt. CC, §1 (NEW); 2003, c. 20, Pt. CC, §3 (AFF).]

Notwithstanding this section, for income tax years commencing on or after January 1, 1989, the tax imposed by this section upon all gross direct premiums collected or contracted for on long-term care policies, as certified by the superintendent pursuant to Title 24-A, section 5054, must be at the rate of 1% a year. [2003, c. 20, Pt. CC, §1 (AMD); 2003, c. 20, Pt. CC, §3 (AFF).]

Notwithstanding this section, for tax years commencing on or after January 1, 1997, the tax imposed by this section with respect to premiums on qualified group disability policies written by every insurer, except a large domestic insurer, must be at the rate of 1% and must be at the rate of 2.55% with respect to those premiums written by every large domestic insurer. For the purposes of this section, the term "qualified group disability policies" is limited to group health insurance policies properly reported as such in the insurer's annual statement and whose sole coverage is the full or partial replacement of an individual's income in the event of disability. Policies that contain coverages in addition to replacement of income coverage are considered to solely provide that coverage as long as the premium related to the additional coverages is not more than 10% of the total premium charged. The term "qualified group disability policies" does not include workers' compensation insurance policies, policies that include coverages that are collectively renewable, policies that provide for credit disability insurance or policies that pay benefits only upon the occurrence

of hospitalization. For purposes of this section, a "large domestic insurer" is any insurer domiciled in this State with assets in excess of $5,000,000,000 as reported on its annual statement. [1997, c. 496, §1 (NEW).]

SECTION HISTORY
1973, c. 727, §4 (AMD). 1985, c. 783, §11 (AMD). 1989, c. 556, §B5 (AMD). 1997, c. 496, §1 (AMD). 1997, c. 660, §B4 (AMD). 2003, c. 20, §CC1 (AMD). 2003, c. 20, §CC3 (AFF). 2005, c. 218, §30 (AMD). 2007, c. 240, Pt. KKKK, §1 (AMD). 2007, c. 240, Pt. KKKK, §7 (AFF). 2007, c. 627, §52 (AMD). 2009, c. 625, §9 (AMD). 2011, c. 331, §12 (AMD). 2011, c. 331, §§16, 17 (AFF).

§2513-A. TAX ON PREMIUMS OF RISK RETENTION GROUPS

Each risk retention group, as defined in Title 24-A, section 6093, is liable for payment of premium taxes with respect to direct business for risks resident or located in this State at the same rate and subject to the same interest and penalties as authorized insurers. Each risk retention group shall, on or before March 15th, file with the State Tax Assessor and the Superintendent of Insurance, on forms prescribed by the assessor, a return covering the year ending on the preceding December 31st. At the time of filing the return, each risk retention group shall pay to the assessor the applicable percentage of the difference between the gross and return premiums reported for business transacted during that year. [2007, c. 627, §53 (AMD).]

SECTION HISTORY
1987, c. 481, §4 (NEW). 2007, c. 627, §53 (AMD).

§2513-B. TAX ON PREMIUMS COLLECTED BY CAPTIVE INSURERS; RATE OF TAX

(REPEALED)

SECTION HISTORY
1997, c. 435, §2 (NEW). 1997, c. 583, §6 (AMD). 2007, c. 240, Pt. KKKK, §7 (AFF). 2007, c. 240, Pt. KKKK, §2 (RP).

§2514. APPLICABILITY OF PROVISIONS

Sections 2512 and 2513 shall not apply to the taxation of any annuity consideration on any annuity contract issued prior to August 1, 1943. Sections 2512 and 2513 shall not apply to any premium from an insurance contract, which premium is received prior to October 1, 1969, or any consideration, regardless of when received, from any retirement annuity contracts issued by an insurance or annuity company organized and operated without profit to any private shareholder or individual exclusively for the purpose of aiding nonproprietary educational and scientific institutions pursuant to a retirement program established under the United States Internal Revenue Code, Section 403 (b). Premiums or considerations received from life insurance policies or annuity contracts issued in connection with the funding of a deferred compensation plan described under the United States Internal Revenue Code, Section 457, a pension, annuity or profit-sharing plan or individual retirement account or annuity qualified or exempt under the United States Internal Revenue Code, Section 401, 403, 404, 408 or 501, as now or hereafter amended or renumbered from time to time, shall be exempt from tax. [1987, c. 343, §7 (AMD).]

SECTION HISTORY
1967, c. 453, (AMD). 1969, c. 412, (AMD). 1973, c. 625, §262 (AMD). 1973, c. 727, §5 (AMD). 1975, c. 641, (AMD). 1985, c. 783, §12 (AMD). 1987, c. 343, §7 (AMD).

§2515. AMOUNT OF TAX

In determining the amount of tax due under sections 2513 and 2531, each company shall deduct from the full amount of gross direct premiums the amount of all direct return premiums on the gross direct premiums and all dividends paid to policyholders on direct premiums, and the tax must be computed by those companies or their agents. Except when direct return premiums are returned in the same tax year that the premium was paid, the deduction allowed in this section may be taken only if the tax under this Part has been paid. [2013, c. 331, Pt. C, §11 (AMD).]

SECTION HISTORY
1985, c. 783, §13 (AMD). 1997, c. 435, §3 (AMD). 2003, c. 20, §CC2 (AMD). 2003, c. 20, §CC3 (AFF). 2007, c. 240, Pt. KKKK, §3 (AMD). 2007, c. 240, Pt. KKKK, §7 (AFF). 2013, c. 331, Pt. C, §11 (AMD).

§2516. RETURNS TO STATE TAX ASSESSOR

(REPEALED)

SECTION HISTORY
1973, c. 727, §6 (RP).

§2517. MUTUAL FIRE COMPANIES DOING MILL BUSINESS; RETURNS

Mutual fire insurance companies incorporated under the laws of other states, which insure only factories or mills, or property connected with such factories or mills, admitted to do business in this State, shall comply with all the requirements of law except that in lieu of all other taxation upon premiums in this State, such companies shall pay a tax at the rate of 2% on gross premiums in force on risks in this State, after deducting the unabsorbed portion of such premium, computed at the rate of return actually made on annual policies expiring during the year by said insurance companies. [1973, c. 727, §7 (AMD).]

SECTION HISTORY
1973, c. 727, §7 (AMD).

§2518. NEGLECT TO MAKE RETURN; ASSESSMENT; FAILURE TO PAY

If any insurance company or association fails to pay on demand a tax assessed under section 141, subsection 2, paragraph C, the State Tax Assessor shall certify that failure to the Superintendent of Insurance who shall give notice to the company or association that it may not do any more business in the State. Whoever, after such notice, does business for such company or association is guilty of a Class E crime. [2007, c. 240, Pt. KKKK, §4 (AMD); 2007, c. 240, Pt. KKKK, §7 (AFF).]

SECTION HISTORY
1973, c. 727, §8 (RPR). 1973, c. 785, §12 (AMD). 1977, c. 696, §278 (AMD). 1979, c. 378, §19 (AMD). 1997, c. 435, §4 (AMD). 2007, c. 240, Pt. KKKK, §4 (AMD). 2007, c. 240, Pt. KKKK, §7 (AFF).

§2519. RATIO OF TAX ON FOREIGN INSURANCE COMPANIES

An insurance company incorporated by a state of the United States or province of Canada whose laws impose upon insurance companies chartered by this State a greater tax than is provided in this chapter shall pay the same tax upon business done by it in this State, in place of the tax provided in any other section of this chapter. If the insurance company fails to pay the tax as provided in section 2521-A, the assessor shall certify that failure to the Superintendent of Insurance, who shall suspend the insurance company's right to do business in this State. For purposes of this section, an insurance company incorporated by another country is deemed to be incorporated by the state where it has elected to make its deposit and establish its principal

agency in the United States. For nonadmitted insurance premiums subject to section 2531, the rate applied pursuant to this section must be the highest rate that the state or province applies to nonadmitted insurance premiums taxed in that state or province. [2011, c. 548, §18 (AMD).]

SECTION HISTORY
1973, c. 585, §12 (AMD). 1973, c. 727, §9 (RPR). 2011, c. 331, §13 (AMD). 2011, c. 331, §16, 17 (AFF). 2011, c. 548, §18 (AMD).

§2520. RECIPROCAL CONTRACTS OF INDEMNITY

Every attorney-in-fact of a reciprocal insurer by or through whom are issued policies or contracts of indemnity by a reciprocal insurer as defined in Title 24-A, section 402, subsection 1, in lieu of all other taxation, state, county or municipal, in this State, shall pay a tax at the rate of 2% on gross premiums or deposits actually received during the year after deducting amounts that are actually returned to policyholders as the unused part of a premium or deposit or credited on the renewal or extension of the indemnity. [2009, c. 434, §27 (AMD).]

SECTION HISTORY
1969, c. 132, §10 (AMD). 1973, c. 727, §10 (RPR). 2009, c. 434, §27 (AMD).

§2521. POWER AND AUTHORITY OF DOMESTIC COMPANIES

Every domestic insurance company and its officers, directors and agents and employees shall have power and authority to comply with any statute, ordinance or other law of any state, territory or political subdivision thereof, including the District of Columbia, imposing any license, excise, privilege, occupation, premium or other tax or fee or deposit requirement. No such company, officer, director, employee or agent shall be subject to liability by reason of any such compliance or payment either heretofore or hereafter made, if at a later date the Supreme Court of the United States declares such tax or deposit to be unconstitutional.

§2521-A. RETURNS; PAYMENT OF TAX

Every insurance company, association, producer or attorney-in-fact of a reciprocal insurer subject to the tax 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 assessor, a return for the quarter ending on the last day of the preceding calendar month, except for the return due on the 25th day of June, which is for the quarter ending June 30th. A final return must be filed on or before March 15th, covering the prior calendar year. The 3 quarterly returns may be on an estimated basis, as long as each April and June installment equals 35% of the total tax paid for the preceding calendar year or at least 35% of the total tax to be paid for the current calendar year and each October installment equals 15% of the total tax paid for the preceding calendar year or at least 15% of the total tax to be paid for the current calendar year. [2007, c. 627, §96 (AFF); 2007, c. 627, §54 (RPR).]

At the time of filing the returns, each insurance company, association, producer or attorney-in-fact of a reciprocal insurer shall pay to the assessor the amount of tax shown due. [2007, c. 627, §96 (AFF); 2007, c. 627, §54 (RPR).]

An insurance company, association, producer or attorney-in-fact of a reciprocal insurer whose annual tax liability under this chapter does not exceed $1,000 may file an annual return with payment on or before March 15th covering the prior calendar year. [2007, c. 627, §96 (AFF); 2007, c. 627, §54 (RPR).]

SECTION HISTORY
1973, c. 727, §11 (NEW). 1975, c. 377, (AMD). 1977, c. 679, §11 (AMD). 1981, c. 364, §30 (AMD). 1989, c. 702, §E13 (AMD). 1991, c. 528, §§PPP1,2 (AMD). 1991, c. 528, §§PPP5,RRR (AFF). 1991, c. 591, §§PPP1,2

(AMD). 1991, c. 591, §PPP5 (AFF). 1991, c. 846, §27 (AMD). 1993, c. 410, §OO1 (AMD). 1997, c. 435, §5 (AMD). 1999, c. 414, §26 (AMD). 2005, c. 218, §31 (AMD). 2007, c. 240, Pt. KKKK, §5 (AMD). 2007, c. 240, Pt. KKKK, §7 (AFF). 2007, c. 437, §12 (AMD). 2007, c. 437, §22 (AFF). 2007, c. 627, §96 (AFF). 2007, c. 627, §54 (RPR).

§2521-B. SELF-INSURERS; RETURN FOR CALENDAR YEAR 1982

(REPEALED)

SECTION HISTORY
1981, c. 706, §25 (NEW). 1983, c. 479, §2 (RP). RR 1991, c. 1, §53 (COR). 1991, c. 528, §PPP3 (NEW). 1991, c. 528, §§PPP4,5,RRR (AFF). 1991, c. 591, §PPP3 (NEW). 1991, c. 591, §§PPP4,5 (AFF).

§2521-C. RETURNS; PAYMENT OF TAX

(REPEALED)

SECTION HISTORY
RR 1991, c. 1, §53 (RNU). 1991, c. 591, §PPP3 (NEW). 1991, c. 591, §§PPP4,5 (AFF). 1991, c. 846, §28 (AMD). 1991, c. 846, §41 (AFF). 1993, c. 410, §OO2 (RP).

§2522. ASSESSMENT OF TAX; NOTICE; SUSPENSION FOR NONPAYMENT

The State Tax Assessor shall notify the several companies and attorneys-in-fact of a reciprocal insurer mentioned in section 2520, and unless the tax, penalty and interest is paid, the Superintendent of Insurance shall suspend the right of the company or attorney-in-fact of a reciprocal insurer to do any further business in the State until the tax, penalty or interest is paid. [1973, c. 727, §12 (RPR).]

SECTION HISTORY
1973, c. 585, §12 (AMD). 1973, c. 727, §12 (RPR).

§2523. TAXATION OF WORKERS' COMPENSATION INSURERS

1. **Tax on insurance companies.** Every insurance company or association which does business or collects premiums or assessments for workers' compensation insurance in this State shall, for the privilege of doing business in this State and in addition to any other taxes imposed for that privilege, pay a tax of 2% upon all gross direct premiums written, whether in cash or in notes absolutely payable on contracts written on risks located or resident in the State for workers' compensation insurance, less return premiums thereon and less all dividends paid to policyholders.

The tax levied under this section is in lieu of the taxes levied under section 2513, insofar as those taxes are based on workers' compensation insurance premiums.

[1985, c. 783, §14 (RPR) .]

2. **Returns.** Insurance companies and associations shall file a separate return under section 2521-A for the tax levied by this section.

[1983, c. 479, §3 (NEW) .]

3. **Fund.** Taxes collected under this section shall be paid forthwith by the State Tax Assessor to the General Fund.

[1983, c. 479, §3 (NEW) .]

SECTION HISTORY
1983, c. 479, §3 (NEW). 1985, c. 783, §14 (AMD).

§2524. CREDIT FOR EMPLOYER-ASSISTED DAY CARE

1. **Credit allowed.** A taxpayer under this chapter constituting an employing unit is allowed a credit against the tax imposed by this chapter for each taxable year equal to the lowest of:

A. Five thousand dollars; [1987, c. 343, §8 (NEW).]

B. Twenty percent of the costs incurred by the taxpayer in providing day care service for children of employees of the taxpayer; or [1987, c. 343, §8 (NEW).]

C. One hundred dollars for each child of an employee of the taxpayer enrolled on a full-time basis, or each full-time equivalent, throughout the taxable year in day care service provided by the taxpayer or in the first year that the taxpayer provides day care services, for each child enrolled on a full-time basis, or each full-time equivalent, on the last day of the year. [1987, c. 343, §8 (NEW).]

[1989, c. 502, Pt. B, §48 (AMD) .]

2. **Definitions.** As used in this section, unless the context indicates otherwise, the following terms have the following meanings.

A. "Employing unit" has the same meaning as in Title 26, section 1043. [1987, c. 343, §8 (NEW).]

B. "Providing day care services" means expending funds to build, furnish, license, staff, operate or subsidize a day care center licensed by the Department of Health and Human Services to provide day care services to children of employees of the taxpayer at no profit to the taxpayer or to contract with a day care facility licensed by or registered with the department to provide day care services to children of the employees of the taxpayer. "Providing day care services" also includes the provision of day care resource and referral services to employees and the provision of vouchers by an employer to an employee for purposes of paying for day care services for children of the employee. [1987, c. 343, §8 (NEW); 2003, c. 689, Pt. B, §6 (REV).]

C. "Quality child care services" has the meaning set forth in section 5219-Q, subsection 1. [2001, c. 396, §25 (AMD).]

[2001, c. 396, §25 (AMD); 2003, c. 689, Pt. B, §6 (REV) .]

3. **Carryover; carry back.** The amount of the credit that may be used by a taxpayer for a taxable year may not exceed the amount of tax otherwise due under this section. Any unused credit may be carried over to the following year or years for a period not to exceed 15 years or it may be carried back for a period not to exceed 3 years.

[1987, c. 343, §8 (NEW) .]

4. **Quality child care services.** The credit allowed under subsection 1 doubles in amount if the day care service provided by the taxpayer constitutes quality child care services.

[2001, c. 358, Pt. D, §1 (AFF); 2001, c. 396, §26 (AMD) .]

SECTION HISTORY

1987, c. 343, §8 (NEW). 1989, c. 502, §B48 (AMD). 1999, c. 401, §§NNN1,2 (AMD). 1999, c. 401, §§NNN8,9 (AFF). 2001, c. 358, §D1 (AFF). 2001, c. 396, §§25,26 (AMD). 2003, c. 689, §B6 (REV).

§2525. EMPLOYER-PROVIDED LONG-TERM CARE BENEFITS

1. **Credit.** A taxpayer under this chapter constituting an employing unit is allowed a credit against the tax imposed by this chapter for each taxable year that begins on or after July 10, 1989 and before January 1, 2000 equal to the lowest of the following:

A. Five thousand dollars; [1989, c. 556, Pt. B, §6 (NEW).]

B. Twenty percent of the costs incurred by the taxpayer in providing long-term care policy coverage as part of a benefit package; or [1989, c. 556, Pt. B, §6 (NEW).]

C. One hundred dollars for each employee covered by an employer-provided long-term care policy. [1989, c. 556, Pt. B, §6 (NEW).]

[1999, c. 521, Pt. C, §1 (AMD); 1999, c. 521, Pt. C, §9 (AFF) .]

2. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Long-term care policy" has the same meaning as in Title 24-A, section 5051. [1989, c. 556, Pt. B, §6 (NEW).]

B. "Employing unit" has the same meaning as in Title 26, section 1043. [1989, c. 556, Pt. B, §6 (NEW).]

[1989, c. 556, Pt. B, §6 (NEW) .]

3. **Limitation.** The amount of the credit that may be used by a taxpayer for a taxable year may not exceed the amount of tax otherwise due under this chapter. Any unused credit may be carried over to the following year or years for a period not to exceed 15 years.

[1989, c. 556, Pt. B, §6 (NEW) .]

SECTION HISTORY
1989, c. 556, §B6 (NEW). 1999, c. 521, §C1 (AMD). 1999, c. 521, §C9 (AFF).

§2525-A. EMPLOYER-PROVIDED LONG-TERM CARE BENEFITS ON AND AFTER JANUARY 1, 2000

1. **Credit.** A taxpayer under this chapter constituting an employing unit is allowed a credit against the tax imposed by this chapter for each taxable year equal to the lowest of the following:

A. Five thousand dollars; [1999, c. 521, Pt. C, §2 (NEW); 1999, c. 521, Pt. C, §9 (AFF).]

B. Twenty percent of the costs incurred by the taxpayer in providing eligible long-term care insurance as part of a benefit package; or [2001, c. 679, §2 (AMD); 2001, c. 679, §6 (AFF).]

C. One hundred dollars for each employee covered by employer-provided eligible long-term care insurance. [2001, c. 679, §2 (AMD); 2001, c. 679, §6 (AFF).]

[2001, c. 679, §2 (AMD); 2001, c. 679, §6 (AFF) .]

2. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Employing unit" has the same meaning as in Title 26, section 1043. [1999, c. 521, Pt. C, §2 (NEW); 1999, c. 521, Pt. C, §9 (AFF).]

B. [2001, c. 679, §6 (AFF); 2001, c. 679, §2 (RP).]

C. "Eligible long-term care insurance" means:

(1) For tax years beginning on or after January 1, 2000, a qualified long-term care insurance contract as defined in the Code, Section 7702B(b); and

(2) For tax years beginning on or after January 1, 2002, a contract specified in subparagraph (1) or a long-term care insurance policy certified by the Superintendent of Insurance under Title 24-A, section 5075-A. [2001, c. 679, §2 (NEW); 2001, c. 679, §6 (AFF).]

[2001, c. 679, §2 (AMD); 2001, c. 679, §6 (AFF) .]

3. **Limitation.** The amount of the credit that may be used by a taxpayer for a taxable year may not exceed the amount of tax otherwise due under this chapter. Any unused credit may be carried over to the following year or years for a period not to exceed 15 years.

[1999, c. 521, Pt. C, §2 (NEW); 1999, c. 521, Pt. C, §9 (AFF) .]

SECTION HISTORY
1999, c. 521, §C2 (NEW). 1999, c. 521, §C9 (AFF). 2001, c. 679, §2 (AMD). 2001, c. 679, §6 (AFF).

§2526. SOLID WASTE REDUCTION INVESTMENT TAX CREDIT

(REPEALED)

SECTION HISTORY
1989, c. 927, §1 (NEW). RR 1991, c. 2, §134 (COR). 1991, c. 528, §§R8,9 (AMD). 1991, c. 528, §§R19,RRR (AFF). 1991, c. 591, §§R8,9 (AMD). 1991, c. 591, §R19 (AFF). 1991, c. 846, §§29,30 (AMD). 1993, c. 433, §1 (AMD). 1995, c. 368, §NN1 (AMD). 1995, c. 656, §§A14,15 (AMD). 1997, c. 24, §C5 (AMD). 2007, c. 438, §52 (RP).

§2527. EDUCATIONAL ATTAINMENT INVESTMENT TAX CREDIT

(REPEALED)

SECTION HISTORY
2001, c. 700, §2 (NEW). 2001, c. 700, §§10,11 (AFF). 2003, c. 20, §DD3 (AMD). 2003, c. 451, §JJ3 (AMD). 2005, c. 12, §Q3 (AMD). 2007, c. 1, Pt. O, §§3, 4 (AMD). 2007, c. 1, Pt. O, §9 (AFF). 2007, c. 539, Pt. RR, §1 (RP).

§2528. RECRUITMENT CREDIT

(REPEALED)

SECTION HISTORY
2001, c. 700, §2 (NEW). 2001, c. 700, §§10,11 (AFF). 2003, c. 20, §DD4 (AMD). 2003, c. 451, §JJ4 (AMD). 2005, c. 12, §Q4 (AMD). 2007, c. 1, Pt. O, §5 (AMD). 2007, c. 1, Pt. O, §9 (AFF). 2007, c. 539, Pt. SS, §1 (RP).

§2529. PINE TREE DEVELOPMENT ZONE TAX CREDIT

1. **Credit allowed.** A taxpayer that is a qualified Pine Tree Development Zone business as defined in Title 30-A, section 5250-I, subsection 17 is allowed a credit in the amount of:

A. One hundred percent of the tax that would otherwise be due under this chapter upon premiums that are attributable to a qualified business activity as defined in Title 30-A, section 5250-I, subsection 16 for each of the first 5 tax years beginning with the tax year in which the taxpayer commences its qualified business activity; and [2005, c. 351, §26 (AFF); 2005, c. 351, §10 (RPR).]

B. For a business located in a tier 1 location, as defined in Title 30-A, section 5250-I, subsection 21-A, 50% of the tax that would otherwise be due under this chapter upon premiums that are attributable to a qualified business activity as defined in Title 30-A, section 5250-I, subsection 16 for each of the 5 tax years following the time period in paragraph A. [2009, c. 627, §8 (AMD); 2009, c. 627, §12 (AFF).]

[2009, c. 627, §8 (AMD); 2009, c. 627, §12 (AFF) .]

2. **Apportioned credit in certain circumstances.** In the case of a qualified Pine Tree Development Zone business as defined in Title 30-A, section 5250-I, subsection 17 that engages in both qualified and nonqualified business activities in the State, the credit provided for in this section is limited to that portion that is attributable to the qualified business activity. The limitation is calculated by an apportionment. The apportionment is determined by a fraction, the numerator of which is the property value plus the payroll for the taxable year attributed to the qualified business activity of the business and the denominator of which is the statewide property value plus payroll for the taxable year of the business.

If the apportionment provisions of this subsection do not fairly reflect the amount of the credit associated with the taxpayer's qualified business activity, the taxpayer may petition for, or the State Tax Assessor may require, in respect to all or any part of the taxpayer's business activity, the employment of another reasonable method to effectuate an equitable apportionment of the credit associated with the taxpayer's qualified business activity.

[2005, c. 351, §26 (AFF); 2005, c. 351, §11 (RPR) .]

3. **Limitation.** The credit provided by this section may not be claimed for calendar years beginning on or after January 1, 2029.

[2009, c. 627, §9 (AMD) .]

4. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Property" means the average value of the taxpayer's real and tangible personal property that is owned or rented and used during the tax period. Property owned by the taxpayer is valued at its original cost. Property rented by the taxpayer is valued at 8 times the net annual rental rate. The net annual rental rate is the annual rental rate paid by the taxpayer. [2005, c. 351, §12 (NEW).]

B. "Payroll" means the total amount paid in this State during the tax period by the taxpayer for compensation, including wages, pretax employee contributions made to a benefit package and employer contributions made to an employee benefit package. [2005, c. 351, §12 (NEW).]

[2005, c. 351, §12 (NEW) .]

SECTION HISTORY
2003, c. 451, §NNN4 (NEW). 2003, c. 451, §NNN8 (AFF). 2003, c. 688, §D4 (AMD). 2005, c. 351, §§10-12 (AMD). 2005, c. 351, §26 (AFF). 2009, c. 627, §§8, 9 (AMD). 2009, c. 627, §12 (AFF).

§2530. MAINE LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION CREDIT

A taxpayer is allowed a credit against the tax otherwise due under this chapter as determined under Title 24-A, section 4621. [2005, c. 346, §15 (NEW); 2005, c. 346, §16 (AFF).]

SECTION HISTORY
2005, c. 346, §15 (NEW). 2005, c. 346, §16 (AFF).

§2531. TAXATION OF NONADMITTED INSURANCE COVERAGE

1. **Generally.** All gross direct insurance premiums and annuity considerations paid to insurers that do not have certificates of authority to do business in this State issued by the Superintendent of Insurance pursuant to Title 24-A are subject to taxation in accordance with this section if this State is the insured's home state, as defined in the federal Nonadmitted and Reinsurance Reform Act of 2010, Public Law 111-203, Section 527. This section does not apply to reinsurance premiums paid by an authorized domestic insurer.

[2011, c. 548, §36 (AFF); 2011, c. 548, §19 (RPR) .]

2. **Rate and incidence of tax.** Except as otherwise provided in section 2519 or 2532, the rate of taxation is 3% of the premiums subject to tax under this section. For all coverage placed in accordance with Title 24-A, chapter 19, the tax must be paid by the surplus lines producer. For all other nonadmitted insurance, the tax must be paid by the insured.

[2011, c. 548, §36 (AFF); 2011, c. 548, §19 (RPR) .]

3. **Returns.** Except as otherwise provided in accordance with a multistate agreement entered into pursuant to section 2532, every producer holding surplus lines authority in this State shall file a return and pay the tax due in accordance with section 2521-A and every insured subject to tax in accordance with this section shall file a return and pay the tax due subject to the same requirements as provided in section 2521-A. An insurance agency may elect to collect and pay the tax on surplus lines premiums on behalf of all of its employees who are surplus lines producers and file a single return.

[2011, c. 548, §36 (AFF); 2011, c. 548, §19 (RPR) .]

SECTION HISTORY
2011, c. 331, §14 (NEW). 2011, c. 331, §§16, 17 (AFF). 2011, c. 380, Pt. Q, §5 (NEW). 2011, c. 380, Pt. Q, §7 (AFF). 2011, c. 453, §4 (NEW). 2011, c. 548, §36 (AFF). 2011, c. 548, §19 (RPR).

§2532. AUTHORITY TO ENTER INTO MULTISTATE AGREEMENT

1. **Authority; multistate agreement.** The State Tax Assessor may, after consultation with the Department of Professional and Financial Regulation, Bureau of Insurance, enter into a multistate agreement, in accordance with the federal Nonadmitted and Reinsurance Reform Act of 2010, Public Law 111-203, Section 521, for the reporting of nonadmitted insurance premiums and the collection and allocation of nonadmitted insurance taxes. For any nonadmitted insurance premiums that are subject to taxation by this State and interstate allocation of taxes in accordance with the federal Nonadmitted and Reinsurance Reform Act of 2010, Public Law 111-203, Section 521, the rate of taxation on each participating state's share of the premium must be that state's applicable nonadmitted insurance premium tax rate.

[2011, c. 331, §15 (NEW); 2011, c. 331, §§16, 17 (AFF) .]

2. **Fiscal analysis; consultation.** The State Tax Assessor may not enter into a multistate agreement pursuant to subsection 1 unless the assessor has:

A. Completed a fiscal analysis of the impact of the agreement that examines the expected effects on the State's gross receipt of premium tax; and [2011, c. 331, §15 (NEW); 2011, c. 331, §§16, 17 (AFF).]

B. Concluded, after consultation with representatives of surplus lines insurers, admitted insurers and surplus lines producers, that entering into the agreement:

(1) Is in this State's financial best interest;

(2) Does not significantly increase administrative burden and cost to the State, surplus lines insurers and insureds; and

(3) Is consistent with the requirements of the federal Nonadmitted and Reinsurance Reform Act of 2010, Public Law 111-203. [2011, c. 331, §15 (NEW); 2011, c. 331, §§16, 17 (AFF).]

[2011, c. 331, §15 (NEW); 2011, c. 331, §§16, 17 (AFF) .]

SECTION HISTORY
2011, c. 331, §15 (NEW). 2011, c. 331, §§16, 17 (AFF).

§2533. NEW MARKETS CAPITAL INVESTMENT CREDIT

A person that is subject to tax under this chapter, or would be subject to tax under this chapter if it did business or collected premiums or assessments in this State, that holds a qualified equity investment certified by the Finance Authority of Maine pursuant to Title 10, section 1100-Z, subsection 3, paragraph G is allowed a credit equal to the amount determined in accordance with section 5219-HH against the tax otherwise due under this chapter. Section 5219-HH governs the allowance of the credit and limitations on the amount, refundability, carry-over and recapture of the credit. [2011, c. 548, §20 (NEW); 2011, c. 548, §35 (AFF).]

SECTION HISTORY
2011, c. 548, §20 (NEW). 2011, c. 548, §35 (AFF).

§2534. CREDIT FOR REHABILITATION OF HISTORIC PROPERTIES

A taxpayer is allowed a credit against the tax otherwise due under this chapter as determined under section 5219-BB. [2011, c. 548, §21 (NEW); 2011, c. 548, §36 (AFF).]

SECTION HISTORY
2011, c. 548, §21 (NEW). 2011, c. 548, §36 (AFF).

Chapter 358: SERVICE PROVIDER TAX

§2551. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF).]

1. **Audio media; audio equipment.** "Audio media" means prerecorded magnetic tapes used for noncommercial playback of sound on audio equipment. "Audio equipment" means equipment used to play audio media and equipment used for recording sound for subsequent noncommercial playback.

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

1-A. **Community support services for persons with mental health diagnoses.** "Community support services for persons with mental health diagnoses" means rehabilitative services provided to adults at least 18 years of age or to emancipated children that are provided in the context of a supportive relationship pursuant to an individual support plan that promotes a person's recovery and integration of the person into the community and that sustain the person in that person's current living situation or another living situation of that person's choice. "Community support services for persons with mental health diagnoses" includes only those services provided by a designated community support services provider licensed by and operating under a contract with the Department of Health and Human Services for such services, whether the provider is reimbursed through participation in the MaineCare program or with state grant funds. "Community support services for persons with mental health diagnoses" includes only those services provided to persons with mental health diagnoses.

[2007, c. 539, Pt. DDD, §1 (AMD) .]

1-B. **Community support services for persons with intellectual disabilities or autism.** "Community support services for persons with intellectual disabilities or autism" means services:

A. That are provided by community-based agencies to children or adults with intellectual disabilities or autism and include assistance with the acquisition, retention or improvement of self-help, socialization and adaptive living skills; and [2011, c. 542, Pt. A, §136 (AMD).]

B. That take place in a nonresidential setting separate from the home or facility in which the child or adult resides, except when a physician has ordered that such services be provided in the child's or adult's home, and focus on enabling the child or adult to attain or maintain maximum functional levels. [2005, c. 386, Pt. S, §1 (NEW); 2005, c. 386, Pt. S, §9 (AFF).]

"Community support services for persons with intellectual disabilities or autism" includes only those services provided by designated agencies under a contract with the Department of Health and Human Services.

[2011, c. 542, Pt. A, §136 (AMD) .]

1-C. **Ancillary service.** "Ancillary service" means a service that is associated with or incidental to the provision of telecommunications services, including, but not limited to, detailed telecommunications billing service, directory assistance, vertical service and voice mail service.

[2007, c. 627, §55 (NEW) .]

1-D. **Conference bridging service.** "Conference bridging service" means an ancillary service that links 2 or more participants in an audio or video conference call and may include the provision of a telephone number. "Conference bridging service" does not include the telecommunications services used to reach the conference bridge.

[2007, c. 627, §56 (NEW) .]

1-E. **Detailed telecommunications billing service.** "Detailed telecommunications billing service" means an ancillary service of separately stating information pertaining to individual calls on a customer's billing statement.

[2007, c. 627, §57 (NEW) .]

1-F. **Directory assistance.** "Directory assistance" means an ancillary service of providing telephone number information or address information or both.

[2007, c. 627, §58 (NEW) .]

1-G. **Adult developmental services facility.** "Adult developmental services facility" means a facility that provides to an adult with an intellectual disability or autism any support or assistance that is provided, licensed or funded in whole or in part by the Department of Health and Human Services pursuant to Title 34-B, chapter 5 or 6.

[2011, c. 542, Pt. A, §137 (NEW) .]

1-H. **Group residential services for persons with brain injuries.** "Group residential services for persons with brain injuries" means services provided to adults with acquired brain injuries, including direct assistance with eating, bathing, dressing, personal hygiene and other activities of daily living provided by designated agencies under a contract with the Department of Health and Human Services.

[2013, c. 368, Pt. OOOO, §1 (NEW) .]

2. **Extended cable and satellite television services.** "Extended cable and satellite television services" means all cable and satellite television service that is in addition to the minimum service that can be purchased from a cable or satellite television supplier, including the use of associated equipment for which a charge is made. It does not include installation of the associated equipment for which a separate charge is levied.

[2005, c. 12, Pt. TTT, §2 (AMD); 2005, c. 12, Pt. TTT, §4 (AFF) .]

3. **Fabrication services.** "Fabrication services" means the production of tangible personal property for a consideration for a person who furnishes, either directly or indirectly, the materials used in that production.

[2009, c. 434, §28 (AMD) .]

4. **Furniture.** "Furniture" means movable items that are intended to make a room or establishment useful for human habitation.

A. "Furniture" includes:

(1) Living room furniture, including, but not limited to, sofas, love seats, loungers, recliners, chairs, end tables, coffee tables, curio cabinets, home entertainment centers, book shelves and floor and table lamps;

(2) Bedroom furniture, including, but not limited to, headboards, footboards, bed frames, mattresses, box springs, dressers, chests of drawers, mirrors, armoires, nightstands, bunk beds, roll-away beds and chests;

(3) Baby furniture, including, but not limited to, cribs, dressers and changing tables;

(4) Dining room furniture, including, but not limited to, tables, chairs, dinette sets, hutches and dry sinks;

(5) Patio and outdoor furniture, including, but not limited to, tables, chairs, umbrellas, porch swings and gliders;

(6) Office furniture, including, but not limited to, desks, chairs, tables, workstations, movable partitions, shelving, file cabinets, coat racks and couches; and

(7) Home electronic devices, including home appliances, home computers, televisions, stereos and radios. [2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF).]

B. "Furniture" does not include:

(1) Items that are affixed to real property such as sinks, toilets, built-in cabinets or light fixtures; or

(2) Furnishings such as carpeting, artwork, draperies or blinds. [2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF).]

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

5. **Home service provider.** "Home service provider" means the facilities-based carrier or reseller with which a customer contracts for the provision of mobile telecommunications services.

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

5-A. **International telecommunications service.** "International telecommunications service" means a telecommunications service that originates or terminates in the United States and terminates or originates outside the United States, respectively. For purposes of this subsection, "United States" includes a territory or possession of the United States.

[2007, c. 627, §59 (NEW) .]

5-B. **Interstate telecommunications service.** "Interstate telecommunications service" means a telecommunications service that originates in one state, territory or possession of the United States and terminates in a different state, territory or possession of the United States. For purposes of this subsection, "state" includes the District of Columbia.

[2007, c. 627, §60 (NEW) .]

6. **Mobile telecommunications services.** "Mobile telecommunications services" means commercial mobile radio service as defined in 47 Code of Federal Regulations, Section 20.3 as in effect on June 1, 1999. For purposes of sourcing, "mobile telecommunications services" does not include air-ground radiotelephone service as defined in 47 Code of Federal Regulations, Section 22.99 as in effect on June 1, 1999.

[2005, c. 218, §32 (AMD) .]

7. **Network elements.**

[2007, c. 627, §61 (RP) .]

7-A. **Nonprofit.** "Nonprofit" refers to an organization that has been determined by the United States Internal Revenue Service to be exempt from taxation under Section 501(c) of the Code.

[2005, c. 218, §33 (NEW) .]

7-B. **Home support services.** "Home support services" means services provided to adults with intellectual disabilities or autism, including direct assistance with eating, bathing, dressing, personal hygiene and other activities of daily living. These services include only those services provided by designated agencies under a contract with the Department of Health and Human Services and:

A. May include assistance with instrumental activities of daily living such as assistance with the preparation of meals, but does not include the cost of the meals themselves; [2005, c. 386, Pt. S, §2 (NEW); 2005, c. 386, Pt. S, §9 (AFF).]

B. If specified in the adult's care plan, may include such housekeeping chores as bed making, dusting and vacuuming that are incidental to the care furnished, or are essential to the health and welfare of the adult; and [2007, c. 539, Pt. DDD, §3 (AMD).]

C. May be provided by a provider unrelated to the adult or by an adult relative other than an adult recipient's spouse, but may not be provided in the same setting where residential training is provided. [2007, c. 539, Pt. DDD, §3 (AMD).]

[2011, c. 542, Pt. A, §138 (AMD) .]

8. **Place of primary use.** "Place of primary use" means the street address representative of where a customer's use of mobile telecommunications services primarily occurs, which must be either the residential street address or the primary business street address of the customer and must also be located within the licensed service area of the home service provider. For purposes of determining the place of primary use, "customer" means the person or entity that contracts with the home service provider for mobile telecommunications services or, if the end user of such services is not the contracting party, the person that is the end user of such services. The term "customer" does not include a reseller of mobile telecommunications services or a serving carrier under an agreement to serve the customer outside the home service provider's licensed service area.

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

9. **Prepaid calling service.** "Prepaid calling service" means the right to access exclusively telecommunications services that must be paid for in advance and that enables the origination of calls using an access number or authorization code or both, whether manually or electronically dialed, and that is sold in predetermined units or dollars, the number of which declines with use in a known amount.

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

10. **Private nonmedical institution or personal home care.** "Private nonmedical institution or personal home care" means a person licensed by the Department of Health and Human Services to provide private nonmedical institution or personal home care services to 4 or more MaineCare-eligible and other residents in single or multiple facilities under a written agreement with the Department of Health and Human Services. "Private nonmedical institution or personal home care" does not include a health insurance organization, hospital, nursing home or community health care center.

[2013, c. 331, Pt. C, §12 (AMD) .]

11. **Private nonmedical institution or personal home care services.** "Private nonmedical institution or personal home care services" means services, including food, shelter and treatment, that are provided by a private nonmedical institution or personal home care.

[2013, c. 331, Pt. C, §13 (AMD) .]

12. **Production.** "Production" means an operation or integrated series of operations engaged in as a business or segment of a business that transforms or converts personal property by physical, chemical or other means into a form, composition or character different from that in which it originally existed. "Production" includes film production. "Production" includes manufacturing, processing, assembling and fabricating operations that meet the definitional requisites, including biological processes that are part of an integrated process of manufacturing organisms or microorganic materials through the application of biotechnology. "Production" does not include biological processes except as otherwise provided by this subsection, wood harvesting operations, the severance of sand, gravel, oil, gas or other natural resources produced or severed from the soil or water, or activities such as cooking or preparing drinks, meals, food or food products by a retailer for retail sale.

[2005, c. 332, §15 (AMD) .]

13. **Reseller.** "Reseller," when used in relation to mobile telecommunications services, means a provider that purchases telecommunications services from another telecommunications service provider and then resells, uses as a component part of or integrates the purchased services into mobile telecommunications services. "Reseller" does not include a serving carrier with which a home service provider arranges for services to its customers outside the home service provider's licensed service area.

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

13-A. **Residential training services.**

[2007, c. 539, Pt. DDD, §4 (RP) .]

14. **Rural community health center.** "Rural community health center" means a person that delivers, or provides facilities for the delivery of, comprehensive primary health care in a place or territory that is classified as rural according to the most recent federal decennial census.

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

15. **Sale price.** "Sale price" means the total amount of consideration, including cash, credit, property and services, for which personal property or services are sold, leased or rented, valued in money, whether received in money or otherwise, without any deduction for the cost of materials used, labor or service cost, interest, losses and any other expense of the seller. "Sale price" includes any consideration for services that are a part of a sale. "Sale price" does not include:

A. Discounts allowed and taken on sales; [2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF).]

B. Allowances in cash or by credit made upon the return of services pursuant to warranty; [2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF).]

C. The price of services rejected by customers when the full sale price is refunded either in cash or by credit; [2007, c. 438, §54 (AMD).]

D. The amount of any tax imposed by the United States or the State on or with respect to the sale of a service, whether imposed upon the seller or the consumer; or [2007, c. 438, §54 (AMD).]

E. The cost of transportation from the service provider’s place of business or other point from which shipment is made directly to the purchaser, as long as those charges are separately stated and the transportation occurs by means of common carrier, contract carrier or the United States Postal Service. [2007, c. 438, §54 (NEW).]

[2007, c. 627, §62 (AMD) .]

16. **School.** "School" means a public or incorporated nonprofit elementary, secondary or postsecondary educational institution that has a regular faculty, curriculum and organized body of pupils or students in attendance throughout the usual school year and that keeps and furnishes to students and others records required and accepted for entrance to schools of secondary, collegiate or graduate rank.

[2007, c. 438, §55 (AMD) .]

17. **Service provider.** "Service provider" means a person who sells one or more of the services listed in section 2552.

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

18. **Serving carrier.** "Serving carrier," when used in relation to mobile telecommunications services, means a facilities-based carrier providing mobile telecommunications services to a customer outside a home service provider's licensed service area.

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

19. **Telecommunications equipment.** "Telecommunications equipment" means any 2-way interactive communications device, system or process for transmitting or receiving signals and capable of exchanging audio, video, data or textual information. "Telecommunications equipment" includes all transmission media that are used or capable of being used in the provision of 2-way interactive communications, including, without limitation, copper wire, coaxial cable and optical fiber, except those transmission media designed and primarily used to transmit electricity. "Telecommunications equipment" does not include computers, except those components of a computer used primarily and directly as a 2-way interactive communications device capable of exchanging audio, video, data or textual information.

[2007, c. 437, §13 (AMD) .]

20. **Telecommunications services.**

[2007, c. 627, §63 (RP) .]

20-A. **Telecommunications services.** "Telecommunications services" means the electronic transmission, conveyance or routing of voice, data, audio, video or any other information or signals to a point or between or among points. "Telecommunications services" includes transmission, conveyance or routing in which computer processing applications are used to act on the form, code or protocol of the content for purposes of transmission, conveyance or routing without regard to whether the service is referred to as "Voice over Internet Protocol" services or is classified by the Federal Communications Commission as enhanced or value added. "Telecommunications services" does not include:

A. Data processing and information services that allow data to be generated, acquired, stored, processed or retrieved and delivered by an electronic transmission to a purchaser when the purchaser's primary purpose for the underlying transaction is to obtain the processed data or information; [2007, c. 627, §64 (NEW).]

B. Installation or maintenance of wiring or equipment on a customer's premises; [2007, c. 627, §64 (NEW).]

C. Tangible personal property; [2007, c. 627, §64 (NEW).]

D. Advertising, including, but not limited to, directory advertising; [2007, c. 627, §64 (NEW).]

E. Billing and collection services provided to 3rd parties; [2007, c. 627, §64 (NEW).]

F. Internet access service; [2007, c. 627, §64 (NEW).]

G. Radio and television audio and video programming services, regardless of the medium, including the furnishing of transmission, conveyance and routing of those services by the programming service provider. Radio and television audio and video programming services include, but are not limited to, cable service as defined in 47 United States Code, Section 522(6) and audio and video programming services delivered by commercial mobile radio service providers as defined in 47 Code of Federal Regulations, Section 20.3; [2007, c. 627, §64 (NEW).]

H. Ancillary services; or [2007, c. 627, §64 (NEW).]

I. Digital products delivered electronically, including, but not limited to, software, music, video, reading materials or ringtones. [2007, c. 627, §64 (NEW).]

[2007, c. 627, §64 (NEW) .]

20-B. **Vertical service.** "Vertical service" means an ancillary service that is offered in connection with one or more telecommunications services and offers advanced calling features that allow customers to identify callers and to manage multiple calls and call connections. "Vertical service" includes conference bridging service.

[2007, c. 627, §65 (NEW) .]

21. **Video media; video equipment.** "Video media" means prerecorded magnetic tapes used for noncommercial playback of images and sound on video equipment, and other electronic audio and video media that provide for noncommercial interactive utilization by a person or persons, including digital video discs. "Video equipment" means equipment used to play video media, equipment used for recording images and sound for subsequent noncommercial playback and equipment used for noncommercial interactive utilization of electronic audio and video media.

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

21-A. **Voice mail service.** "Voice mail service" means an ancillary service that enables the customer to store, send or receive recorded messages. "Voice mail service" does not include a vertical service that the customer may be required to have in order to use the voice mail service.

[2007, c. 627, §66 (NEW) .]

SECTION HISTORY
2003, c. 673, §V25 (NEW). 2003, c. 673, §V29 (AFF). 2005, c. 12, §§VV1,TTT2 (AMD). 2005, c. 12, §TTT4 (AFF). 2005, c. 218, §§32,33 (AMD). 2005, c. 332, §15 (AMD). 2005, c. 386, §§S1-3 (AMD). 2005, c. 386, §S9 (AFF). 2007, c. 437, §13 (AMD). 2007, c. 438, §§53-55 (AMD). 2007, c. 539, Pt. DDD, §§1-4 (AMD). 2007, c. 627, §§55-66 (AMD). 2009, c. 434, §28 (AMD). 2011, c. 542, Pt. A, §§136-138 (AMD). 2013, c. 331, Pt. C, §§12, 13 (AMD). 2013, c. 368, Pt. OOOO, §1 (AMD).

§2552. TAX IMPOSED

1. **Rate.** A tax at the rate of 5% is imposed on the value of the following services sold in this State:

A. Extended cable and satellite television services; [2005, c. 12, Pt. TTT, §3 (AMD); 2005, c. 12, Pt. TTT, §4 (AFF).]

B. Fabrication services; [2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF).]

C. Rental of video media and video equipment; [2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF).]

D. Rental of furniture, audio media and audio equipment pursuant to a rental-purchase agreement as defined in Title 9-A, section 11-105; [2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF).]

E. Telecommunications services; [2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF).]

F. The installation, maintenance or repair of telecommunications equipment; [2005, c. 12, Pt. VV, §2 (AMD).]

G. Private nonmedical institution or personal home care services; [2013, c. 331, Pt. C, §14 (AMD).]

H. Community support services for persons with mental health diagnoses; [2007, c. 539, Pt. DDD, §5 (AMD).]

I. Community support services for persons with intellectual disabilities or autism; [2011, c. 542, Pt. A, §139 (AMD).]

J. Home support services; [2013, c. 368, Pt. OOOO, §2 (AMD).]

K. [2009, c. 213, Pt. S, §16 (AFF); 2009, c. 213, Pt. S, §12 (RP); 2009, c. 434, §31 (RP).]

L. Ancillary services; and [2013, c. 368, Pt. OOOO, §3 (AMD).]

M. Group residential services for persons with brain injuries. [2013, c. 368, Pt. OOOO, §4 (NEW).]

[2013, c. 331, Pt. C, §14 (AMD); 2013, c. 368, Pt. OOOO, §§2-4 (AMD) .]

2. **Determination of value; liability; statement.** Value is measured by the sale price. The liability for, or the incidence of, the tax imposed by this section is declared to be a levy on the seller. If a seller includes this tax on a customer's bill, it must be shown as a separate line item and identified as a service provider tax.

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

SECTION HISTORY
2003, c. 673, §V25 (NEW). 2003, c. 673, §V29 (AFF). 2005, c. 12, §§VV2,3,TTT3 (AMD). 2005, c. 12, §TTT4 (AFF). 2005, c. 386, §§S4-6 (AMD). 2005, c. 386, §S9 (AFF). 2007, c. 539, Pt. DDD, §§5-8 (AMD). 2007, c. 627, §§67-69 (AMD). 2009, c. 213, Pt. S, §§11, 12 (AMD). 2009, c. 213, Pt. S, §16 (AFF). 2009, c. 434, §§29-31 (AMD). 2011, c. 542, Pt. A, §139 (AMD). 2013, c. 331, Pt. C, §14 (AMD). 2013, c. 368, Pt. OOOO, §§2-4 (AMD).

§2553. REGISTRATION OF SERVICE PROVIDERS

1. **Persons required to register; certificates; display.** Every person subject to the tax imposed by this chapter shall register as a service provider with the assessor by submitting an application on a form prescribed and furnished by the assessor. The assessor shall issue a service provider tax registration certificate to each applicant that properly completes and submits an application form. A separate application must be completed and a separate registration certificate issued for each place of business, and the registration certificate must be conspicuously displayed at that place of business. A registration certificate issued pursuant to this section is nontransferable and is not a license within the meaning of that term in the Maine Administrative Procedure Act.

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

2. **Revocation of registration.** The assessor may revoke for cause a registration certificate issued under this section. The assessor may revoke the registration certificate of a registrant who fails to file a return with the assessor within 15 days after the due date as required by section 2554. A revocation is reviewable in accordance with section 151. If a registrant has failed to pay any tax imposed by this chapter when the tax is shown to be due on a return filed by the registrant or is admitted to be due by the registrant or has been determined to be due and that determination has become final, notification of the registrant by the assessor as provided in this section operates to suspend the registration certificate from the date of the notice of suspension until such time as the delinquent tax is paid or it is determined by an appropriate court that revocation is not warranted.

[2007, c. 438, §56 (AMD) .]

3. **Making sales after revocation.** A person whose service provider tax registration certificate has been revoked by the assessor pursuant to this section and who continues to make sales in this State of one or more of the services identified in section 2552 commits a Class D crime. Violation of this subsection is a strict liability crime as defined in Title 17-A, section 34, subsection 4-A.

[2005, c. 218, §34 (AMD) .]

4. **Failure to register.** A person who is required by this section to register as a service provider with the assessor and who makes sales in this State of one or more of the services identified in section 2552 without being so registered commits a Class E crime. Violation of this subsection is a strict liability crime as defined in Title 17-A, section 34, subsection 4-A.

[2005, c. 218, §34 (AMD) .]

SECTION HISTORY
2003, c. 673, §V25 (NEW). 2003, c. 673, §V29 (AFF). 2005, c. 218, §34 (AMD). 2007, c. 438, §56 (AMD).

§2554. RETURN AND PAYMENT OF TAX

1. **Monthly report required.** Every person subject to the tax imposed by this chapter shall file with the assessor, on or before the 15th day of each month, a return made under the penalties of perjury on a form prescribed by the assessor. The return must report the total sale price of all sales made during the preceding calendar month and such other information as the assessor requires. The assessor may permit the filing of returns other than monthly. The assessor may by rule waive the reporting of nontaxable sales. The assessor may for good cause extend for not more than 30 days the time for filing returns required under this section. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

[2007, c. 438, §57 (AMD) .]

2. **Payment of tax.** The tax imposed by this chapter is due and payable on the date on which the person subject to the tax is paid for the service rendered, or the billing date, whichever comes first. Upon such terms and conditions as the assessor may prescribe, the assessor may permit a postponement of payment to a date not later than the date on which the sales so taxed are required to be reported.

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

3. **Credit for uncollectible accounts.** The tax paid on sales for which all or a portion of the sale price is charged off by the service provider as uncollectible may be credited against the tax due on a subsequent return filed by the service provider within 3 years of the charge-off but, if any such accounts are thereafter collected by the service provider, a tax must be paid upon the amount so collected.

[2007, c. 438, §58 (AMD) .]

4. **Purchases for resale not resold.** When a service provider purchases a service subject to tax under this chapter from another service provider using a resale certificate approved by the assessor and claims that it will resell the service, and then subsequently uses the service itself rather than reselling it, the purchaser becomes liable for any unpaid tax on that service on the date of such use.

[2009, c. 361, §20 (NEW) .]

SECTION HISTORY

2003, c. 673, §V25 (NEW). 2003, c. 673, §V29 (AFF). 2007, c. 438, §§57, 58 (AMD). 2009, c. 361, §20 (AMD).

§2555. OVERPAYMENTS; REFUNDS

If the assessor determines, upon written application by a taxpayer or during the course of an audit, that any tax has been paid more than once or has been erroneously or illegally computed, the assessor shall certify to the State Controller the amount paid in excess of that legally due and that amount must be credited by the assessor on any taxes then due from the taxpayer and the balance refunded to the taxpayer or its successor in interest, but no such credit or refund may be allowed unless within 3 years of the date of overpayment either a written petition stating the grounds upon which the refund or credit is claimed is filed with the assessor or the overpayment is discovered on audit. Interest at the rate determined pursuant to section 186 must be paid on any balance refunded pursuant to this chapter from the date the return listing the overpayment was filed or the payment was made, whichever is later. At the election of the assessor, unless the taxpayer specifically requests a cash refund, the refund may be credited to the taxpayer's service provider tax account, but in the case of a credit no further interest may accrue from the date of that election. The taxpayer may not apply for a refund of any amount assessed when administrative and judicial review under section 151 has been completed. [2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF).]

A taxpayer dissatisfied with the decision of the assessor, upon a written request for refund filed under this section, may request reconsideration and appeal from the reconsideration in the same manner and under the same conditions as in the case of assessments made under chapter 7. The decision of the assessor upon such written request for refund becomes final as to law and fact in the same manner and under the same conditions as in the case of assessments made under chapter 7. [2013, c. 331, Pt. C, §15 (AMD); 2013, c. 331, Pt. C, §41 (AFF).]

SECTION HISTORY
2003, c. 673, §V25 (NEW). 2003, c. 673, §V29 (AFF). 2013, c. 331, Pt. C, §15 (AMD). 2013, c. 331, Pt. C, §41 (AFF).

§2556. SOURCING RULES FOR MOBILE TELECOMMUNICATIONS SERVICES

1. **Sourcing rule; identifying place of primary use.** Mobile telecommunications services provided to a customer whose place of primary use is located in this State, the charges for which are billed by or for the customer's home service provider, are deemed to be provided at the customer's place of primary use. A home service provider is responsible for obtaining and maintaining a record of a customer's place of primary use. Subject to subsection 2 and if the home service provider's reliance on the information provided by its customer is in good faith, the home service provider:

A. May rely on the applicable residential or business street address supplied by the home service provider's customer; and [2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF).]

B. May not be held liable for any additional taxes under this chapter based on a different determination of the place of primary use. [2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF).]

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

2. **Correction of place of primary use; determination by assessor.** If the assessor determines that the address used by a home service provider as a customer's place of primary use does not meet the definition provided by section 2551, subsection 8, the assessor shall notify the customer in writing of that determination and provide the customer an opportunity to demonstrate that that address is the customer's place of primary use. If the customer fails to demonstrate to the assessor's satisfaction within 30 days from the time it receives notice from the assessor, or within another time period as the assessor may allow, that the address in question

is the customer's place of primary use, the assessor shall provide the home service provider with the proper address to be used as the customer's place of primary use. The home service provider shall begin using the address provided by the assessor as the customer's place of primary use within 30 days from the date it receives notice of the assessor's determination.

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

3. **Hold harmless provision; use of electronic database or enhanced zip code.** A home service provider is entitled to the hold harmless protections provided by the federal Mobile Telecommunications Sourcing Act, Public Law 106-252, Section 1, 114 Stat. 2, (2000).

[2003, c. 2, §115 (COR) .]

4. **Bundled services.** Notwithstanding any other provision of this chapter, otherwise nontaxable charges that are aggregated with and not separately stated from taxable mobile telecommunications charges are subject to taxation unless the home service provider can, to the satisfaction of the assessor, reasonably identify such charges from books and records kept in the regular course of its business. A customer may not rely upon the nontaxability of bundled services unless the customer's home service provider separately states the otherwise nontaxable services or the home service provider elects, after receiving written notice from the customer in the form required by the provider, to provide verifiable data based upon the home service provider's books and records that are kept in the regular course of business and that reasonably identify the nontaxable charges.

[2007, c. 627, §70 (AMD) .]

5. **Certain preexisting contracts.** Subject to subsection 2, a home service provider may treat the address used by it for purposes of the tax imposed by this chapter for any customer under a service contract or agreement in effect on July 28, 2002 as that customer's place of primary use for the remaining term of the service contract or agreement, excluding any extension or renewal period.

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

SECTION HISTORY
RR 2003, c. 2, §115 (COR). 2003, c. 673, §V25 (NEW). 2003, c. 673, §V29 (AFF). 2007, c. 627, §70 (AMD).

§2557. EXEMPTIONS

The tax imposed by this chapter does not apply in connection with: [2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF).]

1. **Exemptions by constitutional provisions.** Sales that this State is prohibited from taxing under the constitution or laws of the United States or under the constitution of this State;

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

2. **Certain governmental entities.** Sales to the State or any political subdivision, or to the Federal Government, or to any unincorporated agency or instrumentality of either of them or to any incorporated agency or instrumentality of them wholly owned by them. This exemption does not apply to corporations organized under Title IV, Part E of the federal Farm Credit Act of 1971, 12 United States Code, Sections 2211 to 2214;

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

3. **Hospitals, research centers, churches and schools.** Sales to:

A. Incorporated hospitals; [2005, c. 622, §10 (NEW).]

B. Incorporated nonprofit nursing homes licensed by the Department of Health and Human Services; [2005, c. 622, §10 (NEW).]

C. Incorporated nonprofit residential care facilities licensed by the Department of Health and Human Services; [2005, c. 622, §10 (NEW).]

D. Incorporated nonprofit assisted housing programs for the elderly licensed by the Department of Health and Human Services; [2005, c. 622, §10 (NEW).]

E. Incorporated nonprofit home health agencies certified under the United States Social Security Act of 1965, Title XVIII, as amended; [2005, c. 622, §10 (NEW).]

F. Incorporated nonprofit rural community health centers; [2005, c. 622, §10 (NEW).]

G. Incorporated nonprofit dental health centers; [2005, c. 622, §10 (NEW).]

G-1. Incorporated nonprofit medical clinics whose sole mission is to provide free medical care to the indigent or uninsured; [2009, c. 361, §21 (NEW); 2009, c. 652, Pt. A, §65 (AFF).]

H. Incorporated nonprofit organizations organized for the sole purpose of conducting medical research; [2005, c. 622, §10 (NEW).]

I. Incorporated nonprofit organizations organized for the purpose of establishing and maintaining laboratories for scientific study and investigation in the field of biology or ecology; [2005, c. 622, §10 (NEW).]

J. Institutions incorporated as nonprofit corporations for the purpose of operating educational television or radio stations; [2005, c. 622, §10 (NEW).]

K. Schools; [2005, c. 622, §10 (NEW).]

L. Incorporated nonprofit organizations or their affiliates whose purpose is to provide literacy assistance or free clinical assistance to children with dyslexia; and [2005, c. 622, §10 (NEW).]

M. Regularly organized churches or houses of religious worship. [2005, c. 622, §10 (NEW).]

[2005, c. 622, §10 (RPR); 2009, c. 361, §21 (AMD); 2009, c. 652, Pt. A, §65 (AFF) .]

4. **Other institutions.** Sales to incorporated private nonprofit residential child care facilities that are licensed by the Department of Health and Human Services as residential child care facilities;

[2007, c. 438, §59 (AMD) .]

5. **Nonprofit fire departments and nonprofit ambulance services.** Sales to incorporated nonprofit fire departments, to incorporated nonprofit ambulance services and to air ambulance services that are limited liability companies all of whose members are nonprofit organizations;

[2007, c. 419, §2 (AMD) .]

6. **Community mental health facilities, community adult developmental services facilities and community substance abuse facilities.** Sales to mental health facilities, adult developmental services facilities or substance abuse facilities that are:

A. Contractors under or receiving support under the federal Community Mental Health Centers Act, or its successors; or [2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF).]

B. Receiving support from the Department of Health and Human Services pursuant to Title 5, section 20005 or Title 34-B, section 3604, 5433 or 6204; [2007, c. 438, §§59, 60 (AMD).]

[2011, c. 542, Pt. A, §140 (AMD) .]

7. **Regional planning commissions and councils of government.** Sales to regional planning commissions and councils of government that are established in accordance with Title 30-A;

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

8. **Historical societies, museums and certain memorial foundations.** Sales to incorporated nonprofit memorial foundations that primarily provide cultural programs free to the public, historical societies and museums;

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

9. **Nursery schools and day-care centers.** Sales to licensed, incorporated nonprofit nursery schools and day-care centers;

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

10. **Certain church-affiliated residential homes.** Sales to any church-affiliated nonprofit organization that operates, under a charter granted by the Legislature, a residential home for adults;

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

11. **Medical patients and their families.** Sales to incorporated nonprofit organizations providing:

A. Temporary residential accommodations to pediatric patients suffering from critical illness or disease such as cancer or who are accident victims, to adult patients with cancer or to the families of the patients; or [2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF).]

B. Temporary residential accommodations, or food, or both, to hospital patients or to the families of hospital patients; [2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF).]

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

12. **Emergency shelter and feeding organizations.** Sales to incorporated nonprofit organizations that provide free temporary emergency shelter or food for underprivileged individuals in this State;

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

13. **Child abuse and neglect prevention councils; child advocacy organizations; community action agencies.** Sales to:

A. Incorporated, nonprofit child abuse and neglect prevention councils as defined in Title 22, section 3872, subsection 1-A; [2009, c. 204, §13 (AMD).]

B. Statewide organizations that advocate for children and that are members of the Medicaid Advisory Committee; and [2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF).]

C. Community action agencies designated in accordance with Title 22, section 5324; [2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF).]

[2009, c. 204, §13 (AMD) .]

14. **Certain libraries.** Sales to any nonprofit free public lending library that is funded in part or wholly by the State or any political subdivision or the Federal Government;

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

15. **Veterans' memorial cemetery associations.** Sales to incorporated nonprofit veterans' memorial cemetery associations;

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

16. **Nonprofit volunteer search and rescue organizations.** Sales to incorporated, nonprofit volunteer search and rescue organizations;

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

17. **Incorporated nonprofit hospice organizations.** Sales to incorporated nonprofit hospice organizations that provide a program or care for the physical and emotional needs of terminally ill patients;

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

18. **Nonprofit youth organizations.** Sales to nonprofit youth organizations whose primary purpose is to provide athletic instruction in a nonresidential setting or sales to councils and local units of incorporated nonprofit national scouting organizations;

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

19. **Certain incorporated nonprofit educational organizations.** Sales to incorporated nonprofit educational organizations that are receiving, or have received, funding from the Department of Education and that provide educational programs specifically designed for teaching young people how to make decisions about drugs, alcohol and interpersonal relationships at a residential youth camp setting;

[2009, c. 211, Pt. B, §32 (AMD) .]

20. **Charitable suppliers of medical equipment.** Sales to local branches of incorporated international nonprofit charitable organizations that provide, on a loan basis and free of charge, medical supplies and equipment to persons;

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

21. **Organizations fulfilling wishes of children with life-threatening diseases.** Sales to incorporated nonprofit organizations whose sole purpose is to fulfill the wishes of children with life-threatening diseases when their families or guardians are unable otherwise to financially fulfill those wishes;

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

22. **Incorporated nonprofit providers of certain support systems for single-parent families.** Sales to incorporated nonprofit organizations engaged primarily in providing support systems for single-parent families for the development of psychological and economic self-sufficiency;

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

23. **Nonprofit home construction organizations.** Sales to local branches of incorporated nonprofit organizations whose purpose is to construct low-cost housing for low-income people;

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

24. **Vietnam veteran registries.** Sales to incorporated, nonprofit organizations whose sole purpose is to create, maintain and update a registry of Vietnam veterans;

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

25. **Organizations providing certain services for hearing-impaired persons.** Sales to incorporated nonprofit organizations whose primary purposes are to promote public understanding of hearing impairment and to assist hearing-impaired persons through the dissemination of information about hearing impairment to the general public and referral to and coordination of community resources available to hearing-impaired persons;

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

26. **State-chartered credit unions.** Sales to credit unions that are organized under the laws of this State. This subsection remains in effect only for the time that federally chartered credit unions are, by reason of federal law, exempt from payment of the tax imposed by this chapter;

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

27. **Nonprofit housing development organizations.** Sales to nonprofit organizations whose primary purpose is to develop housing for low-income people;

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

28. **Eye banks.** Sales to nonprofit organizations whose primary purpose is to obtain, medically evaluate and distribute eyes for use in corneal transplantation, research and education;

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

29. **Centers for innovation.** Sales to centers for innovation as described in Title 5, section 13141;

[2005, c. 218, §35 (AMD) .]

30. **Sales for resale.** Sales of services to another service provider for resale;

[2007, c. 627, §71 (AMD) .]

31. **Construction contracts with exempt organizations.** Sales to a construction contractor or its subcontractor of fabrication services that are to be physically incorporated in, and become a permanent part of, real property for sale to any organization or government agency provided exemption under this section, except as otherwise provided by section 2560;

[2007, c. 627, §72 (AMD) .]

32. **Prepaid calling service.** Sales of prepaid calling service;

[2007, c. 627, §73 (NEW) .]

33. **International telecommunications service.** Sales of international telecommunications service;

[2009, c. 434, §32 (AMD) .]

34. **Interstate telecommunications service.** Sales of interstate telecommunications service;

[2009, c. 434, §33 (AMD) .]

35. **Certain fabrication services.** The production of tangible personal property if a sale to the consumer of that tangible personal property would be exempt or otherwise not subject to tax under Part 3; and

[2009, c. 434, §34 (NEW) .]

36. **Fuel used at a manufacturing facility.** Ninety-five percent of the sale price of fabrication services for the production of fuel for use at a manufacturing facility as defined in section 1752, subsection 6-A.

[2009, c. 434, §35 (NEW) .]

The exemptions provided in this section apply only when an exempt entity purchases a service for its own use or on its own behalf and do not apply when an exempt entity pays for the service for the use of or on behalf of another person. [2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF).]

For the purposes of subsections 33 and 34, in determining whether a particular customer is a business or nonbusiness customer, a telecommunications company may rely upon existing customer classifications maintained in its books and records, such as "individual," "consumer," "enterprise," "business," "corporate" or "government." A telecommunications company is not required to change the customer classifications the telecommunications company maintains in its books and records. If as a result of an audit a telecommunications company is required to change a customer's status to that of a business customer or to a nonbusiness customer for purposes of applying the tax, the change applies prospectively only. [2009, c. 434, §36 (NEW).]

SECTION HISTORY
2003, c. 673, §V25 (NEW). 2003, c. 673, §V29 (AFF). 2005, c. 218, §§35,36 (AMD). 2005, c. 622, §§10-12 (AMD). 2007, c. 419, §2 (AMD). 2007, c. 438, §§59, 60 (AMD). 2007, c. 627, §§71-75 (AMD). 2009, c. 204, §13 (AMD). 2009, c. 211, Pt. B, §32 (AMD). 2009, c. 361, §21 (AMD). 2009, c. 434, §§32-36 (NEW). 2009, c. 652, Pt. A, §65 (AFF). 2011, c. 542, Pt. A, §140 (AMD).

§2558. REQUIREMENT TO FILE AMENDED RETURN

1. **Amended return required.** A person subject to the tax imposed by this chapter must file an amended return whenever an agency of the State, other than the Bureau of Revenue Services, or of the United States makes an audit finding that changes or corrects any item affecting the person's liability under this chapter or whenever for any reason there is a change or correction affecting the person's liability under this chapter.

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

2. **Amended return filed.** The amended return must be filed within 180 days of an audit finding that affects a person's liability under this chapter or within 180 days of the date that a person learns of a change or correction that affects that person's liability under this chapter.

[2011, c. 1, Pt. CC, §1 (AMD); 2011, c. 1, Pt. CC, §5 (AFF) .]

3. **Contents of amended return.** The amended return required by this section must indicate the change or correction and the reason for that change or correction. The amended return constitutes an admission as to the correctness of the change unless the taxpayer includes with the return a written explanation of the reason the change or correction is erroneous.

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

4. **Additional requirements.** The assessor may require additional information to be filed with the amended return. The assessor may prescribe exceptions to the requirements of this section.

[2003, c. 673, Pt. V, §25 (NEW); 2003, c. 673, Pt. V, §29 (AFF) .]

SECTION HISTORY
2003, c. 673, §V25 (NEW). 2003, c. 673, §V29 (AFF). 2011, c. 1, Pt. CC, §1 (AMD). 2011, c. 1, Pt. CC, §5 (AFF).

§2559. APPLICATION OF REVENUES

Revenues derived by the tax imposed by this chapter must be credited to a General Fund suspense account. On or before the last day of each month, the State Controller shall transfer a percentage of the revenues received by the State Tax Assessor during the preceding month pursuant to the tax imposed by section 2552, subsection 1, paragraphs A to F and L to the Local Government Fund as provided by Title 30-A, section 5681, subsection 5. The balance remaining in the General Fund suspense account must be transferred to service provider tax General Fund revenue. On or before the 15th day of each month, the State Controller shall transfer all revenues received by the assessor during the preceding month pursuant to the tax imposed by section 2552, subsection 1, paragraphs G to J to the Medical Care Services Other Special Revenue Funds account, the Other Special Revenue Funds Mental Health Services - Community Medicaid program, the Medicaid Services - Adult Developmental Services program and the Office of Substance Abuse - Medicaid Seed program within the Department of Health and Human Services. [2011, c. 542, Pt. A, §141 (AMD).]

SECTION HISTORY
2003, c. 673, §V25 (NEW). 2003, c. 673, §V29 (AFF). 2005, c. 12, §VV4 (AMD). 2005, c. 386, §S7 (AMD). 2005, c. 386, §S9 (AFF). 2007, c. 539, Pt. DDD, §9 (AMD). 2009, c. 213, Pt. S, §13 (AMD). 2009, c. 213, Pt. S, §16 (AFF). 2011, c. 542, Pt. A, §141 (AMD).

§2560. EXEMPT ACTIVITIES

A tax exemption provided by section 2557 to a person based upon its charitable, nonprofit or other public purposes applies only if the service purchased is intended to be used by the person primarily in the activity identified by the particular exemption. A tax exemption provided by section 2557 to a person based upon its charitable, nonprofit or other public purposes does not apply where title is held or taken by the person as security for any financing arrangement. An exemption certificate issued by the State Tax Assessor pursuant to section 2557 must identify the exempt activity and must state that the certificate may be used by the holder only when purchasing services intended to be used by the holder primarily in the exempt activity. When an otherwise qualifying person is engaged in both exempt and nonexempt activities, an exemption certificate may be issued to the person only if the person has established to the satisfaction of the assessor that the applicant has adequate accounting controls to limit the use of the certificate to exempt purchases. [2005, c. 622, §13 (NEW).]

SECTION HISTORY
2005, c. 622, §13 (NEW).

Chapter 359: PARLOR CAR OWNERS

§2571. TAXATION OF OWNERS OF PARLOR CARS

(REPEALED)

SECTION HISTORY

1965, c. 135, §5 (RP).

§2572. RETURNS TO STATE TAX ASSESSOR; TAX IN PLACE OF LOCAL TAXATION

(REPEALED)

SECTION HISTORY
1965, c. 135, §5 (RP).

§2573. PENALTY

(REPEALED)

SECTION HISTORY
1965, c. 135, §5 (RP).

Chapter 361: RAILROAD COMPANIES

§2621. ANNUAL RETURNS

(REPEALED)

SECTION HISTORY
1973, c. 268, §1 (AMD). 1983, c. 571, §4 (RP).

§2621-A. DEFINITIONS

As used in this chapter, unless the context indicates otherwise, the following terms have the following meanings. [1983, c. 571, §5 (NEW).]

1. **Net railway operating income.** "Net railway operating income" means railway operating revenues, including debits and credits arising from equipment rents and joint facility rents, less railway operating expenses, tax accruals and uncollectible railway revenues.

[1983, c. 571, §5 (NEW) .]

2. **Operating investment.** "Operating investment" means investment in railway property used in transportation service, less depreciation, plus cash, including temporary cash investments and special deposits, plus material and supplies. For purposes of railroad excise taxes payable in 1986, based upon operations for the calendar year 1985, "operating investment" also includes freight car operating leases of 10 years or more, valued at cost less straight-line depreciation over the initial term of the lease.

[1985, c. 477, §2 (AMD) .]

3. **Maine capital tax credit.** "Maine capital tax credit" is a credit against the tax imposed by section 2624.

A. The credit allowed against the tax imposed by section 2624 shall be in an amount equal to:

(1) The credit carry-forwards carried to the taxable year;

(2) The amount of the current year credit; plus

(3) The credit carry-backs carried to the taxable year. [1989, c. 586, §1 (NEW); 1989, c. 702, Pt. E, §19 (AFF); 1989, c. 875, Pt. E, §59 (AFF).]

B. The credit shall be an amount equal to 45% of the expenditures for a taxable year related to capital investments, improvements or renovations to a railroad's operations in this State. [1989, c. 586, §1 (NEW); 1989, c. 702, Pt. E, §19 (AFF); 1989, c. 875, Pt. E, §59 (AFF).]

C. If the sum of the credit carry-forwards to the taxable year plus the amount of the current taxable year credit authorized in this section would reduce the tax in the taxable year below the minimum tax set forth in section 2624, such excess shall be:

(1) A credit carry-back to each of the preceding 3 taxable years; and

(2) A credit carry-forward to each of the 5 taxable years following the taxable year. [1989, c. 586, §1 (NEW); 1989, c. 702, Pt. E, §19 (AFF); 1989, c. 875, Pt. E, §59 (AFF).]

D. The entire amount of the unused credit shall be carried to the earliest of the taxable years to which, by reason of this subsection, the credit may be carried and then to each of the other taxable years to the extent the unused credit may not be used for a prior taxable year. In no event may a carry-back apply to any taxable year ending prior to January 1, 1990. [1989, c. 586, §1 (NEW); 1989, c. 702, Pt. E, §19 (AFF); 1989, c. 875, Pt. E, §59 (AFF).]

E. In order for a taxpayer to qualify for a credit under this subsection, the taxpayer may not require any landowner to pay any fee or charge for maintenance or repair or to assume liability for crossings or rights-of-way if the landowner was not required to do so prior to July 1, l987; and the taxpayer must continue to maintain crossings and rights-of-way which it was required to maintain on that date and may not remove the crossing if there is any objection to their being removed, provided that the landowner's use remains the same and that the landowner complies with requirements to keep gates secured. [1989, c. 586, §1 (NEW); 1989, c. 702, Pt. E, §19 (AFF); 1989, c. 875, Pt. E, §59 (AFF).]

F. [2003, c. 498, §12 (AFF); 2003, c. 498, §8 (RP).]

[2003, c. 498, §8 (AMD); 2003, c. 498, §12 (AFF) .]

SECTION HISTORY
1983, c. 571, §5 (NEW). 1983, c. 593, §1 (AMD). 1985, c. 477, §2 (AMD). 1989, c. 586, §1 (AMD). 1989, c. 702, §E19 (AMD). 1989, c. 875, §E59 (AMD). 1991, c. 528, §N3 (AMD). 1991, c. 528, §§N4,RRR (AFF). 1991, c. 591, §N3 (AMD). 1991, c. 591, §N4 (AFF). 2003, c. 498, §8 (AMD). 2003, c. 498, §12 (AFF).

§2622. PENALTIES

(REPEALED)

SECTION HISTORY
1977, c. 679, §12 (RP).

§2623. EXCISE TAX; PAYMENT TO CITIES AND TOWNS ONE PERCENT ON STOCK HELD THEREIN

Every corporation, person or association operating any railroad in the State under lease or otherwise shall pay to the State Tax Assessor, for the use of the State, an annual excise tax for the privilege of exercising its franchises and the franchises of its leased roads in the State, which, with the tax provided for in section 561, is in place of all taxes upon the property of such railroad. [1973, c. 268, §2 (AMD).]

SECTION HISTORY
P&SL 1969, c. 154, §E (AMD). 1973, c. 268, §2 (AMD).

§2624. AMOUNT OF TAX

The amount of the annual excise tax on railroads shall be ascertained as follows: The amount of the gross transportation receipts for the year ended on the 31st day of December preceding the levying of the tax shall be compared with the net railway operating income for that year. When the net railway operating income does not exceed 10% of the gross transportation receipts, the tax shall be an amount equal to 3 1/4% of the gross transportation receipts. When the net railway operating income exceeds 10% of the gross transportation receipts but does not exceed 15%, the tax shall be an amount equal to 3 3/4% of the gross transportation receipts. When the net railway operating income exceeds 15% of the gross transportation receipts but does not exceed 20%, the tax shall be an amount equal to 4 1/4% of such gross transportation receipts. When the net railway operating income exceeds 20% of the gross transportation receipts but does not exceed 25%, the tax shall be an amount equal to 4 3/4% of the gross transportation receipts. When the net railway operating income exceeds 25% of the gross transportation receipts, the tax shall be an amount equal to 5 1/4% of the gross transportation receipts. The tax shall be decreased by the amount by which 5 3/4% of operating investment exceeds net railway operating income but shall in no event be decreased below a minimum amount equal to 1/2 of 1% of gross transportation receipts. In the case of railroads operating not over 50 miles of road, the tax shall not exceed 1 3/4% of the gross transportation receipts. [1989, c. 586, §2 (AMD).]

When a railroad lies partly within and partly without the State, or is operated as a part of a line or system extending beyond the State, the tax shall be equal to the same proportion of the gross transportation receipts in the State, and its amount shall be determined as follows: The gross transportation receipts of such railroad, line or system, as the case may be, over its whole extent, within and without the State, shall be divided by the total number of miles operated to obtain the average gross transportation receipts per mile, and the gross transportation receipts in the State shall be taken to be the average gross transportation receipts per mile multiplied by the number of miles operated within the State, and the net railway operating income within the State shall be similarly determined.

The State Tax Assessor, after notice and hearing, may determine the accuracy of any returns required of any railroad, and if found inaccurate, may order proper corrections to be made therein. [1983, c. 571, §7 (AMD).]

The tax calculated pursuant to this section, for any taxable year, shall be decreased by a tax credit as defined in section 2621-A, subsection 3, calculated for that same taxable year. At no time may a tax credit be utilized to decrease the tax below the minimum tax imposed by this section. [1989, c. 586, §3 (NEW); 1989, c. 702, Pt. E, §19 (AFF); 1989, c. 875, Pt. E, §59 (AFF).]

SECTION HISTORY
1971, c. 549, (AMD). 1977, c. 78, §200 (AMD). 1979, c. 470, (AMD). 1981, c. 384, (AMD). 1981, c. 682, §§1,2 (AMD). 1983, c. 571, §§6,7 (AMD). 1989, c. 586, §§2,3 (AMD). 1989, c. 702, §E19 (AMD). 1989, c. 875, §E59 (AMD).

§2625. RETURN AND PAYMENT

Every railroad company incorporated under the laws of this State or doing business in this State shall file with the State Tax Assessor annually, on or before April 15th, a railroad excise tax return, on a form prescribed by the State Tax Assessor. The tax must be paid in equal installments on the next June 15th, September 15th and December 15th. The Treasurer of State shall deposit all taxes paid under this chapter into the Multimodal Transportation Fund account established under Title 23, section 4210-B. [2013, c. 424, Pt. A, §25 (AMD).]

1. Railroad Freight Service Quality Fund.

[2005, c. 248, §3 (NEW); T. 36, §2625, sub-§1 (RP) .]

SECTION HISTORY
1983, c. 571, §8 (RPR). 2003, c. 498, §9 (AMD). 2003, c. 498, §12 (AFF). 2005, c. 248, §3 (AMD). 2005, c. 457, §GGG7 (AMD). 2011, c. 649, Pt. E, §5 (AMD). 2013, c. 424, Pt. A, §25 (AMD).

§2626. PAYMENT SCHEDULE

(REPEALED)

SECTION HISTORY
1981, c. 364, §31 (RPR). 1983, c. 571, §9 (RP).

§2627. ABATEMENT

(REPEALED)

SECTION HISTORY
1977, c. 694, §708 (RP).

§2628. FURTHER RETURNS; ACCESS TO BOOKS BY PUBLIC UTILITIES COMMISSION

(REPEALED)

SECTION HISTORY
1977, c. 679, §13 (AMD). 1979, c. 378, §20 (AMD). 1983, c. 571, §10 (RP).

Chapter 363: TELEPHONE AND TELEGRAPH COMPANIES

§2681. RETURNS OF OPERATORS

(REPEALED)

SECTION HISTORY
1973, c. 717, §1 (RP).

§2682. PENALTY

(REPEALED)

SECTION HISTORY
1973, c. 717, §1 (RP).

§2683. COMPANIES TAXABLE

(REPEALED)

SECTION HISTORY
1971, c. 478, §3 (AMD). 1973, c. 717, §2 (AMD). 1985, c. 651, §1 (RP).

§2684. COMPUTATION; TELEPHONE COMPANIES

(REPEALED)

SECTION HISTORY
1985, c. 651, §1 (RP).

§2685. -- TELEGRAPH COMPANIES

(REPEALED)

SECTION HISTORY
1985, c. 651, §1 (RP).

§2686. RETURNS OF OPERATORS

(REPEALED)

SECTION HISTORY
1973, c. 717, §3 (RPR). 1977, c. 679, §14 (AMD). 1979, c. 541, §B47 (AMD). 1981, c. 364, §32 (AMD). 1985, c. 651, §1 (RP).

§2687. PENALTY

(REPEALED)

SECTION HISTORY
1973, c. 717, §4 (RPR). 1977, c. 679, §15 (RP).

§2687-A. FAILURE TO MAKE RETURN; ASSESSMENT

(REPEALED)

SECTION HISTORY
1973, c. 788, §190 (NEW). 1975, c. 623, §59 (AMD). 1979, c. 378, §21 (RP).

§2688. BOOKS OPEN TO ASSESSORS

(REPEALED)

SECTION HISTORY
1977, c. 696, §279 (AMD). 1985, c. 651, §1 (RP).

§2689. LIMITED PROPERTY TAX

(REPEALED)

SECTION HISTORY
1965, c. 362, §8 (AMD). 1977, c. 595, (RPR). 1985, c. 651, §1 (RP).

Chapter 364: TELECOMMUNICATIONS SERVICE

§2691. PERSONS TAXABLE

(REPEALED)

SECTION HISTORY
1985, c. 651, §2 (NEW). 1987, c. 507, §§5,6 (RP).

§2692. AMOUNT OF TAX

(REPEALED)

SECTION HISTORY
1985, c. 651, §2 (NEW). 1987, c. 507, §§5,6 (RP).

§2692-A. LIMITATION ON TAX RATE

(REPEALED)

SECTION HISTORY
1987, c. 507, §3 (NEW). 1987, c. 507, §§5,6 (RP).

§2693. RETURNS

(REPEALED)

SECTION HISTORY
1985, c. 651, §2 (NEW). 1987, c. 507, §§5,6 (RP).

§2694. DEFINITIONS

(REPEALED)

SECTION HISTORY
1985, c. 651, §2 (NEW). 1987, c. 402, §A182 (AMD). 1987, c. 507, §§5,6 (RP).

§2695. BOOKS OPEN TO ASSESSORS

(REPEALED)

SECTION HISTORY
1985, c. 651, §2 (NEW). 1987, c. 507, §§5,6 (RP).

§2696. LIMITED PROPERTY TAX

(REPEALED)

SECTION HISTORY
1985, c. 651, §2 (NEW). 1987, c. 507, §§4-6 (RP).

Chapter 365: FOREST LANDS

§2701. EXCISE TAX

(REPEALED)

SECTION HISTORY
1975, c. 162, §1 (NEW). 1979, c. 541, §A224 (RP).

§2701-A. MUNICIPAL ASSESSORS CERTIFICATION TO STATE TAX ASSESSOR

(REPEALED)

SECTION HISTORY
1975, c. 162, §1 (NEW). 1979, c. 541, §A224 (RP).

§2702. DETERMINATION OF TAX; NOTICE TO OWNERS

(REPEALED)

SECTION HISTORY
1975, c. 162, §1 (NEW). 1979, c. 541, §A224 (RP).

§2703. DUE DATE; PAYMENT TO DIRECTOR OF PROPERTY TAXATION

(REPEALED)

SECTION HISTORY
1975, c. 162, §1 (NEW). 1979, c. 541, §A224 (RP).

§2704. ABATEMENT

(REPEALED)

SECTION HISTORY
1975, c. 162, §1 (NEW). 1979, c. 541, §A224 (RP).

§2704-A. INTEREST AND PENALTY

(REPEALED)

SECTION HISTORY
1975, c. 162, §1 (NEW). 1979, c. 541, §A224 (RP).

§2705. PAYMENT

(REPEALED)

SECTION HISTORY
1975, c. 162, §1 (NEW). 1979, c. 541, §A224 (RP).

§2706. CONDITION OF COMMITMENT OF FEDERAL FUNDS

(REPEALED)

SECTION HISTORY
1975, c. 162, §1 (NEW). 1979, c. 541, §A224 (RP).

Chapter 366: FOREST FIRE SUPPRESSION

§2711. FOREST FIRE SUPPRESSION COSTS

(REPEALED)

SECTION HISTORY

1983, c. 556, §21 (NEW). 1983, c. 855, §§8-10 (AMD). 1983, c. 862, §§85,86 (AMD). 1985, c. 462, §1 (AMD). 1985, c. 514, §1 (RP).

§2712. IDENTIFICATION OF PARCELS

(REPEALED)

SECTION HISTORY
1983, c. 556, §21 (NEW). 1983, c. 586, (AMD). 1983, c. 855, §11 (RPR). 1985, c. 514, §1 (RP).

§2713. ASSESSMENT OF TAX

(REPEALED)

SECTION HISTORY
1983, c. 556, §21 (NEW). 1983, c. 855, §12 (AMD). 1985, c. 514, §1 (RP).

§2714. ENFORCEMENT

(REPEALED)

SECTION HISTORY
1983, c. 556, §21 (NEW). 1985, c. 149, (AMD). 1985, c. 514, §1 (RP).

§2715. COMPENSATION TO MUNICIPALITIES

(REPEALED)

SECTION HISTORY
1983, c. 556, §21 (NEW). 1983, c. 855, §13 (RP).

Chapter 367: COMMERCIAL FORESTRY EXCISE TAX

§2721. LEGISLATIVE FINDINGS

The Legislature finds that engaging in commercial forestry is a privilege that results in costs as well as benefits to the State and that persons enjoying that privilege should be subject to the tax imposed by this chapter. [1985, c. 514, §2 (NEW).]

The Legislature further finds that the persons owning 500 acres or more of forest land are typically engaged in commercial forest activity. Historically, that amount of land has been used for administrative efficiency and to delineate the amount of land indicative of management for commercial activity, especially for purposes of the Maine Tree Growth Tax Law and the spruce budworm tax. The activity of growing commercially valuable trees is one which occupies a very long cycle. It is not uncommon that 40 years must pass between the planting of a seedling and the time when the tree will be harvested for commercial use. During that interim, it may at times be difficult to discern any obvious commercial activity taking place on the land. In many instances, the best accepted commercial practice with regard to that forest land is to do nothing other than to allow the trees to follow the natural course of maturation. Experience has shown that it is almost inevitable that a large amount of land containing commercially valuable trees will at some point be harvested for commercial purposes. Owners of such large amounts of land will receive the financial benefit of commercial activity either through the sale of the forest product or through the increased value that the forest product adds to the land when the land is transferred. [1985, c. 514, §2 (NEW).]

SECTION HISTORY

1985, c. 514, §2 (NEW).

§2722. ANNUAL TAX

An excise tax is imposed upon the privilege of using one's land in commercial forestry enterprise in this State. The tax shall be levied upon owners of commercial forest land and shall be apportioned according to the formula specified in section 2723-A. The State, municipalities and the Federal Government are not subject to this tax. [1987, c. 362, §1 (AMD).]

SECTION HISTORY
1985, c. 514, §2 (NEW). 1987, c. 362, §1 (AMD).

§2723. COMPUTATION OF THE TAX

(REPEALED)

SECTION HISTORY
1985, c. 514, §2 (NEW). 1987, c. 362, §2 (RP).

§2723-A. COMPUTATION OF TAX

1. **Calculation of fire control net costs.** Annually by September 1 beginning in 1987, the Commissioner of Agriculture, Conservation and Forestry shall certify to the State Tax Assessor the amount appropriated from the General Fund by the Legislature for the current fiscal year, including funds appropriated or allocated for capital improvements and repairs and the amounts proposed and budgeted to be spent in any federal and dedicated accounts for forest fire protection activities in the same fiscal year. The commissioner shall certify the amounts of all projected revenues resulting from forest fire protection activities for the same fiscal year, including federal revenues and dedicated revenues from the sale of buildings, vehicles and other equipment; fees and other miscellaneous revenues; and revenues estimated to be received from municipalities and the unorganized territory pursuant to Title 12, sections 9204, 9205 and 9205-A.

[1987, c. 362, §3 (NEW); 2011, c. 657, Pt. W, §6 (REV) .]

2. **Preceding fiscal year net costs.** The commissioner shall certify to the State Tax Assessor actual expenditures and revenues for forest fire protection for the preceding fiscal year for the same categories of information required in subsection 1 and provide the net amount resulting from subtracting revenues from expenditures.

[1987, c. 362, §3 (NEW) .]

3. **Roll forward amount from preceding fiscal year.** The State Tax Assessor shall subtract the amount in subsection 2 from the amount determined for the preceding fiscal year under subsection 4. If the resulting amount is positive, it shall be treated as a revenue and deducted from current year estimated expenditures. If the amount is negative, it shall be treated as an expenditure and added to current year estimated expenditures.

[1987, c. 362, §3 (NEW) .]

4. **Computing current year costs.** The State Tax Assessor shall add all projected expenditures for the current fiscal year, including general, federal and dedicated funds. From this amount shall be subtracted all revenues projected to be received in the current fiscal year, as identified in accordance with subsection 1. From this amount shall be added or subtracted, as appropriate, the net roll forward amount from the prior fiscal year as determined in subsection 3.

[1987, c. 362, §3 (NEW) .]

5. **Computing the tax.**

[1989, c. 555, §§20, 24 (RP); 1989, c. 600, Pt. B, §11 (AFF) .]

5-A. **Computing tax.** This amount must be multiplied by 40% and the sum must then be divided by the total number of adjusted acres of commercial forest land, rounded to the nearest 1/10 of a cent and multiplied by the number of adjusted acres of commercial forest land owned by each taxpayer to determine the amount of tax for which each owner of commercial forest land is liable.

[1997, c. 24, Pt. C, §6 (AMD) .]

6. **Minimum tax.** If the amount calculated under this chapter is less than $5, the amount assessed shall be $5.

[1987, c. 362, §3 (NEW) .]

SECTION HISTORY
1987, c. 362, §3 (NEW). 1989, c. 555, §§20,21,24 (AMD). 1989, c. 600, §B11 (AMD). 1991, c. 528, §LL3 (AMD). 1991, c. 528, §RRR (AFF). 1991, c. 591, §LL3 (AMD). 1993, c. 410, §KK1 (AMD). 1997, c. 24, §C6 (AMD). 2011, c. 657, Pt. W, §6 (REV).

§2724. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [1985, c. 514, §2 (NEW).]

1. **Adjusted acres.** "Adjusted acres" means the total number of acres of commercial forest land owned by a person throughout the State reduced by 500 acres. Cotenants of property, whether joint tenants or tenants in common, shall be treated as one person and shall collectively be entitled to only one 500-acre reduction.

[1985, c. 514, §2 (NEW) .]

2. **Commercial forest land.** "Commercial forest land" means land that is classified or that is eligible for classification as forest land pursuant to the Maine Tree Growth Tax Law, chapter 105, subchapter II-A, except that "commercial forest land" does not include land described in section 573, subsection 3, paragraph B or C when all commercial harvesting of forest products is prohibited. In determining whether land not classified under the Maine Tree Growth Tax Law is eligible for classification under that law, all facts and circumstances must be considered, including whether the landowner is engaged in the forest products business and the land is being used in that business or there is a forest management plan for commercial use of the land or a particular parcel of land has been harvested for commercial purposes within the preceding 5 years.

[1993, c. 452, §15 (AMD) .]

SECTION HISTORY
1985, c. 514, §2 (NEW). 1987, c. 497, §43 (AMD). 1993, c. 452, §15 (AMD).

§2725. DUE DATE

This excise tax is due May 1, 1986, and each subsequent May 1st. [1985, c. 514, §2 (NEW).]

SECTION HISTORY
1985, c. 514, §2 (NEW).

§2726. ADMINISTRATION

1. **Returns.** The State Tax Assessor shall prescribe and make available the required tax return. All owners of more than 500 acres of forested land, whether or not that land is commercial forest land, shall complete and file tax returns with the State Tax Assessor no later than February 1st.

[1989, c. 508, §15 (AMD) .]

2. **Date of ownership.** The ownership and use of forested land for purposes of this chapter shall be determined as of April 1st preceding the date that the tax return is due.

[1985, c. 514, §2 (NEW) .]

3. **Notice.** The State Tax Assessor shall notify all landowners subject to this tax of the tax assessed against them no later than 30 days before the date that the tax is due. Failure to notify a landowner shall not relieve the obligation to pay the tax when due.

[1985, c. 514, §2 (NEW) .]

4. **Supplemental assessments.** Supplemental assessments may be made in accordance with section 141, subsection 1, except that the following limitations apply:

A. If a landowner who has failed to file a return under this chapter signs and files with the assessor an affidavit stating that the landowner did not know of the requirement to file a return under this chapter, a supplemental assessment may be made only for the 3 preceding years. Interest and penalties must be waived or abated if the tax is paid within 30 days after receipt of notice of the supplemental assessment as provided in a manner prescribed in section 111, subsection 2; and [2011, c. 462, §1 (NEW); 2011, c. 462, §2 (AFF).]

B. If a landowner knew of the requirement to file a return under this chapter or if the assessor determines that the affidavit under paragraph A was falsely filed, the supplemental assessment may be made for the 6 preceding years plus interest and penalties. [2011, c. 462, §1 (NEW); 2011, c. 462, §2 (AFF).]

[2011, c. 462, §1 (AMD); 2011, c. 462, §2 (AFF) .]

5. **Interest and penalties.** Taxes remaining unpaid after the due date are subject to interest and penalty as provided in chapter 7.

[1985, c. 514, §2 (NEW) .]

6. **Enforcement.** The tax imposed by this chapter may be enforced by the enforcement and collection procedures provided in chapter 7.

[1995, c. 281, §21 (AMD) .]

SECTION HISTORY
1985, c. 514, §2 (NEW). 1989, c. 508, §15 (AMD). 1995, c. 281, §21 (AMD). 2011, c. 462, §1 (AMD). 2011, c. 462, §2 (AFF).

§2727. CREDIT; REFUND

(REPEALED)

SECTION HISTORY
1985, c. 514, §2 (NEW). 2011, c. 240, §22 (RP).

§2728. REPORT ON OWNERSHIP OF COMMERCIAL FOREST LAND BY SIZE OF OWNERSHIP

On or before September 1st of each year, the State Tax Assessor shall provide the Director of the Bureau of Forestry within the Department of Agriculture, Conservation and Forestry with information on the number of landowners filing tax returns in accordance with this chapter, including a breakdown of the number of landowners by acreage categories. The State Tax Assessor shall consult with the Director of the Bureau of Forestry in determining the acreage categories and shall provide the information in a consistent format to facilitate comparison from year to year. [2001, c. 564, §6 (NEW); 2011, c. 657, Pt. W, §§5, 7 (REV); 2013, c. 405, Pt. A, §23 (REV).]

SECTION HISTORY
2001, c. 564, §6 (NEW). 2011, c. 657, Pt. W, §§5, 7 (REV). 2013, c. 405, Pt. A, §23 (REV).

Chapter 369: HOSPITALS

§2801. HOSPITAL EXCISE TAX

(REPEALED)

SECTION HISTORY
1987, c. 847, §5 (NEW). 1989, c. 501, §P31 (AMD). 1989, c. 909, (AMD). 1991, c. 528, §RRR (AFF). 1991, c. 528, §Q7 (RP). 1991, c. 591, §Q7 (RP).

§2801-A. HOSPITAL ASSESSMENT

(REPEALED)

SECTION HISTORY
RR 1991, c. 1, §56 (COR). 1991, c. 528, §Q8 (NEW). 1991, c. 528, §RRR (AFF). 1991, c. 591, §Q8 (NEW). 1991, c. 780, §§R6,7 (AMD). 1995, c. 368, §§W9,RR1-3 (AMD). 1995, c. 665, §§L1-3 (AMD). 1995, c. 665, §L9 (AFF). 1997, c. 24, §T1 (AMD). 1997, c. 526, §14 (AMD). MRSA T. 36, §2801-A, sub-§10 (RP).

Chapter 370: GROSS RECEIPTS TAX

§2821. TAX ASSESSMENT

(REPEALED)

SECTION HISTORY
1993, c. 410, §YY2 (NEW). 1993, c. 410, §YY6 (AFF). 1995, c. 665, §E4 (AFF). 1995, c. 665, §E2 (RP).

§2822. TAX COMPUTATION

(REPEALED)

SECTION HISTORY
1993, c. 410, §YY2 (NEW). 1993, c. 410, §YY6 (AFF). 1995, c. 665, §E4 (AFF). 1995, c. 665, §E2 (RP).

§2823. ADMINISTRATION

(REPEALED)

SECTION HISTORY
1993, c. 410, §YY2 (NEW). 1993, c. 410, §YY6 (AFF). 1995, c. 665, §E4 (AFF). 1995, c. 665, §E2 (RP).

§2824. CONSTRUCTION

(REPEALED)

SECTION HISTORY
1993, c. 410, §YY2 (NEW). 1993, c. 410, §YY6 (AFF). 1995, c. 665, §E4 (AFF). 1995, c. 665, §E2 (RP).

§2825. REPORT

(REPEALED)

SECTION HISTORY
1993, c. 410, §YY2 (NEW). 1993, c. 410, §YY6 (AFF). 1995, c. 665, §E4 (AFF). 1995, c. 665, §E2 (RP).

Chapter 371: MINING EXCISE TAX

§2851. PREAMBLE

It is the Legislature's belief that mining for metallic minerals is an acceptable and necessary activity in the State. Mining results in economic benefits to the locality where it occurs, as well as to the entire State and the Nation. Those who conduct mining do so by their own initiative and by investing their capital. When mining is conducted, investments of the State are also made to provide public facilities and services. Aesthetic costs and the permanent loss of valuable assets also result from mining. It is the Legislature's intent that the mining excise tax be fairly related to the services provided by the State and its subdivisions, as well as account for the costs of mining and the permanent loss of valuable assets. [1981, c. 711, §10 (NEW).]

SECTION HISTORY
1981, c. 711, §10 (NEW).

§2852. FINDINGS

The Legislature makes the following findings. [1981, c. 711, §10 (NEW).]

1. **Mineral resources fundamental.** Mineral resources are fundamental to modern civilization.

[1981, c. 711, §10 (NEW) .]

2. **Mineral resources as economic wealth.** Mineral resources have historically been a primary source of economic wealth, are valuable and, once removed, are forever lost as an economic asset to the State.

[1981, c. 711, §10 (NEW) .]

3. **Development of mineral resources.** Development of this country's mineral resources has involved only a small portion of its land area and may be expected to involve a similarly small portion of the land area of Maine.

[1981, c. 711, §10 (NEW) .]

4. **Excise tax.** The tax established by this chapter is not a property tax. It is an excise tax imposed on those engaged in and enjoying the privilege of conducting mining in the State.

[1981, c. 711, §10 (NEW) .]

5. **Creation of additional costs to government by mining.** The activity of mining may create additional costs to the State and its political subdivisions for government services, such as environmental monitoring and education and for highways, sewers, schools and other improvements which are necessary to accommodate the development of a mining industry.

[1981, c. 711, §10 (NEW) .]

6. **Effect of mining on environment and other qualities.** The activity of mining may have permanent and often damaging effects on the environment and recreational and aesthetic qualities of the State. These effects constitute a cost to the State.

[1981, c. 711, §10 (NEW) .]

7. **Quality of life.** The activity of mining may significantly alter the quality of life in communities affected by mining.

[1981, c. 711, §10 (NEW) .]

8. **Size of mining operation.** As the size of a mining operation increases, the cost to the State and its political subdivisions may increase, as do the effects on the environment. As the size of a mining operation increases, the mining company benefits from economies of scale in the mining operation.

[1981, c. 711, §10 (NEW) .]

9. **Long-term and short-term economic costs.** The State and its political subdivisions incur long-term and short-term economic costs as a result of mining. A fund, in which is deposited a portion of the excise tax revenues, assures that money will be available for long-term and short-term costs associated with social, educational, environmental and economic impacts of mining.

[1981, c. 711, §10 (NEW) .]

10. **Impact of mining tax laws on mining industry.** Mining tax laws may have a significant impact on the profitability of mining and the industry's ability to enter into and sustain production.

[1981, c. 711, §10 (NEW) .]

SECTION HISTORY
1981, c. 711, §10 (NEW).

§2853. PURPOSE

It is the policy of the State to encourage the sound and orderly development of Maine's mineral resources. The object of this policy is to assure that the actions associated with development of these resources will: [1981, c. 711, §10 (NEW).]

1. **Expansion and diversification of economy.** Encourage expansion and diversification of the state's economy and create new employment opportunities for the state's people;

[1981, c. 711, §10 (NEW) .]

2. **Land use; environmental, safety and health regulations.** Adhere to sound and effective land use, environmental, safety and health regulations administered through appropriate public agencies;

[1981, c. 711, §10 (NEW) .]

3. **Assistance to municipalities and counties.** Provide planning and development assistance to municipalities, counties and the unorganized territory if significantly affected by mineral resource development; and

[1981, c. 711, §10 (NEW) .]

4. **Scheme of taxation.** Establish a practical scheme of taxation on mining companies which will:

A. Permit these companies to profitably operate mines within the State; [1981, c. 711, §10 (NEW).]

B. Encourage the economically efficient extraction of minerals; [1981, c. 711, §10 (NEW).]

C. Permit the State to derive a benefit from the extraction of a nonrenewable resource; and [1981, c. 711, §10 (NEW).]

D. Compensate the State and its political subdivisions for present and future costs incurred or to be incurred as a result of the mining activity. [1981, c. 711, §10 (NEW).]

[1981, c. 711, §10 (NEW) .]

SECTION HISTORY
1981, c. 711, §10 (NEW).

§2854. EXCISE TAX IN LIEU OF PROPERTY TAXES

1. **Annual excise tax.** A mining company shall pay to the State Tax Assessor, for the use set forth in this chapter, an annual excise tax for the privilege of conducting mining within the State.

[1981, c. 711, §10 (NEW) .]

2. **Property tax exemption.** The excise tax imposed by this chapter shall be in lieu of all property taxes on or with respect to mining property, except for the real property taxes on the following:

A. Buildings, excluding fixtures and equipment; and [1981, c. 711, §10 (NEW).]

B. Land, excluding the value of minerals or mineral rights. [1981, c. 711, §10 (NEW).]

[1981, c. 711, §10 (NEW) .]

SECTION HISTORY
1981, c. 711, §10 (NEW).

§2855. DEFINITIONS

For the purposes of this chapter, unless the context otherwise indicates, the following terms have the following meanings. [1981, c. 711, §10 (NEW).]

1. **The code.**

[1987, c. 504, §3 (RP) .]

2. **Commencement of mining.** "Commencement of mining" means when the mine is opened and in the process of development, and shall be deemed to occur when whichever of the following first occurs:

A. The surface soil is broken in order to facilitate or accomplish the extraction or removal, within 12 successive calendar months, of more than 1,000 cubic yards from the earth of a mineral, top soil or other solid matter or material naturally lying over the minerals, except in connection with exploratory activity; or [1981, c. 711, §10 (NEW).]

B. Construction or reconstruction is commenced on fixtures, buildings or surface improvements, to be used in connection with mining. [1981, c. 711, §10 (NEW).]

[1981, c. 711, §10 (NEW) .]

3. **Exploratory activity.** "Exploratory activity" means all activities undertaken by the owner or any other person for the purpose of determining the existence of minerals or the quantity, quality or character of the minerals or feasibility of mining those minerals. These activities may include, without limitation: Testing and evaluation of the land and subsurface; taking soil and stream sediment samples; drilling on the land including, without limitation, bulk sample drilling; bulk sample excavation; performance of geophysical tests; and activities incidental to the foregoing; notwithstanding that the activity may involve the use of equipment on the land, may alter the character and appearance of the land or may result in disturbance of the land, including, without limitation, the creation of trails or roads, removal of trees, the planting of new vegetation or the taking of other measures to prevent soil erosion, or the marking of sample holes.

[1981, c. 711, §10 (NEW) .]

4. **Facilities and equipment.** "Facilities and equipment" means all mining property, excluding land and mineral products.

[1981, c. 711, §10 (NEW) .]

5. **Gross proceeds.** "Gross proceeds" means a mining company's federal gross income from mining with respect to a mine site, as defined in Section 613 of the code.

[1981, c. 711, §10 (NEW) .]

6. **Land.** "Land" means all real estate and all natural resources and any interest in or right involving that real estate or natural resources including, without limitation, minerals, mineral rights, timber, timber rights, water and water rights. "Land" does not include improvements constructed, placed or located within a mine site, such as buildings, structures, fixtures, fences, bridges, dikes, canals, dams, roads or other improvements within a mine site.

[1981, c. 711, §10 (NEW) .]

7. **Mine site.** "Mine site" means the entire contiguous area owned, leased or otherwise subject to the possessory control of a mining company within which mining or activities incidental thereto, occur or may reasonably be expected to occur.

A. The mine site includes, without limitation, the contiguous area in which are located or reasonably may be expected to be located: The excavation; tailings, waste rock or overburden storage areas; mills; conveyors; concentrators; crushers; screens; pipes; canals; dams; ponds; lagoons; ditches; roads; access

roads; utility facilities or equipment; pollution control facilities; railroad tracks or sidings; administrative or other buildings; or improvements, structures, rights-of-way or easements appurtenant or related to any of the foregoing. [1981, c. 711, §10 (NEW).]

B. The mine site shall be determined according to section 2865. [1981, c. 711, §10 (NEW).]

[1981, c. 711, §10 (NEW) .]

8. **Mineral products.** "Mineral products" means all unextracted and extracted minerals and all products derived therefrom by mining.

[1983, c. 776, §4 (AMD) .]

9. **Minerals.** "Minerals" means all naturally-occurring metallic minerals.

[1981, c. 711, §10 (NEW) .]

10. **Mining.** The term "mining" has the following meanings.

A. "Mining" means:

(1) The extraction of minerals from the ground; or

(2) Processes used in the separation or extraction of the mineral or minerals from other material from the mine or other natural deposit, including, but not limited to: Crushing; grinding; beneficiation by concentration (gravity, flotation, amalgamation, electrostatic or magnetic); cyanidation; leaching; crystallization; or precipitation or processes substantially equivalent to or necessary or incidental to any of the foregoing; but not including electrolytic deposition; roasting; thermal or electric smelting; or refining. [1981, c. 711, §10 (NEW).]

B. Mining does not include exploratory activity. [1981, c. 711, §10 (NEW).]

[1981, c. 711, §10 (NEW) .]

11. **Mining company.** "Mining company" means a person who engages in mining in the State.

[1981, c. 711, §10 (NEW) .]

12. **Mining property.** "Mining property" means:

A. All real estate on, under, within or comprising a mine site; and [1981, c. 711, §10 (NEW).]

B. All tangible personal property on, under or within a mine site, or on route to or from a mine site, or being transported to or from or destined to or from a mine site, and which is owned, leased or otherwise subject to possessory control by a mining company. [1981, c. 711, §10 (NEW).]

C. Mining property does not include:

(1) All property which is not mineral products and is not primarily used or held for use in connection with mining or the business of mining at a mine site, or any activity necessary or incidental to or in support of mining or the business of mining engaged in at a mine site; or

(2) Those vehicles upon which state excise taxes are paid for the current registration period pursuant to chapter 111. [1983, c. 776, §5 (AMD).]

[1983, c. 776, §5 (AMD) .]

13. **Municipality.** "Municipality" means a city, town or plantation.

[1981, c. 711, §10 (NEW) .]

14. **Net proceeds.** "Net proceeds" means a mining company's federal taxable income from the property with respect to a mine site (computed without allowance for depletion as defined in Section 613 of the code) adjusted as follows.

A. The following deductions are allowed in addition to those allowed in computing taxable income from the property under the code:

(1) Cost depletion as would be allowed under Section 611 of the code without regard to percentage depletion;

(2) Exploration and development costs as defined in Sections 616 and 617 of the code. Exploration and development costs incurred prior to the commencement of mining must be recovered proportionately over the life of the mine in the same manner as that provided in Section 611 of the code with respect to cost depletion. Exploration and development costs incurred after the commencement of mining must be recovered in the year incurred;

(3) Net operating loss deductions as defined in Section 172 of the code, but not including the exclusions under paragraph B; and

(4) Reasonable accruals for all reclamation, restoration and shut-down costs required by state or federal laws, regulations or permits. These accruals must be made on a proportionate basis over the accrual period. [1993, c. 395, §18 (AMD).]

B. The following may not be allowed as deductions:

(1) Property taxes paid that are allowed as a credit against the tax provided by this chapter;

(2) The tax provided by this chapter; and

(3) Percentage depletion as allowed under Section 613 of the code. [1993, c. 395, §18 (AMD).]

[1993, c. 395, §18 (AMD) .]

15. **Tax year.** "Tax year" means an annual accounting period ending on the last day of the month of the period used by the mining company as its taxable year for federal income tax purposes.

[1981, c. 711, §10 (NEW) .]

16. **Termination of mining.** "Termination of mining" means, and shall be deemed to occur on March 31st of any year if:

A. The mining company has permanently abandoned mining during the previous 12 months; or [1981, c. 711, §10 (NEW).]

B. During the previous 2 years, there has been:

(1) Extraction or removal from the earth or sale of less than 1,000 cubic yards of minerals, top soil, other solid matter or material naturally lying over the minerals; and

(2) No construction or reconstruction of fixtures, buildings or surface improvements which are mining property. [1981, c. 711, §10 (NEW).]

[1981, c. 711, §10 (NEW) .]

17. **Value of facilities and equipment.** "Value of facilities and equipment" means the basis to the owner as defined in Section 1012 of the code for all facilities and equipment:

A. With a useful life beyond one year at the date of acquisition; and [1981, c. 711, §10 (NEW).]

B. Which are, on the last day of the tax year:

(1) On, under or within a mine site; or

(2) Within the State and on route to or from a mine site, or being transported to or from or destined to or from a mine site. [1981, c. 711, §10 (NEW).]

[1981, c. 711, §10 (NEW) .]

SECTION HISTORY
1981, c. 711, §10 (NEW). 1983, c. 776, §§4,5 (AMD). 1985, c. 535, §5 (AMD). 1987, c. 504, §3 (AMD). 1993, c. 395, §18 (AMD).

§2856. AMOUNT OF TAX

The amount of the annual excise tax on a mining company shall be the sum of the excise taxes due on each mine site. The excise tax due on each mine site shall be the greater of the following: [1981, c. 711, §10 (NEW).]

1. **Tax on facilities and equipment.** The value of facilities and equipment multiplied by 0.005; or

[1981, c. 711, §10 (NEW) .]

2. **Tax on gross proceeds.** The gross proceeds multiplied by:

A. If net proceeds are greater than zero, the greater of the following:

(1) 0.009; or

(2) A number determined by subtracting from 0.045 the quotient obtained by dividing:

(a) Gross proceeds, by

(b) Net proceeds multiplied by 100. [2013, c. 2, §45 (COR).]

B. If net proceeds are equal to or less than zero, then 0.009. [2013, c. 2, §45 (COR).]

[2013, c. 2, §45 (COR) .]

SECTION HISTORY
1981, c. 711, §10 (NEW). RR 2013, c. 2, §45 (COR).

§2857. RETURNS

1. **Annual return.** A mining company shall file, on or before the date the mining company's state income tax return is due to be filed, an annual return on a form specified by the State Tax Assessor for each tax year.

[1981, c. 711, §10 (NEW) .]

2. **Form and contents.** The return shall indicate:

A. The tax due; [1981, c. 711, §10 (NEW).]

B. The estimated tax payments made; [1981, c. 711, §10 (NEW).]

C. Credits provided under section 2858; and [1981, c. 711, §10 (NEW).]

D. Information relating to the value of facilities and equipment, gross proceeds, net proceeds or other relevant information as the State Tax Assessor may by rule require. [1981, c. 711, §10 (NEW).]

[1981, c. 711, §10 (NEW) .]

3. **Payments.** A mining company shall pay the tax due, less estimated tax payments and credits, at the time its annual return is due without extensions.

[1981, c. 711, §10 (NEW) .]

4. **Extensions.** The State Tax Assessor may grant a reasonable extension of time for filing a return, declaration, statement or other document or payment of tax or estimated tax required by this chapter on such terms and conditions as he may require. The extension may not exceed 8 months.

[1981, c. 711, §10 (NEW) .]

5. **Computation.** In computing a mining company's tax, gross proceeds and net proceeds shall be computed as if each mine site were a separate taxpayer. The State Tax Assessor may distribute, apportion or allocate on a reasonable basis gross proceeds, deductions, credits or allowances between or among mining companies or mine sites, if such distribution, apportionment or allocation is necessary to prevent evasion of taxes imposed by this chapter, or to reflect clearly the gross or net proceeds of any mining company or mine site.

[1981, c. 711, §10 (NEW) .]

SECTION HISTORY
1981, c. 711, §10 (NEW).

§2858. CREDITS, REFUNDS AND AMENDMENTS

Credits, refunds and amendments shall be computed and applied separately for each mine site. The following provisions shall apply. [1981, c. 711, §10 (NEW).]

1. **Credit for property tax prior to commencement of mining.** A credit shall be allowed for property taxes paid by a mining company or any other person on property which becomes exempt during the year under section 2854, subsection 2. The amount of the credit shall be computed as follows: The number of days remaining in the property tax year beginning with the date mining commences and the next March 31st, inclusive, shall be divided by 365; the percentage thus arrived at shall be multiplied by the property taxes paid during that property tax year against such property. The credit may be used in the tax year in which the property tax was paid or in any tax years thereafter.

[1981, c. 711, §10 (NEW) .]

2. **Credit for property tax paid on land and buildings.** A credit shall be allowed for property taxes paid by a mining company or any other person on land and buildings that are mining property. The credit may be used in the tax year in which the property tax was paid or in any tax years thereafter.

[1981, c. 711, §10 (NEW) .]

3. **Credits for prepayment of taxes.** The following provisions apply to prepayment of taxes other than estimated tax payments.

A. A person may prepay to the State Tax Assessor at any time prior to the end of the 5 years following the commencement of mining, a portion of the taxes due under this chapter not to exceed $250,000 in one year or $500,000 for a mine site. [1981, c. 711, §10 (NEW).]

B. If a person (whether or not it was a mining company at the time of the prepayment) prepays a portion of the taxes due under this chapter, it may take that prepayment as a credit against the taxes due under this chapter in any tax years following prepayment. [1981, c. 711, §10 (NEW).]

[1981, c. 711, §10 (NEW) .]

4. **Credit for penalty payments.**

[1987, c. 772, §26 (RP) .]

4-A. **Credits for municipal reimbursement paid.**

[1983, c. 776, §6 (RP) .]

5. **Refunds.** Tax refunds and abatements shall be made in accordance with section 2011, except if estimated tax payments exceed the tax due for the tax year, the State Tax Assessor shall refund the excess, unless the mining company requests otherwise.

[1981, c. 711, §10 (NEW) .]

6. **Amendment for unexpended accruals.** If accruals taken as deductions under section 2855, subsection 14, are not actually expended for the purposes for which they were accrued, then the mining company shall amend its returns for the tax years the deductions were taken to reduce those deductions to actual expenditures.

[1981, c. 711, §10 (NEW) .]

SECTION HISTORY
1981, c. 711, §10 (NEW). 1983, c. 555, §4 (AMD). 1983, c. 776, §6 (AMD). 1987, c. 772, §26 (AMD).

§2859. ESTIMATED TAX REQUIREMENTS

A mining company shall make payments of estimated tax pursuant to section 5228, except that the estimated tax liability is to be based on liability for the mining excise tax rather than the income tax. [1985, c. 691, §§ 27, 48 (RPR).]

SECTION HISTORY
1981, c. 711, §10 (NEW). 1985, c. 691, §§27,48 (RPR).

§2860. ENFORCEMENT

(REPEALED)

SECTION HISTORY
1981, c. 711, §10 (NEW). 1989, c. 502, §A132 (AMD). 2011, c. 240, §23 (RP).

§2861. MUNICIPAL REIMBURSEMENT

1. **Reimbursement.** Excise tax revenues shall be used first to reimburse municipalities for the tax exemptions established by this chapter.

[1981, c. 711, §10 (NEW) .]

2. **Treasurer's duties.** The Treasurer of State shall reimburse each municipality at least 50% and, if revenues from the Mining Excise Tax are available, up to 100% of the property tax revenue loss suffered by that municipality during the previous calendar year as a result of the exemptions established by this chapter.

[1991, c. 883, §3 (AMD) .]

3. **Determination of amount.** The property tax revenue loss shall be determined as follows.

A. The State Tax Assessor shall make the following determinations:

(1) The total amount of property taxes levied by the municipality in the previous calendar year;

(2) The municipal valuation which resulted in subparagraph (1); and

(3) The valuation of the property which is exempt as a result of this chapter. [1981, c. 711, §10 (NEW).]

B. The valuation of property which is exempt as a result of this chapter, shall be the total valuation of that property reduced by the valuation of that property which would be determined to be exempt under this Title as this Title existed on the day before the effective date of this Act. [1981, c. 711, §10 (NEW).]

C. The State Tax Assessor shall add the valuation as determined in paragraph A, subparagraph (2), to the valuation as determined in paragraph A, subparagraph (3), and divide the sum into the figure determined in paragraph A, subparagraph (1). [1981, c. 711, §10 (NEW).]

D. The State Tax Assessor shall apply the rate calculated in paragraph C to the valuation of the exempt property to determine the amount of potential tax revenue loss. [1981, c. 711, §10 (NEW).]

E. The State Tax Assessor shall reduce the amount from paragraph D to reflect the additional school support provided by the State because of the change in valuation under paragraph B, which figure shall be the actual tax revenue loss. [1981, c. 711, §10 (NEW).]

[1981, c. 711, §10 (NEW) .]

4. **Payment.** The Treasurer of State shall use the excise tax revenues to pay to each municipality at least 50% and, if revenues are available, up to 100% of the actual tax revenue loss as determined by subsection 3, paragraph E. The Treasurer of State shall set aside an amount from these revenues sufficient to meet this obligation. The Treasurer of State shall pay the money due to the municipality by February 1st of the year following the year in which property tax revenue was lost by the municipality.

[1991, c. 883, §3 (AMD) .]

5. **Unorganized territory.** The unorganized territory shall be entitled to reimbursement under this section in the same manner provided by this section for municipalities. The amount of reimbursement due shall be paid into the Unorganized Territory Education and Services Fund established in chapter 115.

[1985, c. 459, Pt. B, §5 (NEW) .]

6. **Oversight.** The Treasurer of State, following the payment of excise tax revenues to municipalities pursuant to subsection 4, shall annually set aside 25% of the remaining revenues from mining operations to be deposited in the Mining Oversight Fund. Money in this fund is available to fund oversight of mining activity as defined by rule by the Department of Environmental Protection in relation to metallic mineral exploration.

[2011, c. 653, §4 (AMD); 2011, c. 653, §33 (AFF) .]

SECTION HISTORY
1981, c. 711, §10 (NEW). 1985, c. 459, §B5 (AMD). 1991, c. 883, §§3,4 (AMD). 2011, c. 653, §4 (AMD). 2011, c. 653, §33 (AFF). 2011, c. 682, §38 (REV).

§2862. DISTRIBUTION OF REMAINING REVENUES

Excise tax revenues remaining after municipal reimbursement and payments into the Mining Oversight Fund under section 2861 must be used as follows. [2011, c. 653, §5 (AMD); 2011, c. 653, §33 (AFF).]

1. **First year.** In the first year following the commencement of mining, revenues shall be distributed as follows:

A. 20% to the General Fund; and [1981, c. 711, §10 (NEW).]

B. 80% to the Mining Impact Assistance Fund. [1981, c. 711, §10 (NEW).]

[1981, c. 711, §10 (NEW) .]

2. **Second year.** In the 2nd year following the commencement of mining, revenues shall be distributed as follows:

A. 15% to the General Fund; [1981, c. 711, §10 (NEW).]

B. 10% to the Mining Excise Tax Trust Fund; and [1981, c. 711, §10 (NEW).]

C. 75% to the Mining Impact Assistance Fund. [1981, c. 711, §10 (NEW).]

[1981, c. 711, §10 (NEW) .]

3. **Third year.** In the 3rd year following the commencement of mining, revenues shall be distributed as follows:

A. 20% to the General Fund; [1981, c. 711, §10 (NEW).]

B. 15% to the Mining Excise Tax Trust Fund; and [1981, c. 711, §10 (NEW).]

C. 65% to the Mining Impact Assistance Fund. [1981, c. 711, §10 (NEW).]

[1981, c. 711, §10 (NEW) .]

4. **Fourth year.** In the 4th year following the commencement of mining, revenues shall be distributed as follows:

A. 25% to the General Fund; [1981, c. 711, §10 (NEW).]

B. 25% to the Mining Excise Tax Trust Fund; and [1981, c. 711, §10 (NEW).]

C. 50% to the Mining Impact Assistance Fund. [1981, c. 711, §10 (NEW).]

[1981, c. 711, §10 (NEW) .]

5. **Fifth year.** In the 5th year following the commencement of mining, revenues shall be distributed as follows:

A. 25% to the General Fund; [1981, c. 711, §10 (NEW).]

B. 30% to the Mining Excise Tax Trust Fund; and [1981, c. 711, §10 (NEW).]

C. 45% to the Mining Impact Assistance Fund. [1981, c. 711, §10 (NEW).]

[1981, c. 711, §10 (NEW) .]

6. **Subsequent years.** In the years following the 5th year after the commencement of mining, revenues shall be distributed as follows:

A. 30% to the General Fund; [1981, c. 711, §10 (NEW).]

B. 60% to the Mining Excise Tax Trust Fund; and [1981, c. 711, §10 (NEW).]

C. 10% to the Mining Impact Assistance Fund. [1981, c. 711, §10 (NEW).]

[1981, c. 711, §10 (NEW) .]

7. **Changes in mining activity.** If, prior to the commencement of extraction of minerals for sale, a mining company ceases construction of a mine site, any taxes due during the period of construction cessation shall be distributed according to the most recently applicable provision of this section.

[1981, c. 711, §10 (NEW) .]

8. **Adjustments to distribution formula.** The distribution provisions of this section shall be altered as follows.

A. Amounts paid in accordance with section 2858, subsection 3, in each year shall be deposited in the Mining Impact Assistance Fund. [1981, c. 711, §10 (NEW).]

B. [1991, c. 883, §6 (RP).]

C. Funds allocated to the Mining Excise Tax Trust Fund which would raise the fund above its limit shall be redistributed as follows:

(1) 33 1/3% to the Mining Impact Assistance Fund; and

(2) 66 2/3% to the General Fund. [1981, c. 711, §10 (NEW).]

D. [1991, c. 883, §6 (RP).]

[1991, c. 883, §6 (AMD) .]

SECTION HISTORY
1981, c. 711, §10 (NEW). 1991, c. 883, §§5,6 (AMD). 2011, c. 653, §5 (AMD). 2011, c. 653, §33 (AFF).

§2863. GRANTS FOR IMPACT ASSISTANCE

The Mining Impact Assistance Fund shall be used to provide impact assistance to municipalities, counties or the Unorganized Territory Education and Services Fund, as follows. [1981, c. 711, §10 (NEW).]

1. **Definitions.** For the purposes of this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Commissioner" means the Commissioner of Administrative and Financial Services. [1997, c. 668, §25 (AMD).]

B. "Public facilities and services" means facilities and services provided by a municipality or county for public purposes, including, without limitation, education, public health, welfare or safety, sewage disposal, water treatment, road construction or maintenance, transportation, environmental protection, recreation or planning for those facilities and services. [1981, c. 711, §10 (NEW).]

C. "Related to mining" means directly related to mining or to the construction or reconstruction of a mine site. New or additional public facilities or services shall be deemed to be related to mining when they are provided to a mining company, to employees of the mining company or its contractors or subcontractors and their families, or when they are required because of an increase in population directly attributable to mining or to the construction or reconstruction of a mine site. [1981, c. 711, §10 (NEW).]

[1997, c. 668, §25 (AMD) .]

2. **Fund established.** There is created the Mining Impact Assistance Fund, which shall receive part of the revenues from the excise tax.

A. The fund shall not lapse. [1981, c. 711, §10 (NEW).]

B. Expenditures under subsection 5 may not be made except from funds appropriated from this fund by the Legislature. [1981, c. 711, §10 (NEW).]

[1981, c. 711, §10 (NEW) .]

3. **Maximum.**

[1991, c. 883, §7 (RP) .]

4. **Grants to municipalities in which a mine site is located.** To the extent funds are available from the excise tax revenues attributable to a mine site located within a municipality, the commissioner shall make a grant to that municipality. The amount of that grant may not be greater than 50% of the amount calculated under section 2861, subsection 3, paragraph E.

[1981, c. 711, §10 (NEW) .]

5. **Grants to municipalities, counties and unorganized territory.** Prior to receiving the revenues, the Legislature shall make an annual appropriation of those revenues from the fund for grants. The commissioner may make grants from those appropriations to municipalities, counties or the Unorganized Territory Education and Services Fund for providing necessary new or additional public facilities and services related to mining. The commissioner shall award grants taking into account the applicant's:

A. Need for new or additional public facilities and services; [1981, c. 711, §10 (NEW).]

B. Severity of the impact of mining development; [1981, c. 711, §10 (NEW).]

C. Extent of local effort to meet anticipated needs; and [1981, c. 711, §10 (NEW).]

D. Availability of increased local revenues from other sources, including, without limitation, municipal reimbursement under subsection 4 or section 2861; changes in revenues from other state or federal programs and revenues from other public or private sources. [1981, c. 711, §10 (NEW).]

[1981, c. 711, §10 (NEW) .]

6. **Applications.** At least annually, the commissioner shall request applications for grants. Applications shall include evidence of the need for public facilities and services related to mining.

[1981, c. 711, §10 (NEW) .]

7. **Report.** The commissioner shall prepare an annual report to be submitted to the Legislature. The report shall include all the activities relating to the fund in the preceding year. The report shall be submitted 30 days prior to the convening of the regular session of the Legislature.

[1981, c. 711, §10 (NEW) .]

8. **Rules.** The commissioner may adopt or amend rules to establish the procedure for applying for, reviewing and making grants under this section. Those rules shall include provisions for application deadlines, contents of applications, criteria for selecting or approving applications or allocating limited funds, and deadlines for approval or disapproval.

[1981, c. 711, §10 (NEW) .]

SECTION HISTORY

1981, c. 711, §10 (NEW). 1985, c. 785, §A112 (AMD). 1991, c. 883, §7 (AMD). 1997, c. 668, §25 (AMD).

§2864. JUST VALUE

(REPEALED)

SECTION HISTORY
1981, c. 711, §10 (NEW). 1987, c. 772, §27 (RP).

§2865. MINE SITE AND VALUATION DETERMINATIONS

1. **Mine site.** The State Tax Assessor shall determine the area of a mine site, taking into account all relevant information, including, but not limited to, plans or permits approved under the site location of development law, Title 38, chapter 3, subchapter 1, Article 6. The assessor shall give notice to the mining company and to the municipality in which the mine site is located of the determination . The assessor's determination is reviewable under section 151.

[2007, c. 627, §76 (AMD) .]

2. **Valuation.** If a mine site is located in a municipality, the assessor shall determine the valuation of mining property and the percentage of that valuation represented by land and buildings that are not exempt from property taxes. That valuation of land and buildings must be applied in determining the property taxes. The municipality in which the mine site is located may appeal that determination to the State Board of Property Tax Review as provided in chapter 101, subchapter 2-A.

[2007, c. 627, §76 (AMD) .]

SECTION HISTORY
1981, c. 711, §10 (NEW). 1985, c. 764, §21 (AMD). 2007, c. 627, §76 (AMD).

§2866. MINING OVERSIGHT FUND

1. **Creation of fund.** The Mining Oversight Fund, referred to in this section as "thefund," is established as a nonlapsing fund administered by the Mining Excise Tax Trust Fund Board of Trustees, referred to in this section as "theboard." The board shall oversee and authorize expenditures from the fund.

[2011, c. 653, §6 (AMD); 2011, c. 653, §33 (AFF) .]

2. **Investment.** The Treasurer of State shall invest the money in the fund as authorized by Title 5, section 138.

[1991, c. 883, §8 (NEW) .]

3. **Scope of corrective action.**

[2011, c. 653, §33 (AFF); 2011, c. 653, §6 (RP) .]

4. **Uses of fund.** Money from the fund may be used only to fund oversight of mining activity as provided in the mining rules adopted by the Department of Environmental Protection under the Maine Metallic Mineral Mining Act, and expenses for site oversight. Expenses for site oversight include, but are

not limited to, expenses of the department or the department's agents or contractors related to site oversight, including costs of personnel and administrative costs and expenses necessary to administer, review and monitor corrective action.

A. [2011, c. 653, §33 (AFF); 2011, c. 653, §6 (RP).]

B. [2011, c. 653, §33 (AFF); 2011, c. 653, §6 (RP).]

C. [2011, c. 653, §33 (AFF); 2011, c. 653, §6 (RP).]

D. [2011, c. 653, §33 (AFF); 2011, c. 653, §6 (RP).]

[2011, c. 653, §6 (AMD); 2011, c. 653, §33 (AFF) .]

5. **Restrictions and liability.**

[2011, c. 653, §33 (AFF); 2011, c. 653, §6 (RP) .]

6. **Disposition of fund.**

[2011, c. 653, §33 (AFF); 2011, c. 653, §6 (RP) .]

7. **Depletion of fund.**

[2011, c. 653, §33 (AFF); 2011, c. 653, §6 (RP) .]

SECTION HISTORY
1991, c. 883, §8 (NEW). 2011, c. 653, §6 (AMD). 2011, c. 653, §33 (AFF). 2011, c. 682, §38 (REV).

Chapter 373: HEALTH CARE PROVIDER TAX

§2871. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [2001, c. 714, Pt. CC, §3 (NEW); 2001, c. 714, Pt. CC, §8 (AFF).]

1. **Annual gross patient services revenue.** "Annual gross patient services revenue" means gross charges, excluding any grants, donations or research funding.

[2001, c. 714, Pt. CC, §3 (NEW); 2001, c. 714, Pt. CC, §8 (AFF) .]

2. **Annual net operating revenue.** "Annual net operating revenue" means gross charges less any amounts recorded as bad debts, charity care or payer discounts in accordance with generally accepted accounting principles.

[2003, c. 467, §1 (AMD) .]

3. **Fiscal year.**

[2003, c. 467, §2 (RP) .]

3-A. **Facility fiscal year.** "Facility fiscal year" means the fiscal year actually used by a person subject to this chapter in keeping that person's books and records.

[2003, c. 467, §3 (NEW) .]

3-B. **Intermediate care facility for persons with intellectual disabilities.** "Intermediate care facility for persons with intellectual disabilities" has the same meaning as in Title 34-B, section 1001, subsection 4-B.

[2011, c. 542, Pt. A, §142 (NEW) .]

4. **Nursing home.** "Nursing home" means a facility providing nursing facility services and licensed under Title 22, chapter 405 to provide nursing facility services.

[2001, c. 714, Pt. CC, §3 (NEW); 2001, c. 714, Pt. CC, §8 (AFF) .]

5. **Nursing facility services.** "Nursing facility services" means nursing care or rehabilitative services provided in a nursing home, by or under the direction of a physician, for the accommodation of convalescents or other persons who are not acutely ill and not in need of inpatient hospital care, but who do require skilled nursing care and related medical services.

[2001, c. 714, Pt. CC, §3 (NEW); 2001, c. 714, Pt. CC, §8 (AFF) .]

6. **Residential treatment facility.** "Residential treatment facility" means an intermediate care facility for persons with intellectual disabilities, or a level I assisted living facility for persons with intellectual disabilities or autism, that falls within the definitions provided by the United States Social Security Act, 42 United States Code, Section 1396(d) and that provides services to individuals with developmental disabilities. "Residential treatment facility" also means a community-based facility that provides similar services to the developmentally disabled under a waiver granted pursuant to the United States Social Security Act, 42 United States Code, Section 1396n(c) to the extent permitted by federal law and regulations.

[2011, c. 542, Pt. A, §143 (AMD) .]

6-A. **State fiscal year.** "State fiscal year" means the uniform fiscal year established pursuant to Title 5, section 1501 for all financing and reporting of state government expenditures.

[2003, c. 467, §4 (NEW) .]

7. **Taxable revenues.** "Taxable revenues" means annual gross patient services revenue in the case of a residential treatment facility and annual net operating revenue in the case of a nursing home.

[2001, c. 714, Pt. CC, §3 (NEW); 2001, c. 714, Pt. CC, §8 (AFF) .]

SECTION HISTORY
2001, c. 714, §CC3 (NEW). 2001, c. 714, §CC8 (AFF). 2003, c. 2, §GG1 (AMD). 2003, c. 2, §GG3 (AFF). 2003, c. 467, §§1-4 (AMD). 2011, c. 542, Pt. A, §§142, 143 (AMD).

§2872. TAX IMPOSED; FISCAL YEARS BEGINNING 2002

Beginning July 1, 2002, in addition to all other fees and taxes assessed or imposed by the Maine Revised Statutes, a tax is imposed annually against each residential treatment facility and nursing home located in the State and calculated as follows. [2003, c. 467, §5 (RPR).]

1. **Residential treatment facilities.** The tax imposed on a residential treatment facility under this section is calculated as follows:

A. For the state fiscal year beginning July 1, 2002, the tax imposed against each residential treatment facility is equal to 6% of its annual gross patient services revenue for the state fiscal year; [2003, c. 467, §5 (NEW).]

B. For facility fiscal years beginning on or after July 1, 2002 and before July 1, 2003, the tax imposed against each residential treatment facility in addition to the tax imposed pursuant to paragraph A is equal to 6% of its gross patient services revenue for that portion of the facility fiscal year occurring after June 30, 2003; [2007, c. 539, Pt. X, §1 (AMD).]

C. For whole or partial facility fiscal years beginning on or after July 1, 2003 and before January 1, 2008, the tax imposed against each residential treatment facility is equal to 6% of its annual gross patient services revenue for the corresponding whole or partial facility fiscal year; [2011, c. 411, §1 (AMD).]

D. For whole or partial facility fiscal years beginning on or after January 1, 2008 and before October 1, 2011, the tax imposed against each residential treatment facility is equal to 5.5% of its annual gross patient services revenue for the corresponding whole or partial facility fiscal year; and [2011, c. 411, §2 (AMD).]

E. Beginning October 1, 2011 for any partial facility fiscal year and for whole facility fiscal years beginning on or after October 1, 2011, the tax imposed against each residential treatment facility is equal to 6% of its annual gross patient services revenue for the corresponding whole or partial facility fiscal year. [2011, c. 411, §3 (NEW).]

[2011, c. 411, §§1-3 (AMD) .]

2. **Nursing homes.** The tax imposed on a nursing home under this section is calculated as follows:

A. For the state fiscal year beginning July 1, 2002, the tax imposed against each nursing home is equal to 6% of its annual net operating revenue for the state fiscal year; [2003, c. 467, §5 (NEW).]

B. For facility fiscal years beginning on or after July 1, 2002 and before July 1, 2003, the tax imposed against each nursing home in addition to the tax imposed pursuant to paragraph A is equal to 6% of its net operating revenue for that portion of the facility fiscal year occurring after June 30, 2003; [2007, c. 539, Pt. X, §2 (AMD).]

C. For whole or partial facility fiscal years beginning on or after July 1, 2003 and before January 1, 2008, the tax imposed against each nursing home is equal to 6% of its annual net operating revenue for the corresponding whole or partial facility fiscal year; [2011, c. 411, §4 (AMD).]

D. For whole or partial facility fiscal years beginning on or after January 1, 2008 and before October 1, 2011, the tax imposed against each nursing home is equal to 5.5% of its annual net operating revenue for the corresponding whole or partial facility fiscal year; and [2011, c. 411, §5 (AMD).]

E. Beginning October 1, 2011 for any partial facility fiscal year and for whole facility fiscal years beginning on or after October 1, 2011, the tax imposed against each nursing home is equal to 6% of its annual net operating revenue for the corresponding whole or partial facility fiscal year. [2011, c. 411, §6 (NEW).]

[2011, c. 411, §§4-6 (AMD) .]

The tax imposed by this section is an obligation of the provider pursuant to section 2873 and may not be billed to a patient as a separately stated charge. [2003, c. 467, §5 (RPR).]

SECTION HISTORY
2001, c. 714, §CC3 (NEW). 2001, c. 714, §CC8 (AFF). 2003, c. 467, §5 (RPR). 2007, c. 539, Pt. X, §§1, 2 (AMD). 2011, c. 411, §§1-6 (AMD).

§2873. RETURN AND PAYMENT OF TAX; APPLICATION OF REVENUES

1. **Monthly returns required; payment of estimated tax liability.** On or before the 15th day of each month, each person subject to the tax imposed by this chapter shall submit to the assessor a return on a form prescribed and furnished by the assessor. Each return must be accompanied by a payment of an amount equal to 1/12 of the person's estimated tax liability for the entire current state fiscal year or facility fiscal year or, in the case of a facility taxed on the basis of a partial facility fiscal year after June 30, 2003, an amount equal to a fraction of the estimated liability in which the denominator is the number of months remaining in the facility fiscal year and the numerator is one. A person may estimate its tax liability for the current state fiscal year or facility fiscal year by applying the tax rates provided by section 2872 to the most recent state fiscal year or facility fiscal year for which a Medicaid cost report has been finally settled and is no longer open to audit adjustment or correction, as long as the fiscal year in question began no earlier than 3 years prior to the beginning of the current fiscal year; in the event that the information necessary to prepare this estimate is not available, an estimate may be prepared on the basis of the reconciliation return most recently submitted or, if the first such return has not yet been filed, then on the basis of the revenues formally reported by the facility in accordance with generally accepted accounting principles. Regardless of the method used for preparing the estimate, the estimate may include adjustments to reflect changes in the number of licensed or certified beds or extraordinary changes in payment rates. Once a taxpayer has made its first monthly payment for a state fiscal year or facility fiscal year pursuant to this subsection, the monthly amount must remain fixed throughout the fiscal year unless the assessor authorizes a change. If the person's estimated annual tax liability as reported and paid pursuant to this subsection does not equal the tax imposed on that person by section 2872, any adjustments necessary to reconcile the estimated tax with the correct tax amount must be made pursuant to subsection 2.

[2003, c. 467, §6 (AMD) .]

2. **Reconciliation return required.** On or before October 15, 2003 and on or before the 15th day of the 4th month following the end of each facility fiscal year ending after October 15, 2003, each person subject in that state fiscal year or facility fiscal year to the tax imposed by this chapter shall submit a reconciliation return on a form prescribed and furnished by the assessor. The reconciliation return must account for any adjustments necessary to reconcile the annual tax for a prior state fiscal year or facility fiscal year estimated pursuant to subsection 1 with the person's correct tax liability, and the person shall submit with the reconciliation return payment of any amount due for the prior state fiscal year or facility fiscal year or portion of any prior state fiscal year or facility fiscal year. The taxpayer may also claim on the reconciliation return a refund or credit for any overpayment of tax. The determination of amounts due or overpaid is calculated by comparing the tax originally estimated and paid in the prior state fiscal year or facility fiscal year or years with the tax imposed by section 2872 on taxable revenues accrued for that period, together with any audit adjustments or corrections of which the person has knowledge on or before the 15th day of the month immediately preceding the due date of the return. The obligation to file a reconciliation return with respect to a particular state fiscal year or facility fiscal year continues until the relevant taxable revenues for that period have been finally determined and are no longer open to audit adjustment or correction and the person has reported those revenues on a reconciliation return.

[2003, c. 467, §7 (RPR) .]

3. **Audit period to remain open; accrual of penalties and interest.** Notwithstanding any other provision of law, the tax imposed against a person by section 2872 for any fiscal year remains open to audit and further assessment by the assessor until completion of the audit of the Medicaid cost report or reports for the fiscal year. Any underestimates of tax liability reported and paid pursuant to subsection 1 are subject to an assessment of interest at the rate provided in section 186 from the date or dates of underpayment until payment is made, unless the estimated tax liability was calculated in compliance with the standards provided in subsection 1, in which case no interest may accrue prior to the date on which the reconciliation return for the year is due. Any amount of tax that is reported on a reconciliation return required by subsection 2 but not

paid at the time the reconciliation return is filed is subject to the accrual of interest as provided by section 186, as well as to any applicable provisions of section 187-B, including, without limitation, the penalty provided by section 187-B, subsection 2 for failure to pay a tax.

[2003, c. 467, §8 (AMD) .]

4. **Application of revenues.** Revenues derived by the tax imposed by this chapter must be credited to a General Fund suspense account. On the last day of each month, the State Controller shall make the following transfers:

A. All revenues received by the assessor during the month pursuant to this chapter from nursing homes net of refunds must be credited to the Nursing Facilities Other Special Revenue funds account in the Department of Health and Human Services. Beginning October 1, 2011, the revenues received in each fiscal year that result from the increase in the tax rate from 5.5% to 6% pursuant to section 2872, subsection 1, paragraph E must be applied first to reimburse nursing homes for the MaineCare portion of the increased tax expense, and all remaining revenue resulting from the increase must be applied to provide cost-of-living increases to MaineCare reimbursement to nursing homes and to medical and remedial private nonmedical institutions that are reimbursed room and board costs and certain other allowable costs under rules adopted by the Department of Health and Human Services. These rules must use a methodology that provides a cost-of-living increase that ensures that such nursing facilities and medical and remedial private nonmedical institutions receive a share of the revenues through MaineCare reimbursement of allowable costs; and [2011, c. 411, §7 (AMD).]

B. All revenues received by the assessor during the month pursuant to this chapter from residential treatment facilities net of refunds must be credited to the Residential Treatment Facilities Assessment Other Special Revenue funds account in the Department of Health and Human Services. Beginning October 1, 2011, a percentage equal to the State's annual Federal Medical Assistance percentage of the revenues generated by the increase in the tax rate from 5.5% to 6% received by the assessor during the month must be credited to an Other Special Revenue Funds account in the Department of Health and Human Services, Developmental Services Waiver - Supports program and all revenues credited to that account must be applied to providing services to individuals on the waiting list for the community support benefit provided under a federal 1915(c) waiver under the MaineCare Benefits Manual, Chapter II, Section 29. The balance must be credited to an Other Special Revenue Funds account in the Department of Health and Human Services, Medicaid Services - Developmental Services program. [2011, c. 411, §7 (AMD).]

Notwithstanding the provisions of Public Law 2007, chapter 240, Part X, section 2, Public Law 2009, chapter 213, Part SSSS, section 1 or any other provision of law, any available balances in the accounts under this subsection may not be transferred between accounts by financial order or otherwise.

[2011, c. 411, §7 (AMD) .]

SECTION HISTORY
2001, c. 714, §CC3 (NEW). 2001, c. 714, §CC8 (AFF). 2003, c. 467, §§6-8 (AMD). 2003, c. 689, §§B6,7 (REV). 2011, c. 411, §7 (AMD).

Chapter 375: HOSPITAL TAX

§2881. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [2001, c. 714, Pt. NN, §2 (NEW).]

1. **Gross patient services revenue.** "Gross patient services revenue" means gross charges, excluding any grants, donations or research funding.

[2001, c. 714, Pt. NN, §2 (NEW) .]

2. **Hospital.** "Hospital" means an acute care health care facility with permanent inpatient beds planned, organized, operated and maintained to offer for a continuing period of time facilities and services for the diagnosis and treatment of illness, injury and deformity; with a governing board, and an organized medical staff, offering continuous 24-hour professional nursing care; with a plan to provide emergency treatment 24 hours a day and including other services as defined in the "Regulations for Licensure of General and Specialty Hospitals in the State of Maine," as amended; and that is licensed under Title 22, chapter 405 as a general hospital, specialty hospital or critical access hospital. For purposes of this chapter, "hospital" does not include a nursing home or a publicly owned specialty hospital.

[2001, c. 714, Pt. NN, §2 (NEW) .]

3. **Inpatient hospital services.** "Inpatient hospital services" means services that are furnished in a hospital by or under the direction of a physician or a dentist for the care and treatment of an inpatient.

[2001, c. 714, Pt. NN, §2 (NEW) .]

4. **Outpatient hospital services.** "Outpatient hospital services" means preventive, diagnostic, therapeutic, rehabilitative or palliative services provided in a hospital to an outpatient.

[2001, c. 714, Pt. NN, §2 (NEW) .]

5. **Publicly owned specialty hospital.** "Publicly owned specialty hospital" means a publicly owned hospital that is primarily engaged in providing psychiatric services for the diagnosis, treatment and care of persons with mental illness and that is licensed as a specialty hospital by the Department of Health and Human Services.

[2001, c. 714, Pt. NN, §2 (NEW); 2003, c. 689, Pt. B, §6 (REV) .]

6. **Taxable revenues.** "Taxable revenues" means gross patient services revenue.

[2001, c. 714, Pt. NN, §2 (NEW) .]

7. **Tax year.** "Tax year" means the hospital payment year, as defined by the Department of Health and Human Services, ending in state fiscal year 1999-00.

[2001, c. 714, Pt. NN, §2 (NEW); 2003, c. 689, Pt. B, §6 (REV) .]

SECTION HISTORY
2001, c. 714, §NN2 (NEW). 2003, c. 689, §B6 (REV).

§2882. TAX IMPOSED

For state fiscal year 2002-03, a tax is imposed against each hospital in the State. The tax is equal to .135% of gross patient services revenue for the tax year as identified on the hospital's annual financial statement for that year on file with the Department of Health and Human Services as of October 18, 2002, for inpatient and outpatient services attributable to all private and public payors. [2001, c. 714, Pt. NN, §2 (NEW); 2003, c. 689, Pt. B, §6 (REV).]

SECTION HISTORY
2001, c. 714, §NN2 (NEW). 2003, c. 689, §B6 (REV).

§2883. RETURN AND PAYMENT OF TAX; APPLICATION OF REVENUES

1. **Return required.** A person subject to the tax imposed by this chapter shall submit to the assessor a return on a form prescribed and furnished by the assessor and pay the tax by the 30th day following the effective date of this section.

[2001, c. 714, Pt. NN, §2 (NEW) .]

2. **Application of revenues.** All revenues received by the assessor under this chapter must be credited to the General Fund.

[2001, c. 714, Pt. NN, §2 (NEW) .]

SECTION HISTORY
2001, c. 714, §NN2 (NEW).

Chapter 377: HOSPITAL TAX

§2891. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [2003, c. 513, Pt. H, §1 (NEW).]

1. **Hospital.** "Hospital" means an acute care health care facility with permanent inpatient beds planned, organized, operated and maintained to offer for a continuing period of time facilities and services for the diagnosis and treatment of illness, injury and deformity; with a governing board and an organized medical staff offering continuous 24-hour professional nursing care; with a plan to provide emergency treatment 24 hours a day and including other services as defined in rules of the Department of Health and Human Services relating to licensure of general and specialty hospitals; and that is licensed under Title 22, chapter 405 as a general hospital, specialty hospital or critical access hospital. For purposes of this chapter, "hospital" does not include a nursing home or a publicly owned specialty hospital or, for state fiscal years beginning on or after July 1, 2008, municipally funded hospitals.

[2007, c. 545, §4 (AMD) .]

1-A. **Municipally funded hospital.** "Municipally funded hospital" means Mayo Regional Hospital in Dover-Foxcroft or Cary Medical Center in Caribou.

[2007, c. 545, §5 (NEW) .]

2. **Net operating revenue.** "Net operating revenue" means gross charges of facilities less any deducted amounts for charity care and payer discounts.

[2003, c. 688, Pt. L, §1 (AMD); 2003, c. 688, Pt. L, §2 (AFF) .]

3. **Publicly owned specialty hospital.** "Publicly owned specialty hospital" means a publicly owned hospital that is primarily engaged in providing psychiatric services for the diagnosis, treatment and care of persons with mental illness and that is licensed as a specialty hospital by the Department of Health and Human Services.

[2007, c. 438, §61 (AMD) .]

4. **Tax year.**

[2005, c. 12, Pt. ZZ, §1 (RP) .]

SECTION HISTORY
RR 2003, c. 2, §116 (COR). 2003, c. 513, §H1 (NEW). 2003, c. 688, §L1 (AMD). 2003, c. 688, §L2 (AFF). 2003, c. 689, §B6 (REV). 2005, c. 12, §ZZ1 (AMD). 2007, c. 438, §61 (AMD). 2007, c. 545, §§4, 5 (AMD).

§2892. TAX IMPOSED

(CONTAINS TEXT WITH VARYING EFFECTIVE DATES)

(WHOLE SECTION TEXT REPEALED ON CONTINGENCY: See PL 2003, c. 673, Pt. HH, §6, 7)

For the state fiscal year beginning on July 1, 2003, a tax is imposed against each hospital in the State. The tax is equal to .74% of net operating revenue for the tax year as identified on the hospital's most recent audited annual financial statement for that tax year. Delinquent tax payments are subject to Title 22, section 3175-C. [2003, c. 673, Pt. HH, §3 (AMD); 2003, c. 673, Pt. HH, §§6, 7 (AFF).]

For state fiscal years beginning on or after July 1, 2004, a tax is imposed annually against each hospital in the State. The tax is equal to 2.23% of the hospital's net operating revenue as identified in the hospital's audited financial statement for the hospital's taxable year. For the state fiscal year beginning July 1, 2004, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2002. For the state fiscal year beginning July 1, 2005, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2003. For state fiscal years beginning on or after July 1, 2006 but before July 1, 2008, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2004. [2007, c. 545, §6 (AMD).]

For state fiscal years beginning on or after July 1, 2008, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2006. [2007, c. 545, §6 (NEW).]

For state fiscal years beginning on or after July 1, 2010, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2008. [2009, c. 571, Pt. AAA, §1 (NEW).]

For state fiscal years beginning on or after July 1, 2013, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2012. [2013, c. 368, Pt. QQ, §1 (NEW).]

SECTION HISTORY
2003, c. 513, §H1 (NEW). 2003, c. 673, §HH3 (AMD). 2003, c. 673, §§HH6,7 (AFF). 2005, c. 12, §ZZ2 (AMD). 2007, c. 545, §6 (AMD). 2009, c. 571, Pt. AAA, §1 (AMD). 2013, c. 368, Pt. QQ, §1 (AMD).

§2893. RETURN AND PAYMENT OF TAX; APPLICATION OF REVENUES

1. **Return required in state fiscal year 2003-04.** For the tax due for state fiscal year 2003-04, a person subject to the tax imposed by this chapter shall submit to the assessor a return on a form prescribed and furnished by the assessor and pay the tax by the 30th day following the effective date of this section.

[2003, c. 513, Pt. H, §1 (NEW) .]

2. **Return required in state fiscal years beginning on or after July 1, 2004.** For tax due for state fiscal years beginning on or after July 1, 2004, a person subject to the tax imposed by section 2892 shall submit to the assessor a return on a form prescribed and furnished by the assessor and pay one half of the total tax due by November 15th of the state fiscal year for which the tax is being imposed and one half of the total tax due by May 15th of the state fiscal year for which the tax is being imposed.

[2009, c. 571, Pt. VV, §1 (AMD) .]

3. **Application of revenues.** All revenues received by the assessor under this chapter must be credited to a General Fund suspense account. No later than the last day of each month, the State Controller shall transfer all revenues received by the assessor during the month under section 2892 to the Medical Care - Payments to Providers Other Special Revenue Funds account in the Department of Health and Human Services.

[2009, c. 571, Pt. VV, §2 (AMD) .]

SECTION HISTORY
2003, c. 513, §H1 (NEW). 2003, c. 673, §HH4 (AMD). 2007, c. 438, §62 (AMD). 2009, c. 571, Pt. VV, §§1, 2 (AMD).

§2894. HOSPITAL ASSESSMENT

For state fiscal year 2010-11, an assessment is imposed against each hospital in the State. The assessment is equal to 0.12% of net operating revenue as identified on the hospital's most recent audited financial statement for the hospital's fiscal year that ended during calendar year 2008. [2009, c. 571, Pt. VV, §3 (NEW).]

SECTION HISTORY
2009, c. 571, Pt. VV, §3 (NEW).

§2895. RETURN AND PAYMENT OF ASSESSMENT; APPLICATION OF REVENUES

1. **Return required.** A person subject to the assessment imposed under section 2894 shall submit to the assessor a return on a form prescribed and furnished by the assessor. The assessment is payable in 2 payments. The first payment is due by September 30, 2010. The 2nd payment is due by March 30, 2011.

[2009, c. 571, Pt. VV, §4 (NEW) .]

2. **Application of revenues.** All revenues received by the assessor under section 2894 must be credited to the General Fund.

[2009, c. 571, Pt. VV, §4 (NEW) .]

SECTION HISTORY
2009, c. 571, Pt. VV, §4 (NEW).

§2896. HOSPITAL ASSESSMENT; 2012-2013

1. **Assessment.** For state fiscal year 2012-13, an assessment is imposed against each hospital in the State. The assessment is equal to 0.39% of net operating revenue as identified on the hospital's most recent audited financial statement for the hospital's fiscal year that ended during calendar year 2008.

[2011, c. 477, Pt. II, §1 (NEW) .]

2. **Return required.** A person subject to the assessment imposed under this section shall submit to the assessor a return on a form prescribed and furnished by the assessor. The assessment is payable in 2 payments. The first payment is due by September 30, 2012. The 2nd payment is due by March 30, 2013.

[2011, c. 477, Pt. II, §1 (NEW) .]

3. **Application of revenues.** All revenues received by the assessor under subsection 1 must be credited to the General Fund.

[2011, c. 477, Pt. II, §1 (NEW) .]

SECTION HISTORY
2011, c. 477, Pt. II, §1 (NEW).

Part 5: MOTOR FUEL TAXES

Chapter 451: GASOLINE TAX

§2901. SHORT TITLE

This chapter shall be known as the "Gasoline Tax Act" and the tax therein imposed shall be known as the "gasoline tax."

§2902. DEFINITIONS

As used in this chapter , unless the context otherwise indicates, the following terms have the following meanings. [2009, c. 434, §37 (AMD).]

1. **Distributor.** "Distributor" means a person that imports internal combustion engine fuel into the State, produces, refines, manufactures or compounds internal combustion engine fuel in the State or purchases internal combustion engine fuel in the State, principally for resale to others in bulk. "Distributor" includes licensed distributors and registered distributors.

[2009, c. 434, §37 (AMD) .]

1-A. **Exporter.** "Exporter" means a person that is not a distributor that purchases internal combustion engine fuel in this State and exports that fuel from the State, or causes that fuel to be exported from the State, other than in fuel tanks attached to and forming a part of a motor vehicle for use in the engine of that motor vehicle.

[2009, c. 434, §37 (AMD) .]

1-B. **Importer.** "Importer" means a person that is not a distributor that imports internal combustion engine fuel or causes internal combustion engine fuel to be imported for sale or use in this State, other than in fuel tanks attached to and forming a part of a motor vehicle for use in the engine of that motor vehicle.

[2009, c. 434, §37 (AMD) .]

1-C. **Gross gallons.** "Gross gallons" means actual measured gallons of internal combustion engine fuel received, sold or used, without adjustment for temperature or barometric pressure.

[2007, c. 438, §63 (NEW) .]

2. **Internal combustion engine.**

[2009, c. 434, §37 (RP) .]

3. **Internal combustion engine fuel.** "Internal combustion engine fuel" means all products that are commonly or commercially known or sold as gasoline and includes any liquid fuel that is prepared, advertised, offered for sale or sold for use as or commonly and commercially used as a fuel in spark-ignition internal combustion engines that has greater than 90% of the energy potential of an equivalent volume of gasoline, determined by the number of British Thermal Units in a standard volume. "Internal combustion engine fuel" does not include liquefied gases that would not exist as liquids at a temperature of 60° Fahrenheit and a pressure of 14.7 pounds per square inch absolute.

"Internal combustion engine fuel" includes any motor fuel that is used or sold for use in the propulsion of aircraft.

[2009, c. 434, §37 (AMD) .]

3-A. **Licensed distributor.** "Licensed distributor" means a distributor that is not a registered distributor.

[2009, c. 434, §37 (NEW) .]

3-B. **Registered distributor.** "Registered distributor" means a distributor that purchases or imports only internal combustion engine fuel on which the tax imposed by this chapter has been paid to a licensed distributor and that makes sales of internal combustion engine fuel only to retail dealers or directly into the fuel tanks of motor vehicles.

[2009, c. 434, §37 (NEW) .]

4. **Person.**

[2003, c. 390, §13 (RP) .]

4-A. **Retail dealer.** "Retail dealer" means a person that operates in this State a place of business from which internal combustion engine fuel is sold at retail and delivered directly into the fuel tanks of motor vehicles or watercraft. A distributor or wholesaler is a retail dealer only with respect to internal combustion engine fuel delivered into a retail storage tank operated by that distributor or wholesaler or into a retail storage tank of a consignee or commission agent.

[2007, c. 438, §64 (NEW) .]

5. **Terminal.** "Terminal" means a storage and distribution facility for internal combustion engine fuel supplied by a pipeline or marine vessel, or both, that has been registered as a qualified terminal by the Internal Revenue Service.

[1997, c. 738, §1 (NEW) .]

6. **Wholesaler.** "Wholesaler" means a person that owns, operates or otherwise controls a terminal or a person that holds the internal combustion engine fuel inventory position in a terminal when that person has a contract with the terminal operator for the use of storage facilities and terminal services for fuel at the terminal.

[1997, c. 738, §1 (NEW) .]

SECTION HISTORY
1967, c. 94, §§1-4 (AMD). 1997, c. 738, §1 (AMD). 2003, c. 390, §13 (AMD). 2007, c. 438, §§63, 64 (AMD). 2009, c. 434, §37 (AMD).

§2903. TAX LEVIED; REBATES

1. **Excise tax imposed.** Beginning July 1, 2008 and ending June 30, 2009, an excise tax is imposed on internal combustion engine fuel used or sold in this State, including sales to the State or a political subdivision of the State, at the rate of 28.4¢ per gallon, except that the rate is 3.4¢ per gallon on internal combustion engine fuel bought or used for the purpose of propelling jet or turbojet engine aircraft. Beginning July 1, 2009, an excise tax is imposed on internal combustion engine fuel used or sold in this State, including sales to the State or a political subdivision of the State, at the rate of 29.5¢ per gallon, except that the rate is 3.4¢ per gallon on internal combustion engine fuel bought or used for the purpose of propelling jet engine aircraft. The tax rate provided by this subsection except the rate of tax imposed on fuel bought or used for the purpose of propelling jet engine aircraft is subject to an annual inflation adjustment pursuant to section 3321. Any fuel containing at least 10% internal combustion engine fuel is subject to the tax imposed by this section.

A. [1997, c. 738, §2 (RP).]

B. [1997, c. 738, §2 (RP).]

C. [1997, c. 738, §2 (RP).]

[2011, c. 240, §24 (AMD) .]

1-A. **Excise tax imposed.**

[1993, c. 414, Pt. E, §2 (RP) .]

1-B. **Inventory tax.**

[2001, c. 688, §2 (RP) .]

1-C. **Inventory tax.** On the date that any increase in the rate of tax imposed under this chapter takes effect, an inventory tax is imposed upon all internal combustion engine fuel that is held in inventory by a distributor, importer, wholesaler or retail dealer as of the end of the day prior to that date with respect to which the tax imposed pursuant to subsection 1 has been paid. The inventory tax is computed by multiplying the number of gallons of tax-paid fuel held in inventory by the difference between the tax rate already paid and the new tax rate. Distributors, importers, wholesalers and retail dealers that hold tax-paid inventory shall make payment of the inventory tax on or before the 15th day of the next calendar month, accompanied by a form prescribed and furnished by the State Tax Assessor. In the event of a decrease in the tax rate, the distributor, importer, wholesaler or retail dealer is entitled to a refund or credit, which must be claimed on a form designed and furnished by the assessor. This subsection does not apply to internal combustion engine fuel that is purchased or used for the purpose of propelling jet engine aircraft.

[2009, c. 434, §38 (AMD) .]

2. **Ethanol blended fuel.**

[1997, c. 738, §3 (RP) .]

3. **Legal incidence of tax.** Internal combustion engine fuel may be taxed only once under this section. The tax imposed by this section is declared to be a levy and assessment on the ultimate consumer, and other persons levied and assessed pursuant to this chapter are agents of the State for the collection of the tax. 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 licensed distributor in the State, in which case the purchasing distributor is primarily responsible for paying the tax. If a distributor includes the tax on a bill to a customer, it must be shown as a separate line item and identified as "Maine gasoline tax."

[2007, c. 693, §22 (AMD) .]

4. **Exemptions.** The tax imposed by this section does not apply to internal combustion engine fuel:

A. Sold wholly for exportation from this State by a licensed distributor or an exporter; [2009, c. 625, §10 (AMD).]

B. Brought into this State in the ordinary standard equipment fuel tank attached to and forming a part of a motor vehicle and used in the operation of that vehicle in this State; [2007, c. 627, §77 (AMD).]

C. Sold in bulk to any agency of this State or any political subdivision of this State; [2005, c. 457, Pt. AAA, §1 (AMD).]

D. Bought or used to propel a jet engine aircraft in international flights. For purposes of this paragraph, fuel is bought or used to propel a jet engine aircraft in an international flight if either the point of origin of the flight leg immediately preceding the delivery of the fuel into the fuel tanks of the jet engine

aircraft or the destination point of the flight leg immediately following the delivery of the fuel into the fuel tanks of the jet engine aircraft is outside the United States; [2009, c. 434, §39 (AMD); 2009, c. 434, §84 (AFF).]

E. Brought into this State in the fuel tanks of an aircraft; or [1997, c. 738, §4 (NEW).]

F. On which the collection of the tax imposed by this section is precluded by federal law or regulation. [1997, c. 738, §4 (NEW).]

[2009, c. 625, §10 (AMD) .]

5. **Delivery by distributor.** When internal combustion engine fuel is delivered by a distributor to a retail outlet it is deemed to have been sold within the meaning of this chapter, even if the retail outlet is owned in whole or in part by the distributor.

(Subsection 5 as amended by PL 2007, c. 538, Pt. L, §1 is REALLOCATED TO TITLE 36, SECTION 2903, SUBSECTION 6)

[2007, c. 438, §65 (NEW) .]

6. (REALLOCATED FROM T. 36, §2903, sub-§5) **Deposit to trust fund.** Beginning July 1, 2009 the Treasurer of State shall deposit monthly into the TransCap Trust Fund established in Title 30-A, section 6006-G 7.5% of the excise tax after the distribution of taxes pursuant to section 2903-D imposed under subsection 1.

[2007, c. 2, §21 (RAL) .]

SECTION HISTORY
1965, c. 395, §1 (AMD). 1967, c. 94, §5 (AMD). 1967, c. 494, §27 (AMD). 1969, c. 223, §2 (AMD). 1969, c. 426, §§1,3 (AMD). 1971, c. 529, §1 (AMD). 1977, c. 572, §2 (AMD). 1981, c. 702, §V2 (AMD). 1983, c. 94, §C10 (AMD). 1983, c. 95, (AMD). 1983, c. 96, (AMD). 1983, c. 438, §1 (RPR). 1983, c. 852, §4 (RPR). 1987, c. 793, §§A9,B1 (AMD). 1987, c. 798, §2 (AMD). 1989, c. 502, §A133 (AMD). 1991, c. 529, §§D2,3 (AMD). 1991, c. 529, §§D14,15,E (AFF). 1991, c. 546, §25 (AMD). 1991, c. 546, §42 (AFF). 1991, c. 592, §§D2,3 (AMD). 1991, c. 592, §§D14,15 (AFF). 1991, c. 824, §§A94,95 (AFF). 1991, c. 846, §§31-33 (AMD). 1991, c. 846, §40 (AFF). 1993, c. 414, §§E1,2 (AMD). 1997, c. 738, §§2-4 (AMD). 1999, c. 473, §§B1,2 (AMD). 1999, c. 473, §B5 (AFF). 2001, c. 688, §§1-3 (AMD). 2003, c. 588, §12 (AMD). 2005, c. 457, §AAA1 (AMD). RR 2007, c. 2, §21 (RAL). 2007, c. 407, §1 (AMD). 2007, c. 438, §65 (AMD). 2007, c. 470, Pt. E, §1 (AMD). 2007, c. 538, Pt. L, §1 (AMD). 2007, c. 627, §§77, 78 (AMD). 2007, c. 693, §22 (AMD). 2009, c. 413, Pt. W, §1 (AMD). 2009, c. 413, Pt. W, §6 (AFF). 2009, c. 434, §§38, 39 (AMD). 2009, c. 434, §84 (AFF). 2009, c. 625, §10 (AMD). 2011, c. 240, §24 (AMD).

§2903-A. FINDING OF FACT

(REPEALED)

SECTION HISTORY

1965, c. 395, §2 (NEW). 1967, c. 27, (AMD). 1973, c. 460, §19 (AMD). 1973, c. 513, §22 (AMD). 1983, c. 94, §§C11,20 (AMD). 1985, c. 481, §A81 (AMD). 1987, c. 793, §A10 (AMD). 1989, c. 240, §1 (AMD). 1995, c. 502, §E30 (AMD). 1999, c. 127, §A50 (AMD). 2001, c. 693, §11 (AFF). 2001, c. 693, §4 (RP).

§2903-B. FINDING OF FACT

(REPEALED)

SECTION HISTORY
1973, c. 460, §19 (AMD). 1973, c. 613, §22 (NEW). 1987, c. 772, §28 (AMD). 1995, c. 446, §1 (AMD). 1995, c. 502, §E30 (AMD). 2001, c. 693, §11 (AFF). 2001, c. 693, §5 (RP).

§2903-C. FINDING OF FACT

(REPEALED)

SECTION HISTORY
1995, c. 446, §2 (NEW). 2001, c. 693, §11 (AFF). 2001, c. 693, §6 (RP).

§2903-D. DISTRIBUTION OF GASOLINE TAXES FOR NONHIGHWAY RECREATIONAL VEHICLE PROGRAMS

This section establishes the percentage of gasoline taxes that are attributable to snowmobile, all-terrain vehicle and motorboat gasoline purchases and equitably distributes that percentage among the appropriate state agencies for the administration of programs and the enforcement of laws relating to the use of those recreational vehicles. For the purposes of this section, the term "total gasoline tax revenues" means the total excise tax on internal combustion engine fuel sold or used within the State, but not including internal combustion fuel sold for use in the propulsion of aircraft. [2001, c. 693, §7 (NEW); 2001, c. 693, §11 (AFF).]

1. **Motorboats.** Of total gasoline tax revenues, 1.4437% is distributed among the following agencies in the following manner:

A. The Commissioner of Marine Resources receives 24.6% for research, development and propagation activities of the Department of Marine Resources. In expending these funds, it is the responsibility of the Commissioner of Marine Resources to select activities and projects that will be most beneficial to the commercial fisheries of the State as well as the development of sports fisheries activities in the State; and [2001, c. 693, §7 (NEW); 2001, c. 693, §11 (AFF).]

B. The Boating Facilities Fund, established under Title 12, section 1896, within the Department of Agriculture, Conservation and Forestry, Bureau of Parks and Lands, receives 75.4% of that amount. [2001, c. 693, §7 (NEW); 2001, c. 693, §11 (AFF); 2011, c. 657, Pt. W, §§5, 7 (REV); 2013, c. 405, Pt. A, §24 (REV).]

[2001, c. 693, §7 (NEW); 2001, c. 693, §11 (AFF); 2011, c. 657, Pt. W, §§5, 7 (REV); 2013, c. 405, Pt. A, §24 (REV) .]

2. **Snowmobiles.** Of total gasoline tax revenues, 0.9045% is distributed among the following agencies in the following manner:

A. The Commissioner of Inland Fisheries and Wildlife receives 14.93% of that amount, to be used by the commissioner for the purposes set forth in Title 12, section 1893, subsection 3, section 10206, subsection 2, section 13104, subsections 2 to 13 and section 13105, subsection 1; and [2003, c. 414, Pt. B, §66 (AMD); 2003, c. 614, §9 (AFF).]

B. The Snowmobile Trail Fund of the Department of Agriculture, Conservation and Forestry, Bureau of Parks and Lands, described in Title 12, section 1893, subsection 3, receives 85.07% of that amount. [2005, c. 397, Pt. A, §49 (AMD); 2011, c. 657, Pt. W, §§5, 7 (REV); 2013, c. 405, Pt. A, §24 (REV).]

[2005, c. 397, Pt. A, §49 (AMD); 2011, c. 657, Pt. W, §§5, 7 (REV); 2013, c. 405, Pt. A, §24 (REV) .]

3. **All-terrain vehicles.** Of total gasoline tax revenues, 0.1525% is distributed among the following agencies in the following manner:

A. The ATV Enforcement Grant and Aid Program established in Title 12, section 10322 receives 50% of that amount; and [2003, c. 695, Pt. B, §26 (AMD); 2003, c. 695, Pt. C, §1 (AFF).]

B. The ATV Recreational Management Fund, established in Title 12, section 1893, subsection 2 receives 50% of that amount. [2003, c. 414, Pt. B, §67 (AMD); 2003, c. 614, §9 (AFF).]

The State Tax Assessor shall certify to the State Controller by the 15th day of each month the amounts to be distributed and credited under this section as of the close of the State Controller's records for the previous month.

[2003, c. 614, §9 (AFF); 2003, c. 695, Pt. B, §26 (AMD); 2003, c. 695, Pt. C, §1 (AFF) .]

SECTION HISTORY
2001, c. 693, §7 (NEW). 2001, c. 693, §11 (AFF). 2003, c. 414, §§B66,67 (AMD). 2003, c. 414, §D7 (AFF). 2003, c. 614, §9 (AFF). 2003, c. 695, §B26 (AMD). 2003, c. 695, §C1 (AFF). 2005, c. 397, §A49 (AMD). 2011, c. 657, Pt. W, §§5, 7 (REV). 2013, c. 405, Pt. A, §24 (REV).

§2903-E. DISTRIBUTION OF GASOLINE TAX REVENUES TO STATE TRANSIT, AVIATION AND RAIL TRANSPORTATION FUND

(REPEALED)

SECTION HISTORY
2005, c. 457, §GGG8 (NEW). 2011, c. 649, Pt. E, §6 (RP).

§2904. CERTIFICATES

Every person that is a distributor, wholesaler, importer or exporter of internal combustion engine fuel in the State shall file an application for a certificate with the State Tax Assessor on forms prescribed and furnished by the assessor. A person may not sell or distribute internal combustion engine fuel until the certificate is furnished by the assessor and displayed as required by this section. One copy of the certificate, certified by the assessor, must be displayed in each place of business of the person. If the assessor has reasonable cause to believe that the person has ceased to do business or that the person has violated this chapter or rules adopted under this chapter, the assessor may on reasonable notice to the person suspend the person's certificate until satisfied to the contrary. A person whose certificate has been suspended may not act as a distributor, wholesaler, importer or exporter until the certificate is restored by the assessor. A suspended certificate must be surrendered to the assessor upon request. Notice is sufficient if sent by mail and addressed to the person at the address designated in the certificate. The suspension is subject to review as provided in section 151. [2009, c. 434, §40 (RPR).]

SECTION HISTORY

1967, c. 94, §6 (AMD). 1973, c. 585, §11 (AMD). 1987, c. 772, §29 (AMD). 2007, c. 407, §2 (AMD). 2009, c. 434, §40 (RPR).

§2904-A. REGISTERED DISTRIBUTOR

(REPEALED)

SECTION HISTORY
2007, c. 407, §3 (NEW). 2009, c. 434, §41 (RP).

§2905. DISTRIBUTOR OR IMPORTER; RATE OF COLLECTION

Each distributor or importer paying or becoming liable to pay the tax imposed by this chapter shall be entitled to charge and collect at the rate per gallon set forth in section 2903 only as a part of the selling price of the internal combustion engine fuels subject to the tax. [1983, c. 94, Pt. C, §12 (AMD).]

SECTION HISTORY
1967, c. 94, §7 (AMD). 1969, c. 426, §4 (AMD). 1971, c. 529, §2 (AMD). 1983, c. 94, §C12 (AMD).

§2906. REPORTS; PAYMENT OF TAX; ALLOWANCE FOR LOSSES

1. **Monthly reports.** Every licensed distributor, wholesaler, importer and exporter shall file with the State Tax Assessor on or before the 21st day of each month a return stating the number of gross gallons of internal combustion engine fuel received, sold and used in the State by that licensed distributor, wholesaler, importer or exporter during the preceding calendar month. The return must be filed on a form prescribed and furnished by the assessor and must include any other information reasonably required by the assessor.

[2009, c. 434, §42 (AMD) .]

2. **Payment of tax.** At the time of filing the return required by this section, each licensed distributor and importer shall pay to the assessor the tax imposed by section 2903 on each gallon reported as sold, distributed or used.

[2009, c. 434, §43 (AMD) .]

3. **Allowance for certain losses.** An allowance of not more than 1/2 of 1% from the amount of internal combustion engine fuel received by a licensed distributor, plus 1/2 of 1% on all transfers in vessels, tank cars or full tank vehicle loads by a licensed distributor in the regular course of the licensed distributor's business from one of the licensed distributor's places of business to another within the State, may be granted by the assessor to cover losses sustained by the licensed distributor through shrinkage, evaporation or handling. The total allowance for these losses must be supported by documentation satisfactory to the assessor and may not exceed 1% of the receipts by the licensed distributor. The allowance must be calculated on an annual basis. A further deduction may not be allowed unless the assessor is satisfied upon definite proof submitted to the assessor that a further deduction should be allowed for a loss sustained through fire, accident or some unavoidable calamity.

[2013, c. 381, Pt. B, §32 (AMD) .]

4. **Refunds to retailers.** A retail dealer is entitled to a refund for tax paid on account of shrinkage or loss by evaporation of internal combustion engine fuel in an amount no greater than 1/2 of 1% of the tax paid on gross purchases of such fuel delivered into retail storage tanks from which it is dispensed into the fuel tank of a motor vehicle or watercraft. The procedure for such a refund is as follows.

A. All applications for refunds must be made under penalties of perjury and must be made semiannually within 90 days after June 30th and December 31st respectively. [1997, c. 738, §5 (NEW).]

B. The application must be made on a form prescribed and furnished by the assessor and must be accompanied by a statement from the distributor, supplier or wholesaler of the gross purchases of internal combustion engine fuel made by the retail dealer during the relevant 6-month period. [2007, c. 438, §68 (AMD).]

C. The assessor shall calculate the amount of the refund due on all properly completed applications and certify that amount and the name of the person entitled to the refund to the Treasurer of State. The Treasurer of State shall make a certified refund from taxes imposed by this chapter. [2007, c. 438, §68 (AMD).]

[2007, c. 438, §68 (AMD) .]

5. **Monthly reports from wholesalers.**

[2009, c. 434, §45 (RP) .]

SECTION HISTORY
1965, c. 504, §1 (AMD). 1967, c. 28, (AMD). 1967, c. 94, §8 (AMD). 1967, c. 544, §95 (AMD). 1969, c. 426, §§5,6 (AMD). 1971, c. 529, §§3,4 (AMD). 1973, c. 7, §1 (AMD). 1975, c. 11, §1 (AMD). 1977, c. 679, §§16-21 (AMD). 1979, c. 378, §22 (AMD). 1981, c. 364, §33 (AMD). 1983, c. 94, §C13 (AMD). 1983, c. 862, §87 (AMD). 1991, c. 529, §D4 (AMD). 1991, c. 529, §E (AFF). 1991, c. 546, §26 (AMD). 1991, c. 546, §43 (AFF). 1991, c. 592, §D4 (AMD). 1991, c. 846, §34 (AMD). 1997, c. 738, §5 (RPR). 2007, c. 438, §§66-69 (AMD). 2009, c. 434, §§42-45 (AMD). 2013, c. 381, Pt. B, §32 (AMD).

§2906-A. REFUND OF TAX PAID ON WORTHLESS ACCOUNTS

The retail dealer shall be entitled to a refund from the Treasurer of State for a portion of the tax paid to a distributor or importer, which tax shall be reported and paid to the State Tax Assessor by the distributor or importer pursuant to section 2906. The portion of the tax for which there is a refund entitlement is represented by tax paid on accounts of the retailer found to be worthless and actually charged off by the retailer, but if any such accounts are thereafter collected by the retailer, the tax recovered shall be paid within 30 days of recovery directly by the retailer to the State Tax Assessor. [1981, c. 304, §1 (NEW).]

The procedure for that refund shall be as follows. [1981, c. 304, §1 (NEW).]

1. **Computation.** The refund shall be in the amount of the tax paid on accounts of the retailer found to be worthless and actually charged off by the retailer.

[1981, c. 304, §1 (NEW) .]

2. **Applications.** All applications for refunds shall be made by the retailer under penalties of perjury annually on or before April 1st for all accounts found to be worthless and charged off during the previous calendar year.

[1981, c. 304, §1 (NEW) .]

3. **Form.** That application shall be in such form as the State Tax Assessor shall prescribe.

[1981, c. 304, §1 (NEW) .]

4. **Payment.** Subsections 1 to 3 having been complied with, the State Tax Assessor shall calculate the amount of the refund due on an application and shall certify the amount and the name of the person entitled to the refund to the Treasurer of State. The Treasurer of State shall thereafter make the certified refund from funds paid to the Treasurer of State pursuant to section 2906.

[1981, c. 304, §1 (NEW) .]

SECTION HISTORY
1981, c. 304, §1 (NEW).

§2907. APPLICATION OF TAX IN SPECIAL CASES

A person that receives internal combustion engine fuel under circumstances that preclude the collection of the tax imposed under this chapter by the distributor, other than internal combustion engine fuel brought into the State in the ordinary standard equipment fuel tank attached to and forming a part of a motor vehicle for use in the engine of that motor vehicle, and that sells or uses that internal combustion engine fuel in this State is subject to the tax imposed by section 2903 and to the requirements of section 2906, subsections 1 and 2 on the same basis as a licensed distributor. [2009, c. 434, §46 (RPR).]

SECTION HISTORY
2009, c. 434, §46 (RPR).

§2908. REFUND OF TAX IN CERTAIN CASES; TIME LIMIT

A person who purchases and uses internal combustion engine fuel for any commercial use other than in the operation of a registered motor vehicle on the highways of this State or, except as provided in section 2910, in the operation of an aircraft and who has paid the tax imposed by this chapter on that fuel is entitled to reimbursement in the amount of the tax paid, less 1¢ per gallon, upon presenting to the State Tax Assessor a sworn statement accompanied by evidence as the assessor may require. The statement must show the total amount of internal combustion engine fuel so purchased and used by that person for a commercial use other than in the operation of registered motor vehicles on the highways of this State or in the operation of aircraft. [2007, c. 438, §70 (AMD).]

A refund application on a form prescribed by the State Tax Assessor must be filed to claim a refund pursuant to this section. Interest must be paid at the rate determined pursuant to section 186, calculated from the date of receipt of the claim, for all proper claims not paid within 30 days of receipt. Applications for refunds must be filed with the assessor within 12 months from the date of purchase. [2007, c. 438, §70 (AMD).]

All fuel that qualifies for a refund under this section is subject to the use tax imposed by chapter 215. [2005, c. 683, Pt. B, §31 (RPR).]

SECTION HISTORY
1965, c. 395, §3 (AMD). 1967, c. 494, §28 (AMD). 1969, c. 426, §7 (AMD). 1971, c. 529, §5 (AMD). 1977, c. 270, (AMD). 1977, c. 477, §12 (AMD). 1977, c. 696, §280 (RPR). 1979, c. 549, (AMD). 1983, c. 94, §§C14,D1,9 (AMD). 1985, c. 127, §1 (AMD). 1987, c. 402, §A183 (RPR). 2005, c. 260, §1 (AMD). 2005, c. 332, §16 (RPR). 2005, c. 683, §B31 (RPR). 2007, c. 438, §70 (AMD).

§2909. REFUND OF ENTIRE TAX PAID BY CERTAIN COMMON CARRIERS

A person engaged in furnishing common carrier passenger service is entitled to reimbursement of the tax paid on internal combustion engine fuel used by that person in locally encouraged vehicles. For purposes of calculating reimbursement due pursuant to this section, internal combustion engine fuel used in a person's locally encouraged vehicles is presumed to bear the same proportional relationship to internal

combustion engine fuel used in all of the person's passenger vehicles that the person's commutation fare revenue derived from service provided by locally encouraged vehicles bears to the person's total passenger fare revenue. "Commutation fare revenue" means revenue attributable to fares of 60¢ or less and fares paid for commutation or season tickets for single trips of less than 30 miles or for commutation tickets for one month or less. "Total passenger fare revenue" means all revenue attributable to the claimant's passenger operations. "Locally encouraged vehicles" means buses upon which no excise tax is collected under section 1483, subsection 13. [2009, c. 598, §47 (AMD).]

Applications for refunds must be filed with the State Tax Assessor, on a form prescribed by the assessor, within 12 months from the date of purchase. A refund may not be issued under this section unless the claimant's commutation fare revenue derived during the period for which the refund is claimed is at least 60% of the claimant's total passenger fare revenue derived during that period. [2007, c. 438, §71 (AMD).]

SECTION HISTORY
1965, c. 479, §1 (AMD). 2003, c. 390, §14 (RPR). 2005, c. 332, §17 (AMD). 2007, c. 438, §71 (AMD). 2009, c. 598, §47 (AMD).

§2910. REFUND OF TAX LESS 4¢ PER GALLON TO USERS OF AIRCRAFT

A person that buys and uses internal combustion engine fuel for the purpose of propelling piston engine aircraft and that has paid the tax imposed by this chapter on that fuel is entitled to reimbursement in the amount of the tax paid , less 4¢ per gallon, upon presenting to the State Tax Assessor a refund application accompanied by the original invoices showing those purchases. Applications for refunds must be filed with the assessor within 12 months from the date of purchase. All fuel that qualifies for a refund under this section is subject to the use tax imposed by chapter 215. [2007, c. 438, §72 (AMD).]

SECTION HISTORY
1965, c. 395, §4 (AMD). 1969, c. 426, §8 (AMD). 1971, c. 529, §6 (AMD). 1983, c. 94, §C15 (AMD). 2007, c. 438, §72 (AMD).

§2910-A. REFUND TO POLITICAL SUBDIVISIONS

(REPEALED)

SECTION HISTORY
1983, c. 94, §E1 (NEW). 1983, c. 438, §2 (AMD). 1987, c. 456, §1 (AMD). 2005, c. 457, §AAA2 (RP).

§2910-B. REFUND TO STATE AGENCIES AND POLITICAL SUBDIVISIONS

Any agency of this State and any political subdivision of this State that buys and uses internal combustion engine fuel and that has paid a tax as provided by this chapter must be reimbursed in the amount of the tax paid upon presenting to the State Tax Assessor a statement accompanied by the original invoices showing the purchases. By contractual agreement, an agency of this State or a political subdivision of this State may assign to another person its right to receive refunds under this section. Applications for refunds must be filed with the assessor within 12 months from the date of purchase. [2005, c. 457, Pt. AAA, §3 (NEW).]

SECTION HISTORY
2005, c. 457, §AAA3 (NEW).

§2911. REFUND OF 5/7 OF TAX PAID BY JETS OR TURBO JETS

(REPEALED)

SECTION HISTORY
1969, c. 223, §3 (RP).

§2912. RECORDS AND REPORTS REGARDING SALES OF FUELS FOR AERONAUTICAL PURPOSES

The tax received by the State on internal combustion engine fuels that are sold to be used for aeronautical purposes must accrue to the Multimodal Transportation Fund. The necessary expenses of the collection of the tax on such fuels to be used for aeronautical purposes must be deducted. [2011, c. 649, Pt. E, §7 (AMD).]

SECTION HISTORY
1965, c. 425, §21 (AMD). 1969, c. 351, (AMD). 1969, c. 498, §18 (RPR). 1969, c. 590, §69 (RPR). 1979, c. 378, §23 (AMD). 2005, c. 457, §GGG9 (AMD). 2011, c. 649, Pt. E, §7 (AMD).

§2913. FAILURE TO FILE STATEMENT; FALSE STATEMENT

A person who refuses or neglects to make any statement, report, payment or return required by this chapter, or who knowingly makes or assists any other person in making a false statement in a return or report to the State Tax Assessor or in connection with an application for refund , or who knowingly collects, attempts to collect or causes to be paid to any person, either directly or indirectly, any refund to which the person is not entitled , is guilty of a Class E crime. [2007, c. 438, §73 (AMD).]

SECTION HISTORY
1973, c. 7, §2 (AMD). 1977, c. 696, §281 (AMD). 1983, c. 94, §D9 (AMD). 1985, c. 127, §1 (RPR). 2007, c. 438, §73 (AMD).

§2914. LIMITATION; REIMBURSEMENT FROM GENERAL FUND

(REPEALED)

SECTION HISTORY
1983, c. 852, §5 (NEW). 1997, c. 738, §6 (RP).

§2915. REPORT TO THE LEGISLATURE

(REPEALED)

SECTION HISTORY
1983, c. 852, §5 (NEW). 1989, c. 501, §DD45 (AMD). 1997, c. 738, §7 (RP).

§2916. INVENTORY TAX; INTERNAL COMBUSTION FUEL

(REPEALED)

SECTION HISTORY
1987, c. 793, §A11 (NEW). 2001, c. 688, §4 (RP). 2003, c. 510, §A42 (AFF). MRSA T. 36, §2916-A (RP).

§2916-A. INVENTORY TAX; INTERNAL COMBUSTION FUEL

(REPEALED)

SECTION HISTORY
1987, c. 793, §B2 (NEW). 1997, c. 738, §8 (RP).

Chapter 453: GASOLINE ROAD TAX

§2961. MOTOR CARRIER, DEFINED

(REPEALED)

SECTION HISTORY
1981, c. 698, §183 (AMD). 1987, c. 472, §§3,4 (RP).

§2961-A. APPLICATION FOR LICENSE; CONTENTS; LICENSING OF MOTOR CARRIERS

(REPEALED)

SECTION HISTORY
1983, c. 94, §D3 (NEW). 1983, c. 94, Pt. D, §9 (AMD). 1985, c. 127, §1 (AMD). 1987, c. 472, §§3,4 (RP).

§2961-B. DISCONTINUANCE AS A LICENSED MOTOR CARRIER

(REPEALED)

SECTION HISTORY
1983, c. 94, §§D3,9 (NEW). 1987, c. 472, §§3,4 (RP).

§2962. NAMES OF CERTIFICATE AND PERMIT HOLDERS FURNISHED TO STATE TAX ASSESSOR

(REPEALED)

SECTION HISTORY
1981, c. 689, §3 (RPR). 1987, c. 472, §§3,4 (RP).

§2963. TAXES LEVIED

(REPEALED)

SECTION HISTORY
1965, c. 198, §1 (AMD). 1971, c. 27, (AMD). 1973, c. 625, §263 (AMD). 1983, c. 438, §3 (AMD). 1983, c. 808, §2 (AMD). 1987, c. 472, §§3,4 (RP).

§2964. COMPUTATION OF TAX

(REPEALED)

SECTION HISTORY
1973, c. 7, §§3,4 (AMD). 1981, c. 364, §34 (AMD). 1981, c. 470, §A159 (AMD). 1987, c. 472, §§3,4 (RP).

§2965. REPORTS

(REPEALED)

SECTION HISTORY
1983, c. 94, §C16 (AMD). 1987, c. 200, §§1,3 (AMD). 1987, c. 472, §§3,4 (RP). 1987, c. 769, §A156 (RP).

§2966. COLLECTION OF TAX

(REPEALED)

SECTION HISTORY
1973, c. 7, §5 (AMD). 1979, c. 378, §24 (AMD). 1983, c. 94, §§D4,9 (AMD). 1985, c. 127, §1 (AMD). 1987, c. 472, §§3,4 (RP).

§2967. VIOLATIONS

(REPEALED)

SECTION HISTORY
1965, c. 198, §2 (AMD). 1975, c. 11, §2 (AMD). 1977, c. 696, §282 (RPR). 1981, c. 689, §4 (AMD). 1983, c. 334, §3 (AMD). 1987, c. 472, §§3,4 (RP).

§2968. APPEALS FROM DECISION OF STATE TAX ASSESSOR

(REPEALED)

SECTION HISTORY
1977, c. 694, §709 (RP).

§2969. RULES AND REGULATIONS

(REPEALED)

SECTION HISTORY
1981, c. 364, §35 (RP).

§2970. ADDITIONAL TAX

(REPEALED)

SECTION HISTORY
1981, c. 706, §26 (RP).

§2971. APPLICATION TO CERTAIN CARRIERS

(REPEALED)

SECTION HISTORY
1965, c. 289, (AMD). 1983, c. 817, §5 (RPR). 1987, c. 472, §§3,4 (RP).

§2972. ENFORCEMENT

(REPEALED)

SECTION HISTORY

1987, c. 472, §§3,4 (RP).

Chapter 455: USE FUEL TAX

§3021. SHORT TITLE

(REPEALED)

SECTION HISTORY
1983, c. 94, §§D5,9 (RP). 1985, c. 127, §1 (RP).

§3022. DEFINITIONS

(REPEALED)

SECTION HISTORY
1979, c. 474, §1 (AMD). 1983, c. 94, §§D5,9 (RP). 1985, c. 127, §1 (RP).

§3023. PURPOSE

(REPEALED)

SECTION HISTORY
1983, c. 94, §§D5,9 (RP). 1985, c. 127, §1 (RP).

§3024. EXCHANGE OF INFORMATION AMONG THE STATES

(REPEALED)

SECTION HISTORY
1977, c. 668, §4 (RP). 1985, c. 127, §1 (RP).

§3025. LEVY OF TAX; EXEMPTIONS; CREDIT TO HIGHWAY FUND

(REPEALED)

SECTION HISTORY
1969, c. 426, §9 (AMD). 1971, c. 529, §7 (AMD). 1983, c. 94, §C17 (AMD). 1983, c. 94, §§D5,9 (RP). 1985, c. 127, §1 (RP).

§3025-A. CREDIT; REFUND

(REPEALED)

SECTION HISTORY
1965, c. 198, §3 (NEW). 1969, c. 504, §49 (AMD). 1983, c. 94, §§D5,9 (RP). 1985, c. 127, §1 (RP).

§3026. APPLICATION FOR LICENSE; CONTENTS; LICENSING OF USERS

(REPEALED)

SECTION HISTORY
1965, c. 198, §4 (AMD). 1981, c. 492, §E20 (AMD). 1981, c. 689, §5 (AMD). 1983, c. 94, §§D5,9 (RP). 1985, c. 127, §1 (RP).

§3027. BOND REQUIRED

(REPEALED)

SECTION HISTORY
1965, c. 198, §5 (RP). 1985, c. 127, §1 (RP).

§3028. REPORTS; COMPUTATION AND PAYMENT OF TAX

(REPEALED)

SECTION HISTORY
1965, c. 198, §6 (AMD). 1971, c. 101, (AMD). 1979, c. 474, §2 (AMD). 1981, c. 364, §36 (AMD). 1983, c. 94, §§D5,9 (RP). 1985, c. 127, §1 (RP).

§3029. CANCELLATION OF LICENSES; BOND SURRENDERED

(REPEALED)

SECTION HISTORY
1965, c. 198, §7 (AMD). 1965, c. 513, §76 (AMD). 1983, c. 94, §§D5,9 (RP). 1985, c. 127, §1 (RP).

§3030. FAILURE TO REPORT AND PAY TAXES

(REPEALED)

SECTION HISTORY
1965, c. 513, §77 (AMD). 1973, c. 7, §6 (AMD). 1977, c. 679, §22 (RP). 1985, c. 127, §1 (RP).

§3031. TAX ASSESSOR MAY ESTIMATE FUEL USED

(REPEALED)

SECTION HISTORY
1965, c. 513, §78 (AMD). 1979, c. 378, §25 (RP). 1985, c. 127, §1 (RP).

§3032. RETENTION OF RECORDS BY USERS

(REPEALED)

SECTION HISTORY
1977, c. 696, §283 (AMD). 1979, c. 378, §26 (RP). 1985, c. 127, §1 (RP).

§3033. INJUNCTION; PRIORITY

(REPEALED)

SECTION HISTORY
1971, c. 21, §1 (AMD). 1981, c. 364, §37 (RPR). 1983, c. 94, §§D5,9 (RP). 1985, c. 127, §1 (RP).

§3034. DISCONTINUANCE AS A LICENSED USER

(REPEALED)

SECTION HISTORY
1977, c. 696, §284 (AMD). 1983, c. 94, §§D5,9 (RP). 1985, c. 127, §1 (RP).

§3035. USE FUEL DEALER LICENSE; REPORTS; TAX

(REPEALED)

SECTION HISTORY
1969, c. 426, §10 (AMD). 1971, c. 21, §2 (AMD). 1971, c. 529, §8 (AMD). 1973, c. 7, §§7,8 (AMD). 1975, c. 10, (AMD). 1977, c. 679, §§23,24 (AMD). 1979, c. 378, §26A (AMD). 1981, c. 698, §184 (AMD). 1983, c. 94, §§C18,C19, D5,9 (AMD). 1983, c. 438, §4 (AMD). 1985, c. 127, §1 (RP). 1987, c. 402, §A184 (RP).

§3036. REFUNDS OF TAXES ERRONEOUSLY OR ILLEGALLY COLLECTED

(REPEALED)

SECTION HISTORY
1983, c. 94, §§D5,9 (RP). 1985, c. 127, §1 (RP).

§3036-A. CREDIT FOR TAX PAID ON WORTHLESS ACCOUNTS

(REPEALED)

SECTION HISTORY
1981, c. 304, §2 (NEW). 1983, c. 94, §§D5,9 (RP). 1985, c. 127, §1 (RP).

§3037. REFUND OF TAXES FOR CERTAIN COMMON CARRIERS

(REPEALED)

SECTION HISTORY
1965, c. 479, §2 (AMD). 1983, c. 94, §§D5,9 (RP). 1985, c. 127, §1 (RP).

§3038. FAILURE TO FILE STATEMENT; FALSE STATEMENT

(REPEALED)

SECTION HISTORY
1969, c. 15, §1 (AMD). 1971, c. 21, §3 (AMD). 1977, c. 696, §285 (RPR). 1981, c. 689, §6 (AMD). 1983, c. 94, §§D5,9 (RP). 1983, c. 334, §4 (AMD). 1983, c. 480, §A42 (AMD). 1985, c. 127, §1 (RP). 1989, c. 878, §B31 (RP).

§3039. ADDITIONAL VIOLATIONS

(REPEALED)

SECTION HISTORY

1965, c. 198, §8 (AMD). 1969, c. 15, §2 (AMD). 1975, c. 11, §3 (AMD). 1977, c. 696, §286 (RPR). 1979, c. 541, §B48 (AMD). 1981, c. 689, §7 (AMD). 1983, c. 94, §§D5,9 (RP). 1983, c. 480, §A43 (AMD). 1985, c. 127, §1 (RP). 1989, c. 878, §A108 (RP).

§3040. FUEL USE TAX; COMPACT

(REPEALED)

SECTION HISTORY
1983, c. 310, §5 (NEW). 1985, c. 127, §1 (RP). 1989, c. 878, §B32 (RP).

Chapter 457: TAXATION OF MOTOR FUELS CONSUMED BY INTERSTATE BUSES

Subchapter 1: COMPACT

§3091. PURPOSES -- ARTICLE I

(REPEALED)

SECTION HISTORY
2007, c. 438, §74 (RP).

§3092. DEFINITIONS -- ARTICLE II

(REPEALED)

SECTION HISTORY
2007, c. 438, §74 (RP).

§3093. GOVERNING PRINCIPLE -- ARTICLE III

(REPEALED)

SECTION HISTORY
2007, c. 438, §74 (RP).

§3094. HOW FUEL CONSUMED TO BE ASCERTAINED -- ARTICLE IV

(REPEALED)

SECTION HISTORY
2007, c. 438, §74 (RP).

§3095. IMPOSITION OF TAX -- ARTICLE V

(REPEALED)

SECTION HISTORY
2007, c. 438, §74 (RP).

§3096. REPORTS -- ARTICLE VI

(REPEALED)

SECTION HISTORY

2007, c. 438, §74 (RP).

§3097. CREDIT FOR PAYMENT OF FUEL TAXES -- ARTICLE VII

(REPEALED)

SECTION HISTORY
2007, c. 438, §74 (RP).

§3098. ADDITIONAL TAX OR REFUND -- ARTICLE VIII

(REPEALED)

SECTION HISTORY
2007, c. 438, §74 (RP).

§3099. ENTRY INTO FORCE AND WITHDRAWAL -- ARTICLE IX

(REPEALED)

SECTION HISTORY
2007, c. 438, §74 (RP).

§3100. CONSTRUCTION AND SEVERABILITY -- ARTICLE X

(REPEALED)

SECTION HISTORY
2007, c. 438, §74 (RP).

Subchapter 2: PROVISIONS RELATING TO COMPACT

§3151. RATIFICATION

(REPEALED)

SECTION HISTORY
2007, c. 438, §74 (RP).

§3152. ADMINISTRATOR DEFINED

(REPEALED)

SECTION HISTORY
2007, c. 438, §74 (RP).

§3153. LIMITATION

(REPEALED)

SECTION HISTORY
2007, c. 438, §74 (RP).

Chapter 459: SPECIAL FUEL TAX ACT

§3201. SHORT TITLE

This chapter shall be known as the "Special Fuel Tax Act" and the tax imposed in this chapter shall be known as the "special fuel tax." [1983, c. 94, Pt. D, §6 (NEW).]

SECTION HISTORY
1983, c. 94, §§D6,9 (NEW). 1985, c. 127, §1 (AMD).

§3202. DEFINITIONS

1. **Distillates.** "Distillates" means all combustible gases and liquids used in an internal combustion engine, including biodiesel fuel, except the fuel subject to the tax imposed by chapter 451 and low-energy fuel.

[2003, c. 266, §1 (AMD) .]

1-A. **Biodiesel fuel.** "Biodiesel fuel" means renewable fuel composed of mono-alkyl esters of long chain fatty acids derived from vegetable oils or animal fats that is registered with the United States Environmental Protection Agency as a fuel and a fuel additive under the federal Clean Air Act, Section 211(b), 42 United States Code, Section 7545 and as otherwise specified in the American Society for Testing Materials Standard D6751-02a or its subsequent Standard Specification for Biodiesel Fuel (B100) Blend Stock for Distillate Fuels.

[2003, c. 266, §2 (NEW) .]

2. **Duly licensed user.** "Duly licensed user" means any user holding an unrevoked license issued by this State.

[1983, c. 94, Pt. D, §6 (NEW) .]

2-A. **Dyed fuel.** "Dyed fuel" means a distillate that is dyed pursuant to the requirements of the Federal Government.

[1995, c. 271, §1 (NEW) .]

2-B. **IFTA.** "IFTA" means the International Fuel Tax Agreement administered by the International Fuel Tax Association, Inc., a nonprofit corporation organized under the laws of the State of Arizona.

[2001, c. 396, §27 (NEW) .]

2-C. **IFTA governing documents.** "IFTA governing documents" means the IFTA Articles of Agreement, the IFTA Audit Manual and the IFTA Procedures Manual, as amended as of December 31, 2011.

[2011, c. 644, §11 (AMD) .]

2-D. **Gross gallons.** "Gross gallons" means actual measured gallons of special fuel received, sold or used, without adjustment for temperature or barometric pressure.

[2007, c. 627, §79 (NEW) .]

2-E. **Licensed supplier.** “Licensed supplier” means a supplier that is not a registered supplier.

[2009, c. 434, §47 (NEW) .]

3. **Low-energy fuel.** "Low-energy fuel" means, for the purpose of this section , any fuel used to propel vehicles powered by internal combustion engines that has 90% or less of the energy potential of an equivalent volume of gasoline. Energy potential will be determined by the number of British Thermal Units in a standard volume. Low-energy fuels include, but are not limited to, liquefied natural gas, liquefied petroleum gas, propane, methane, butane, other light petroleum gasses, alcohol fuels and other fuels that meet the criteria in this subsection.

[1983, c. 94, Pt. D, §6 (NEW) .]

4. **Motor vehicle.** "Motor vehicle" means any vehicle, engine, machine or mechanical contrivance that is propelled by an internal combustion engine or motor.

[1995, c. 271, §2 (RPR) .]

5. **Person.**

[1995, c. 271, §3 (RP) .]

5-A. **Public way.** "Public way" has the same meaning as provided in Title 29-A, section 101.

[1995, c. 271, §4 (NEW) .]

5-B. **Retailer.** "Retailer" means any person purchasing low-energy fuel principally for resale directly into the fuel tank of a motor vehicle.

[1999, c. 733, §1 (NEW); 1999, c. 733, §17 (AFF) .]

5-C. **Retail dealer.** "Retail dealer" means a person that operates in this State a place of business from which special fuel is sold at retail and delivered directly into the fuel tanks of motor vehicles or watercraft. A retailer or supplier is a retail dealer only with respect to special fuel delivered into a retail storage tank operated by that retailer or supplier or into a retail storage tank of a consignee or commission agent.

[2007, c. 627, §80 (NEW) .]

5-D. **Registered supplier.** “Registered supplier” means a supplier that purchases or imports only distillates on which the tax imposed by this chapter has been paid to a licensed supplier and that makes sales of distillates only to retail dealers or directly into the fuel tanks of motor vehicles. A registered supplier may also purchase and sell dyed fuel.

[2009, c. 434, §48 (NEW) .]

6. **Special fuel.** "Special fuel" means distillates and low-energy fuel.

[1983, c. 94, Pt. D, §6 (NEW) .]

7. **Supplier.** "Supplier" means a person that imports distillates into the State, exports distillates from the State, produces, refines, manufactures or compounds distillates in the State or purchases distillates in the State, principally for resale to others in bulk. "Supplier" includes licensed suppliers and registered suppliers.

[2009, c. 434, §49 (RPR) .]

7-A. **Terminal.** "Terminal" means a storage and distribution facility for distillates supplied by a pipeline or marine vessel, or both, that has been registered as a qualified terminal by the Internal Revenue Service.

[1999, c. 733, §3 (AMD); 1999, c. 733, §17 (AFF) .]

8. **Use.** "Use" means, in addition to its original meaning, the receipt of special fuel by any person into a motor vehicle or into a receptacle from which special fuel is supplied by that person to his own or other motor vehicles.

[1983, c. 94, Pt. D, §6 (NEW) .]

9. **User.** "User" means any person who is the registered owner or who causes the operation in the State of any motor vehicle that uses special fuel in an internal combustion engine and that:

A. Has a gross vehicle weight or combined gross vehicle weight of more than 26,000 pounds; [1995, c. 482, Pt. B, §21 (NEW); 1995, c. 482, Pt. B, §22 (AFF).]

B. Has 3 or more axles on the power unit regardless of gross weight; or [1995, c. 482, Pt. B, §21 (NEW); 1995, c. 482, Pt. B, §22 (AFF).]

C. Is a bus designed to carry 20 or more passengers. [1995, c. 482, Pt. B, §21 (NEW); 1995, c. 482, Pt. B, §22 (AFF).]

[1995, c. 482, Pt. B, §22 (AFF); 1995, c. 482, Pt. B, §21 (RPR) .]

10. **Wholesaler.** "Wholesaler" means a person that owns, operates or otherwise controls a terminal or a person that holds a distillate inventory position in a terminal when that person has a contract with the terminal operator for the use of storage facilities and terminal services for fuel at the terminal.

[1999, c. 733, §3 (AMD); 1999, c. 733, §17 (AFF) .]

SECTION HISTORY
1983, c. 94, §§D6,9 (NEW). 1983, c. 817, §6 (AMD). 1983, c. 828, §7 (AMD). 1983, c. 862, §88 (AMD). 1985, c. 127, §1 (AMD). 1987, c. 472, §§2,4 (AMD). 1987, c. 549, §5 (AMD). 1995, c. 271, §§1-4 (AMD). 1995, c. 482, §B21 (AMD). 1995, c. 482, §B22 (AFF). 1997, c. 738, §9 (AMD). 1999, c. 733, §§1-3 (AMD). 1999, c. 733, §17 (AFF). 2001, c. 396, §27 (AMD). 2003, c. 266, §§1,2 (AMD). 2007, c. 627, §§79, 80 (AMD). 2009, c. 434, §§47-49 (AMD). 2011, c. 644, §11 (AMD).

§3203. TAX LEVIED; CONSIGNMENT SALES; CREDITED TO HIGHWAY FUND; ALLOWANCE FOR LOSSES

1. **Generally.**

[2009, c. 496, §18 (RP) .]

1-A. **Special biodiesel rate.**

[2005, c. 677, Pt. A, §1 (NEW); T. 36, §3203, sub-§1-A (RP) .]

1-B. **Generally; rates.** Except as provided in section 3204-A, beginning July 1, 2008 and ending June 30, 2009, an excise tax is levied and imposed on all suppliers of distillates sold, on all retailers of low-energy fuel sold and on all users of special fuel used in this State for each gallon of distillate at the rate of 29.6¢ per gallon. Beginning July 1, 2009, an excise tax is levied and imposed on all suppliers of distillates sold, on all retailers of low-energy fuel sold and on all users of special fuel used in this State for each gallon of distillate at the rate of 30.7¢ per gallon. Tax rates for each gallon of low-energy fuel are based on the British Thermal Unit, referred to in this subsection as "BTU," energy content for each fuel as based on gasoline gallon equivalents or the comparable measure for distillates. The gasoline gallon equivalent is the amount of alternative fuel that equals the BTU energy content of one gallon of gasoline. In the case of distillates, the tax rate provided by this section is subject to annual inflation adjustment pursuant to section 3321. For

purposes of this subsection, "base rate" means the rate in effect for gasoline or diesel on July 1st of each year as indexed under section 3321. A biodiesel blend containing less than 90% biodiesel fuel is subject to the rate of tax imposed on diesel.

A. This paragraph establishes the applicable BTU values and tax rates based on gasoline gallon equivalents.

Fuel type based on gasoline	BTU content per gallon or gasoline gallon equivalent	Tax rate formula (BTU value fuel/BTU value gasoline) x base rate gasoline
Gasoline	115,000	100% x base rate
Propane	84,500	73% x base rate
Compressed Natural Gas (CNG)	115,000	100% x base rate
Methanol	56,800	49% x base rate
Ethanol	76,000	66% x base rate
Hydrogen	115,000	100% x base rate
Hydrogen Compressed Natural Gas	115,000	100% x base rate

[2007, c. 650, §2 (NEW).]

B. This paragraph establishes the applicable BTU values and tax rates based on distillate gallon equivalents.

Fuel type based on diesel	BTU content per gallon or gallon equivalent	Tax rate formula (BTU value fuel/BTU value diesel) x base rate diesel
Diesel	128,400	100% x base rate
Liquefied Natural Gas (LNG)	73,500	57% x base rate
Biodiesel	118,300	92% x base rate

[2011, c. 240, §25 (AMD).]

C. The conversion factors established in this paragraph must be used in converting to gasoline gallon equivalents.

(1) For compressed natural gas, BTUs per 100 standard cubic feet is 93,000, and there are 123.66 standard cubic feet per gasoline gallon equivalent.

(2) For hydrogen, BTUs per 100 standard cubic feet is 27,000, and there are 425.93 standard cubic feet per gasoline gallon equivalent.

(3) For hydrogen compressed natural gas, BTUs per 100 standard cubic feet is 79,800, and there are 144.11 standard cubic feet per gasoline gallon equivalent. [2007, c. 650, §2 (NEW).]

[2011, c. 240, §25 (AMD) .]

2. Legal incidence of tax. Special fuel may be taxed only once under this section. The tax imposed by this section is declared to be a levy and assessment on the ultimate consumer, and other persons levied and assessed pursuant to this chapter are agents of the State for the collection of the tax. The supplier and retailer are primarily responsible for paying the tax. When a supplier sells and delivers to a licensed exporter wholly for exportation from the State or to another supplier in the State, the purchasing supplier is primarily responsible for paying the tax. If a supplier or retailer includes the tax on a bill to a customer, it must be shown as a separate line item and identified as "Maine special fuel tax."

[2007, c. 693, §23 (AMD) .]

3. **Delivery by supplier or retailer.** When distillates are delivered by a supplier to a consumer or to a retail outlet, those distillates are deemed to have been sold within the meaning of this chapter, even if the retail outlet is owned in whole or in part by the supplier.

[2007, c. 438, §75 (AMD) .]

4. **Highway Fund.** All taxes and fines collected under this chapter must be credited to the Highway Fund, except that beginning July 1, 2009 the Treasurer of State shall deposit monthly into the TransCap Trust Fund established in Title 30-A, section 6006-G 7.5% of the excise tax imposed under subsection 1-B.

[2009, c. 496, §19 (AMD) .]

5. **Allowance for certain losses of undyed distillates.** An allowance of not more than 1/4 of 1% from the amount of undyed distillates received by a licensed supplier, plus 1/4 of 1% on all transfers in vessels, tank cars or full tank vehicle loads by the licensed supplier in the regular course of business from one of the licensed supplier's places of business to another of the licensed supplier's places of business within the State, may be allowed by the assessor to cover the loss through shrinkage, evaporation or handling sustained by the licensed supplier. The total allowance for these losses must be supported by documentation satisfactory to the assessor and may not exceed 1/2 of 1% of the receipts by the licensed supplier. The allowance must be calculated on an annual basis. A further deduction may not be allowed unless the assessor is satisfied upon definite proof submitted to the assessor that a further deduction should be allowed for a loss sustained through fire, accident or some unavoidable calamity.

[2013, c. 381, Pt. B, §33 (AMD) .]

6. **Allowance for certain losses of propane.** An allowance of not more than 1% from the amount of propane received by the retailer may be allowed by the assessor to cover the loss through shrinkage, evaporation or handling sustained by the retailer. The total allowance for these losses must be supported by documentation satisfactory to the assessor. The allowance must be calculated on an annual basis. A further deduction may not be allowed unless the assessor is satisfied upon definite proof submitted to the assessor that a further deduction should be allowed for a loss sustained through fire, accident or some unavoidable calamity.

[2007, c. 438, §76 (AMD) .]

SECTION HISTORY
1983, c. 94, §§D6,9 (NEW). 1983, c. 817, §7 (RPR). 1983, c. 828, §8 (AMD). 1987, c. 402, §A185 (RPR). 1987, c. 793, §A12 (AMD). 1991, c. 529, §D5 (AMD). 1991, c. 529, §E (AFF). 1991, c. 592, §D5 (AMD). 1995, c. 271, §5 (RPR). 1997, c. 262, §1 (AMD). 1997, c. 738, §10 (RPR). 1999, c. 414, §27 (AMD). 1999, c. 473, §B3 (AMD). 1999, c. 473, §B5 (AFF). 1999, c. 733, §§4-6 (AMD). 1999, c. 733, §17 (AFF). 2001, c. 396, §28 (AMD). 2001, c. 688, §5 (AMD). 2005, c. 677, §A1 (AMD). 2007, c. 438, §§75, 76 (AMD). 2007, c. 470, Pt. E, §2 (AMD). 2007, c. 538, Pt. L, §2 (AMD). 2007, c. 627, §81 (AMD). 2007, c. 650, §§1, 2 (AMD). 2007, c. 693, §23 (AMD). 2009, c. 413, Pt. W, §2 (AMD). 2009, c. 413, Pt. W, §6 (AFF). 2009, c. 434, §50 (AMD). 2009, c. 496, §§18, 19 (AMD). 2011, c. 240, §25 (AMD). 2013, c. 381, Pt. B, §33 (AMD).

§3203-A. SPECIAL FUEL; EXEMPTION

(REPEALED)

SECTION HISTORY

1983, c. 740, (NEW). 1991, c. 529, §D6 (AMD). 1991, c. 529, §E (AFF). 1991, c. 592, §D6 (AMD). 1995, c. 271, §6 (RP).

§3203-B. INVENTORY TAX

(REPEALED)

SECTION HISTORY
1999, c. 473, §B4 (NEW). 2001, c. 688, §6 (RP).

§3203-C. INVENTORY TAX

On the date that any increase in the rate of tax imposed under this chapter takes effect, an inventory tax is imposed upon all distillates that are held in inventory by a supplier, wholesaler or retail dealer as of the end of the day prior to that date on which the tax imposed by section 3203, subsection 1-B has been paid. The inventory tax is computed by multiplying the number of gallons of tax-paid fuel held in inventory by the difference between the tax rate already paid and the new tax rate. Suppliers, wholesalers and retail dealers that hold such tax-paid inventory shall make payment of the inventory tax on or before the 15th day of the next calendar month, accompanied by a form prescribed and furnished by the State Tax Assessor. In the event of a decrease in the tax rate, the supplier, wholesaler or retail dealer is entitled to a refund or credit, which must be claimed on a form designed and furnished by the assessor. [2009, c. 652, Pt. B, §8 (AMD); 2009, c. 652, Pt. B, §9 (AFF).]

SECTION HISTORY
2001, c. 688, §7 (NEW). 2003, c. 390, §15 (AMD). 2009, c. 413, Pt. W, §3 (AMD). 2009, c. 413, Pt. W, §6 (AFF). 2009, c. 434, §51 (AMD). 2009, c. 434, §84 (AFF). 2009, c. 496, §20 (RPR). 2009, c. 652, Pt. B, §8 (AMD). 2009, c. 652, Pt. B, §9 (AFF).

§3204. LICENSES

Every person operating as a supplier, wholesaler or retailer in the State shall file an application for a certificate with the State Tax Assessor on forms prescribed and furnished by the assessor. A person may not sell or distribute special fuel until the certificate is furnished by the assessor and displayed as required by this section. One copy of the certificate, certified by the assessor, must be displayed in each place of business of the person. If the assessor has reasonable cause to believe that the person has ceased to do business or that the person has violated this chapter or rules adopted under this chapter or has failed to appear in court for any violation of this chapter, the assessor may on reasonable notice to the person suspend the person's certificate until satisfied to the contrary. A person whose certificate has been suspended may not act as a supplier, wholesaler or retailer until the certificate is restored by the assessor. Suspended certificates must be surrendered to the assessor upon request. The suspension is reviewable in accordance with section 151. [2009, c. 434, §52 (AMD).]

SECTION HISTORY
1983, c. 94, §§D6,9 (NEW). 1985, c. 127, §1 (AMD). 1999, c. 733, §7 (AMD). 1999, c. 733, §17 (AFF). 2009, c. 434, §52 (AMD).

§3204-A. EXEMPTIONS

The following fuels are exempt from the tax imposed by section 3203: [1995, c. 271, §7 (NEW).]

1. **Single lot.**

[1997, c. 738, §11 (RP) .]

2. **Heating and cooking.** Special fuel delivered into a tank used solely for heating or cooking purposes;

[1999, c. 414, §28 (AMD) .]

2-A. **Sales for resale.** Special fuel sold for resale to a licensed supplier or low-energy fuel sold for resale to a licensed retailer;

[1999, c. 733, §8 (AMD); 1999, c. 733, §17 (AFF) .]

3. **Political subdivision.** Special fuel sold in bulk to this State or any political subdivision of this State;

[2007, c. 438, §77 (AMD) .]

4. **Preclusion by federal law.** Special fuel sold or used in such form or under such circumstances as precludes the collection of tax by reasons of federal law;

[1997, c. 738, §11 (AMD) .]

5. **Exportation.** Special fuel sold only for exportation from this State by a licensed supplier;

[2009, c. 625, §11 (AMD) .]

6. **Generation.** Special fuel sold to a person for the generation of power for resale or manufacturing;

[1997, c. 738, §11 (AMD) .]

7. **Kerosene for retail sale.** Kerosene prepackaged for home use or delivered into a separate tank for retail sale, in which case the excise tax must be remitted by licensed users pursuant to section 3207, rather than by the supplier;

[2009, c. 288, §1 (AMD); 2009, c. 288, §4 (AFF) .]

8. **Dyed fuel.** Dyed fuel; and

[2009, c. 288, §2 (AMD); 2009, c. 288, §4 (AFF) .]

9. **Self-produced biodiesel fuel.** Biodiesel fuel that is produced by an individual and used by that same individual or a member of that individual's immediate family.

[2009, c. 288, §3 (NEW); 2009, c. 288, §4 (AFF) .]

SECTION HISTORY
1995, c. 271, §7 (NEW). 1997, c. 738, §11 (AMD). 1999, c. 414, §§28,29 (AMD). 1999, c. 733, §8 (AMD). 1999, c. 733, §17 (AFF). 2003, c. 588, §13 (AMD). 2007, c. 438, §77 (AMD). 2009, c. 288, §§1-3 (AMD). 2009, c. 288, §4 (AFF). 2009, c. 625, §11 (AMD).

§3204-B. DYED FUEL; PROHIBITION ON HIGHWAY USE

1. **Generally.** Except as provided in subsection 2, a person may not operate a motor vehicle on the public ways of this State or allow a motor vehicle to be operated on the public ways of this State if the fuel supply tanks of the vehicle contain dyed fuel or other fuel on which the tax imposed by section 3203 has not been paid. For purposes of this subsection, there is a rebuttable presumption that the owner of a motor vehicle

has operated the motor vehicle or allowed the motor vehicle to be operated on the public ways of this State with dyed fuel or other fuel when the tax imposed by section 3203 has not been paid by the owner of the motor vehicle.

[1995, c. 639, §10 (AMD) .]

2. **Exceptions.** The following motor vehicles are not subject to the prohibition provided in subsection 1:

A. Motor vehicles owned and operated by this State or any political subdivision of this State; and [1995, c. 271, §7 (NEW).]

B. Motor vehicles authorized to use dyed fuel on the public ways of this State under the provisions of the Code, section 4082 or rules adopted under the Code. [1995, c. 271, §7 (NEW).]

[1995, c. 271, §7 (NEW) .]

3. **Penalty.** A person who violates the prohibition provided in subsection 1 commits a Class D crime and is subject to a fine of not less than $1,000, which may not be reduced. Refusal to permit inspection pursuant to section 3219-A in order to enforce the provisions of this section constitutes prima facie evidence that the tank or container in question contains dyed fuel.

[1995, c. 271, §7 (NEW) .]

4. **Venue.** A violation of this section is deemed to have been committed in part at the principal office of the assessor. Prosecution under this section may be in the county where the act to which the proceeding relates occurred or in Kennebec County.

[2005, c. 622, §13 (NEW) .]

SECTION HISTORY
1995, c. 271, §7 (NEW). 1995, c. 639, §10 (AMD). 2005, c. 622, §14 (AMD).

§3205. REGISTERED SUPPLIER

(REPEALED)

SECTION HISTORY
1983, c. 94, §§D6,9 (NEW). 1985, c. 127, §1 (AMD). 1999, c. 414, §30 (AMD). 2001, c. 396, §29 (AMD). 2009, c. 434, §53 (RP).

§3206. LICENSES; USERS

It is unlawful for any user to use or consume any special fuel within this State, unless that user is the holder of an uncanceled license issued by the State Tax Assessor. To produce that license, every user shall file with the State Tax Assessor an application in such form as the State Tax Assessor may prescribe, setting forth the name and address of the user. Any unlicensed user who purchases a fuel use identification decal, as required by Title 29-A, section 525, must be registered by the State Tax Assessor and subject to this chapter and chapter 461. [1995, c. 65, Pt. A, §147 (AMD); 1995, c. 65, Pt. A, §153 (AFF); 1995, c. 65, Pt. C, §15 (AFF).]

In the event that any application for a license to use special fuel as a user in this State shall be filed by any person whose license shall at any time theretofore have been canceled for cause by the State Tax Assessor, or in the case the State Tax Assessor shall be of the opinion that the application is not filed in good faith or that the application is filed by some person as a subterfuge for the real person in interest whose license or registration shall theretofore have been canceled for cause by the State Tax Assessor or in the case where the taxpayer failed to appear in court for any violation of this chapter, then and in any of those events

the State Tax Assessor, after a hearing of which the applicant shall have been given 5 days' notice in writing and in which the applicant shall have the right to appear in person or by counsel and present testimony, shall have the right and authority to refuse to issue to the person a license certificate in this State. [1983, c. 94, Pt. D, §6 (NEW).]

The application in proper form having been accepted for filing, and the other conditions and requirements of this section having been complied with, the State Tax Assessor shall issue to that user a license certificate and the license shall remain in full force and effect until canceled as provided in this chapter. [1983, c. 94, Pt. D, §6 (NEW).]

The license certificate so issued by the State Tax Assessor shall not be assignable and shall be valid only for the user in whose name issued. [1983, c. 94, Pt. D, §6 (NEW).]

SECTION HISTORY
1983, c. 94, §§D6,9 (NEW). 1985, c. 127, §1 (AMD). 1995, c. 65, §A147 (AMD). 1995, c. 65, §§A153,C15 (AFF).

§3207. COLLECTION OF TAX

Every supplier and retailer paying or becoming liable to pay the tax imposed by this chapter shall charge and collect the tax at the applicable rate. [1999, c. 733, §9 (AMD); 1999, c. 733, §17 (AFF).]

Every licensed user shall remit tax on all special fuels purchased and not used for heating, industrial use or for off-highway use, when the special fuel has not been subjected to the special fuel tax. [1983, c. 94, Pt. D, §6 (NEW).]

SECTION HISTORY
1983, c. 94, §§D6,9 (NEW). 1985, c. 127, §1 (AMD). 1993, c. 670, §7 (AMD). 1999, c. 414, §31 (AMD). 1999, c. 733, §9 (AMD). 1999, c. 733, §17 (AFF).

§3208. CREDIT; USERS

Every user subject to the tax imposed by section 3203 is entitled to a credit on the tax, equivalent to the then current rate of taxation per gallon imposed by section 3203 as adjusted pursuant to section 3321, on all special fuel purchased by that user from a supplier or retailer licensed in accordance with section 3204 upon which the tax imposed by section 3203 has been paid. Evidence of the payment of that tax, in a form required by or satisfactory to the State Tax Assessor, must be furnished by each user claiming the credit. When the amount of the credit to which any user is entitled for any quarter exceeds the amount of the tax for which that user is liable for the same quarter, the excess may be allowed as a credit on the tax for which that user would be otherwise liable for another quarter or quarters. Upon application to the assessor, the excess may be refunded if the applicant has paid to another state or province under a lawful requirement of that jurisdiction a tax similar in effect to the tax imposed by section 3203 on the use or consumption of that fuel outside the State, at the same rate per gallon that tax was paid in this State, but in no case to exceed the then current rate per gallon of the tax imposed by section 3203 as adjusted pursuant to section 3321. Upon receipt of the application the assessor, if satisfied after investigation that a refund is justified, shall so certify to the State Controller. The refund must be paid out of the Highway Fund. This credit lapses at the end of the last quarter of the year following that in which the credit arose. [2007, c. 438, §78 (AMD).]

Interest is paid at the rate established pursuant to section 186, calculated from the date of receipt of the claim for all valid refund claims that are not paid within 30 days of receipt of the claim. [2007, c. 438, §78 (AMD).]

SECTION HISTORY

1983, c. 94, §§D6,9 (NEW). 1983, c. 808, §3 (AMD). 1985, c. 127, §1 (AMD). 1995, c. 271, §8 (AMD). 1999, c. 733, §10 (AMD). 1999, c. 733, §17 (AFF). 2007, c. 438, §78 (AMD).

§3208-A. REFUND TO POLITICAL SUBDIVISIONS

Any political subdivision of the State that buys and uses special fuel and that has paid a tax as provided by this chapter on that fuel is eligible for reimbursement in the amount of the tax paid. By contractual agreement, any agency of this State or political subdivision of this State may assign to another person its right to receive funds under this section. A refund application on a form prescribed by the State Tax Assessor must be filed to claim a refund pursuant to this section. Applications for refunds must be filed with the State Tax Assessor within 12 months from the date of purchase. [2007, c. 438, §79 (AMD).]

SECTION HISTORY
1983, c. 438, §5 (NEW). 1987, c. 456, §2 (AMD). 2005, c. 664, §M1 (AMD). 2007, c. 438, §79 (AMD).

§3209. REPORTS; INTERNATIONAL FUEL TAX AGREEMENT; PAYMENT OF TAX; ALLOWANCE FOR LOSSES

1. **Suppliers and wholesalers.** Every licensed supplier and wholesaler shall file on or before the last day of each month a return with the State Tax Assessor stating the gross gallons of distillates received, sold and used in this State by that licensed supplier or wholesaler during the preceding calendar month, on a form prescribed and furnished by the assessor. The return must include any further information reasonably required by the assessor. At the time of filing the return required by this subsection, each licensed supplier or wholesaler must pay to the assessor a tax as prescribed in section 3203 upon each gallon reported as a taxable sale or as taxable gallons used.

[2009, c. 434, §54 (AMD) .]

1-A. **Retailers.** Every licensed retailer shall file on or before the last day of each month a return with the assessor stating the gross gallons of low-energy fuel received, sold and used in this State by that retailer during the preceding calendar month on a form prescribed and furnished by the assessor. The return must include any further information reasonably required by the assessor. At the time of filing the return required by this subsection, each retailer shall pay to the assessor a tax as prescribed in section 3203 upon each gallon reported as a taxable sale or as taxable gallons used.

[2007, c. 438, §80 (AMD) .]

1-B. **International Fuel Tax Agreement.** The State Tax Assessor shall enforce the IFTA governing documents and take all steps necessary to maintain the State's membership in the IFTA, in order to:

A. Facilitate the administration of this chapter; [2001, c. 396, §30 (NEW).]

B. Promote the fullest and most efficient possible use of the highway system; and [2001, c. 396, §30 (NEW).]

C. Make uniform the administration, collection and enforcement of special fuel use taxation laws with respect to motor vehicles operated in multiple jurisdictions by ensuring this State's full participation in the single-base jurisdiction system embodied in the IFTA governing documents. [2011, c. 644, §12 (AMD).]

If a provision of chapter 7 or this chapter is inconsistent with the IFTA governing documents, the IFTA governing documents prevail for purposes of this chapter except when prohibited by the Constitution of Maine or the United States Constitution. The assessor is authorized to ratify amendments to the IFTA governing documents on behalf of this State, except that the assessor may not ratify any provision that

infringes on the substantive taxation authority of the Legislature, including the power to impose taxes, set tax rates and determine exemptions. The assessor may by mutual agreement with the Secretary of State delegate to the Secretary of State the assessor's responsibilities under this subsection, as well as the responsibility for the audit, assessment and processing of IFTA special fuel tax returns, IFTA special fuel tax collection, the administrative appeal of IFTA special fuel tax assessments and compliance with IFTA administrative requirements. Notwithstanding section 151, if the administrative appeal of IFTA special fuel tax assessments has been delegated to the Secretary of State, such appeals must be taken under Title 29-A, section 111 and the Maine Administrative Procedure Act. For purposes of this Title and Title 29-A, an IFTA special fuel tax assessment is considered final and subject to demand and enforced collection under this Title and Title 29-A if the tax assessed has not been paid by its due date and no further administrative or judicial review is available pursuant to this Title or Title 29-A.

[2011, c. 644, §12 (AMD) .]

2. **Users generally.** Except as provided by subsection 4, each user, not later than the last day of April, July, October and January of each year, shall file with the assessor a return that must include the total gallonage of fuels used within this State during the quarter ending the last day of the preceding month. The return must include any further information reasonably required by the assessor. At the time of filing the return required by this subsection, each user shall pay to the assessor the tax imposed by section 3203 upon each gallon reported as a taxable use or as taxable gallons used, which has not been subjected to the special fuel tax.

[2007, c. 438, §80 (AMD) .]

3. **Exempt users.** Any user of special fuel operating exclusively within this State and using only special fuel purchased within this State upon which the State has received the special fuel tax, may be exempted, at the discretion of the assessor, from filing returns under this chapter. Any user of special fuel requesting exemption from filing returns shall submit an affidavit as prescribed by the assessor.

[2007, c. 438, §80 (AMD) .]

4. **Annual returns in certain circumstances.** Notwithstanding any other provisions of this section, a user may file an annual return with payment on or before January 31st of each year covering the prior year when the annual tax liability is expected to be $100 or less or when allowed by the IFTA governing documents.

[2001, c. 396, §30 (AMD) .]

5. **Monthly reports from wholesalers.**

[2009, c. 434, §55 (RP) .]

SECTION HISTORY
1983, c. 94, §§D6,9 (NEW). 1983, c. 828, §9 (AMD). 1985, c. 127, §1 (AMD). 1987, c. 200, §§2,3 (AMD). 1997, c. 738, §12 (RPR). 1999, c. 733, §§11,12 (AMD). 1999, c. 733, §17 (AFF). 2001, c. 396, §30 (AMD). 2007, c. 438, §80 (AMD). 2009, c. 434, §§54, 55 (AMD). 2011, c. 644, §12 (AMD).

§3210. APPLICATION OF TAX IN SPECIAL CASES

A person that receives special fuel under circumstances that preclude the collection of this tax by the supplier or retailer and that sells or uses that special fuel in this State is considered a supplier or retailer and shall file a quarterly return on a form prescribed by the State Tax Assessor and is subject to the same taxes and all other provisions of this chapter relating to suppliers and retailers. A person may not be considered a

supplier or retailer with respect to special fuel brought into the State in the ordinary standard equipment fuel tank attached to and forming a part of a motor vehicle and used in the operation of that vehicle within the State. [2007, c. 438, §81 (AMD).]

SECTION HISTORY
1983, c. 94, §§D6,9 (NEW). 1985, c. 127, §1 (AMD). 1999, c. 733, §13 (AMD). 1999, c. 733, §17 (AFF). 2007, c. 438, §81 (AMD).

§3211. CANCELLATION OF LICENSES, REGISTRATIONS

If a person licensed or registered under this chapter files a false report of the information required by this chapter, or fails, refuses or neglects to file a return required by this chapter or to pay the full amount of the tax as required by this chapter, the State Tax Assessor may cancel the license or registration and give notice to that person of the cancellation. [2009, c. 434, §56 (AMD).]

Upon receipt of a written request from a person licensed or registered under this chapter to cancel the license or registration issued to that person, the assessor may cancel that license or registration effective 30 days from the date of the written request, in which event the license or registration certificate issued to that person must be surrendered to the assessor. If the assessor determines that a person to whom a license or registration has been issued under this chapter is no longer engaged in the sale or use of special fuel and has not been so engaged for a period of 6 months, the assessor may cancel that license or registration by giving that person 30 days' notice of the cancellation, in which event the license or registration certificate issued to that person must be surrendered to the assessor. [2009, c. 434, §56 (AMD).]

SECTION HISTORY
1983, c. 94, §§D6,9 (NEW). 1985, c. 127, §1 (AMD). 1999, c. 733, §14 (AMD). 1999, c. 733, §17 (AFF). 2007, c. 438, §82 (AMD). 2009, c. 434, §56 (AMD).

§3212. DISCONTINUANCE

When a person ceases to engage in business as a supplier, wholesaler, retailer or user of special fuel within this State, that person shall notify the State Tax Assessor in writing within 15 days after discontinuance. All taxes, penalties and interest under this chapter become due and payable concurrently with that discontinuance. The person shall file a return and pay all the taxes, interest and penalties and surrender to the assessor the license or registration certificate issued to that person by the assessor. [2009, c. 434, §57 (AMD).]

A person that violates any of the provisions of this section commits a Class E crime. [2009, c. 434, §57 (AMD).]

SECTION HISTORY
1983, c. 94, §§D6,9 (NEW). 1985, c. 127, §1 (AMD). 1999, c. 733, §15 (AMD). 1999, c. 733, §17 (AFF). 2007, c. 438, §83 (AMD). 2009, c. 434, §57 (AMD).

§3213. REFUNDS OF TAXES ERRONEOUSLY OR ILLEGALLY COLLECTED

If the State Tax Assessor determines that a tax or penalty imposed by this chapter has been erroneously or illegally collected from a user, that user is entitled to a refund of the amount that was erroneously or illegally collected. The refund must be paid to that user from the Highway Fund. [2011, c. 240, §26 (AMD).]

A refund may not be made under this section unless a written claim stating the grounds upon which the refund is claimed in a form prescribed by the assessor is filed with the assessor within 3 years from the date of the payment of the amount that was erroneously or illegally collected. [2011, c. 240, §26 (AMD).]

SECTION HISTORY
1983, c. 94, §§D6,9 (NEW). 1985, c. 127, §1 (AMD). 2011, c. 240, §26 (AMD).

§3214. CREDIT FOR TAX PAID ON WORTHLESS ACCOUNTS

The tax paid on sales made on credit and reported by a licensed supplier, wholesaler or retailer pursuant to section 3209 that are found to be worthless and actually charged off may be credited upon the tax due on a subsequent return. If those accounts are subsequently collected by the licensed supplier, wholesaler or retailer, a tax must be paid upon the amounts so collected. The credit must be reported on the return for the month in which the charge-off occurred. [2009, c. 434, §58 (AMD).]

SECTION HISTORY
1983, c. 94, §§D6,9 (NEW). 1985, c. 127, §1 (AMD). 1999, c. 733, §16 (AMD). 1999, c. 733, §17 (AFF). 2007, c. 438, §84 (AMD). 2009, c. 434, §58 (AMD).

§3215. REFUND OF TAXES FOR CERTAIN COMMON CARRIERS

A person engaged in furnishing common carrier passenger service is entitled to reimbursement of the tax paid on special fuel used by that person in locally encouraged vehicles. For purposes of calculating reimbursement due pursuant to this section, special fuel used in a person's locally encouraged vehicles is presumed to bear the same proportional relationship to special fuel used in all of the person's passenger vehicles that the person's commutation fare revenue derived from service provided by locally encouraged vehicles bears to the person's total passenger fare revenue. "Commutation fare revenue" means revenue attributable to fares of 60¢ or less and fares paid for commutation or season tickets for single trips of less than 30 miles or for commutation tickets for one month or less. "Total passenger fare revenue" means all revenue attributable to the claimant's passenger operations. "Locally encouraged vehicles" means buses upon which no excise tax is collected under section 1483, subsection 13. [2009, c. 598, §48 (AMD).]

Applications for refunds must be filed with the State Tax Assessor, on a form prescribed by the assessor, within 12 months from the date of purchase. A refund may not be issued under this section unless the claimant's commutation fare revenue derived during the period for which the refund is claimed is at least 60% of the claimant's total passenger fare revenue derived during that period. [2007, c. 438, §85 (AMD).]

SECTION HISTORY
1983, c. 94, §§D6,9 (NEW). 1985, c. 127, §1 (AMD). 2003, c. 390, §16 (RPR). 2005, c. 332, §18 (AMD). 2007, c. 438, §85 (AMD). 2009, c. 598, §48 (AMD).

§3216. FAILURE TO FILE STATEMENT; FALSE STATEMENT

(REPEALED)

SECTION HISTORY
1983, c. 94, §§D6,9 (NEW). 1985, c. 127, §1 (AMD). 1989, c. 878, §B33 (RPR). 1991, c. 529, §D7 (AMD). 1991, c. 529, §E (AFF). 1991, c. 592, §D7 (AMD). 1995, c. 65, §A148 (AMD). 1995, c. 65, §§A153,C15 (AFF). 1995, c. 271, §9 (RP).

§3217. ADDITIONAL VIOLATIONS

(REPEALED)

SECTION HISTORY
1983, c. 94, §D6 (NEW). 1985, c. 127, §1 (AMD). 1987, c. 772, §30 (AMD). 1989, c. 878, §G6 (AMD). 1991, c. 529, §D8 (AMD). 1991, c. 529, §E (AFF). 1991, c. 592, §D8 (AMD). 1995, c. 271, §10 (RP).

§3218. REFUND OF TAX IN CERTAIN CASES, TIME LIMIT

A person who purchases and uses special fuel for any use other than operation of a registered motor vehicle on the highways of this State, and who has paid the tax imposed by this chapter on that fuel, is entitled to reimbursement in the amount of the tax paid, less 1¢ per gallon, upon presenting to the State Tax Assessor a sworn statement accompanied by evidence as the assessor may require. The statement must show the total amount of special fuel so purchased and used by that person other than in the operation of registered motor vehicles on the highways of this State. [2007, c. 438, §86 (AMD).]

A refund application on a form prescribed by the assessor must be filed to claim a refund pursuant to this section. Interest must be paid at the rate determined pursuant to section 186, calculated from the date of receipt of the claim, for all valid claims not paid within 30 days of receipt. Applications for refunds must be filed with the assessor within 12 months from the date of purchase. [2007, c. 438, §87 (AMD).]

All fuel qualifying for a refund under this section is subject to the use tax imposed by chapter 215. [2003, c. 390, §17 (RPR).]

SECTION HISTORY
1983, c. 94, §§D6,9 (NEW). 1983, c. 438, §6 (AMD). 1983, c. 828, §10 (AMD). 1985, c. 127, §1 (AMD). 2003, c. 390, §17 (RPR). 2005, c. 332, §19 (AMD). 2007, c. 438, §§86,87 (AMD).

§3218-A. REFUNDS OF TAX FOR FUEL USED BY RAILROADS

Beginning July 1, 2004, the assessor shall monitor the amount of refunds paid under section 3218 for fuel consumed by vehicles operating on rails and monitor the amount of use tax paid on fuel consumed by vehicles operating on rails under chapter 215. [2003, c. 498, §10 (NEW).]

SECTION HISTORY
2003, c. 498, §10 (NEW).

§3219. PURPOSE

The tax imposed by this chapter is levied for the purpose of providing revenue to be used by this State to defray in whole or in part the cost of constructing, widening, reconstructing, maintaining, resurfacing and repairing the public highways of this State and the cost and expense incurred in the administration and enforcement of this chapter, and for no other purpose whatsoever. [1983, c. 94, Pt. D, §6 (NEW).]

SECTION HISTORY
1983, c. 94, §§D6,9 (NEW). 1985, c. 127, §1 (AMD).

§3219-A. ENFORCEMENT; PENALTIES

1. **Enforcement.** The State Tax Assessor shall notify the Secretary of State and the Bureau of State Police of any carrier who has failed to comply with the provisions of this chapter. In order to enforce the provisions of this chapter, any duly authorized and designated agent or officer of the assessor, the Secretary of State or the Commissioner of Public Safety may:

A. Inspect any fuel tank or container that can or may be used for the production, storage or transportation of special fuel; [1995, c. 271, §11 (NEW).]

B. Inspect any equipment that can or may be used for, or in connection with, the production, storage or transportation of special fuel; [1995, c. 271, §11 (NEW).]

C. Inspect the books and records of any supplier, user, retailer or importer; [2003, c. 390, §18 (AMD).]

D. Detain any motor vehicle for the purpose of inspecting its fuel tanks. Detainment may continue for a reasonable period of time as necessary to determine the amount and composition of the fuel. Designated agents and officers may take and remove samples of fuel in reasonable quantities in order to determine compliance with the provisions of this chapter; and [2009, c. 598, §49 (AMD).]

E. Suspend vehicle registrations in the name of any carrier that has violated the provisions of this chapter and the right to operate as provided in Title 29-A, section 2458. [2009, c. 598, §50 (AMD).]

F. [2009, c. 598, §51 (RP).]

[2009, c. 598, §§49-51 (AMD) .]

2. **Penalties.** A person who commits one of the following acts is guilty of a Class E crime and is subject to a fine of not less than $250, which may not be reduced:

A. If the person is a supplier, selling special fuel without collecting tax on the fuel when the supplier knows or has reason to believe that the fuel will not be used for an exempt purpose; [1995, c. 271, §11 (NEW).]

B. Refusing or failing to make any statement, report, payment or return required by this chapter; [1995, c. 271, §11 (NEW).]

C. Refusing or failing to pay interest or penalties arising from the nonpayment of taxes required by this chapter; [1995, c. 271, §11 (NEW).]

D. Knowingly collecting or attempting to collect, directly or indirectly, a refund of tax without being entitled to that refund; [1995, c. 271, §11 (NEW).]

E. Knowingly making, or aiding or assisting any other person in making, a materially false statement in any return or report submitted to the State Tax Assessor, in any application for refund of tax, in any other application or affidavit submitted to the State Tax Assessor pursuant to this chapter or in any affidavit of exempt use submitted to a supplier pursuant to section 3204-A; [1995, c. 271, §11 (NEW).]

F. Refusing or failing to permit an inspection pursuant to subsection 1; or [1995, c. 271, §11 (NEW).]

G. If the person is a user or an agent or employee of a user, consuming special fuel in a motor vehicle when the user does not have a valid license issued pursuant to section 3206. Each day or part of a day during which this paragraph is violated constitutes a separate violation within the meaning of this section. [1995, c. 639, §11 (AMD).]

The fine provided by this subsection is in addition to any other applicable penalty or tax.

[1995, c. 639, §11 (AMD) .]

SECTION HISTORY

1995, c. 271, §11 (NEW). 1995, c. 639, §11 (AMD). 2003, c. 390, §18 (AMD). 2009, c. 598, §§49-51 (AMD).

§3220. FUEL USE TAX; COMPACT

(REPEALED)

SECTION HISTORY
1983, c. 817, §8 (NEW). 1983, c. 863, §D1 (RP).

§3221. TAX LEVIED

(REPEALED)

SECTION HISTORY
1983, c. 817, §8 (NEW). 1983, c. 863, §D1 (RP).

§3222. REPORTING AND REMITTING TAX

(REPEALED)

SECTION HISTORY
1983, c. 817, §8 (NEW). 1983, c. 863, §D1 (RP).

§3223. ENFORCEMENT

(REPEALED)

SECTION HISTORY
1987, c. 772, §31 (NEW). 1987, c. 793, §A13 (NEW). 1989, c. 502, §A134 (RPR). 1995, c. 639, §12 (RP).

§3223-A. INVENTORY TAX; SPECIAL FUEL

(REPEALED)

SECTION HISTORY
1987, c. 793, §B3 (NEW). 1991, c. 824, §A74 (RP).

§3224. INVENTORY TAX; SPECIAL FUEL

(REPEALED)

SECTION HISTORY
1989, c. 502, §A135 (NEW). 1991, c. 824, §A75 (RP).

Chapter 461: TRUST FUNDS

§3231. TAXES HELD IN TRUST FOR THE STATE TAX ASSESSOR

(REPEALED)

SECTION HISTORY
1873, c. 94, §D9 (AMD). 1983, c. 94, §D7 (NEW). 1985, c. 127, §1 (AMD). 1985, c. 691, §28 (RP).

§3232. NOTICE TO SEGREGATE TRUST FUNDS

(REPEALED)

SECTION HISTORY
1983, c. 94, §D9 (AMD). 1985, c. 127, §1 (AMD). 1985, c. 691, §28 (RP).

§3233. REVOCATION OF REGISTRATION

(REPEALED)

SECTION HISTORY
1983, c. 94, §D7 (NEW). 1983, c. 94, §D9 (AMD). 1985, c. 127, §1 (AMD). 1985, c. 691, §28 (RP).

§3234. MISAPPROPRIATION OF TRUST FUNDS

(REPEALED)

SECTION HISTORY
1983, c. 94, §D7 (NEW). 1983, c. 94, §D9 (AMD). 1985, c. 127, §1 (AMD). 1985, c. 691, §29 (AMD). 1995, c. 271, §12 (AMD). 2005, c. 218, §37 (RP).

§3235. TAX A DEBT; RECOVERY

The taxes, interest and penalties imposed by chapters 7, 451 and 459, from the time they are due, are a personal debt of the supplier, distributor, importer, retailer or user to the State, recoverable in any court of competent jurisdiction in a civil action in the name of the State. [2005, c. 218, §38 (AMD).]

SECTION HISTORY
1983, c. 94, §D7 (NEW). 1983, c. 94, §D9 (AMD). 1983, c. 817, §9 (AMD). 1985, c. 127, §1 (AMD). 1985, c. 535, §6 (AMD). 1999, c. 414, §32 (AMD). 2003, c. 390, §19 (AMD). 2005, c. 218, §38 (AMD).

§3236. WARRANT; REQUEST FOR

(REPEALED)

SECTION HISTORY
1983, c. 94, §D7 (NEW). 1983, c. 94, §D9 (AMD). 1983, c. 817, §10 (AMD). 1985, c. 127, §1 (AMD). 1985, c. 691, §30 (RP).

§3237. ISSUANCE

(REPEALED)

SECTION HISTORY
1983, c. 94, §D7 (NEW). 1983, c. 94, §D9 (AMD). 1985, c. 127, §1 (AMD). 1985, c. 691, §30 (RP).

§3238. LIEN OF TAX

(REPEALED)

SECTION HISTORY
1983, c. 94, §D7 (NEW). 1983, c. 94, §D9 (AMD). 1983, c. 817, §11 (AMD). 1985, c. 127, §1 (AMD). 1985, c. 691, §30 (RP).

§3239. FORM AND EFFECT

(REPEALED)

SECTION HISTORY
1983, c. 94, §D7 (NEW). 1983, c. 94, §D9 (AMD). 1985, c. 127, §1 (AMD). 1985, c. 691, §30 (RP).

§3240. PRIORITY OF TAX

(REPEALED)

SECTION HISTORY
1983, c. 94, §D7 (NEW). 1983, c. 94, §D9 (AMD). 1985, c. 127, §1 (AMD). 2005, c. 218, §39 (RP).

§3241. ENFORCEMENT OF LIEN

(REPEALED)

SECTION HISTORY
1983, c. 94, §D7 (NEW). 1983, c. 94, §D9 (AMD). 1985, c. 127, §1 (AMD). 1985, c. 691, §31 (RP).

§3242. INJUNCTIONS

(REPEALED)

SECTION HISTORY
1983, c. 94, §D7 (NEW). 1983, c. 94, §D9 (AMD). 1985, c. 127, §1 (AMD). 2001, c. 583, §14 (RP).

Chapter 463: REGIONAL FUEL TAX AGREEMENT

§3291. PURPOSE AND PRINCIPLE

(REPEALED)

SECTION HISTORY
1983, c. 817, §12 (NEW). 1983, c. 863, §D2 (RP).

§3292. DEFINITIONS

(REPEALED)

SECTION HISTORY
1983, c. 817, §12 (NEW). 1983, c. 863, §D2 (RP).

§3293. TAXATION OF MOTOR FUELS

(REPEALED)

SECTION HISTORY
1983, c. 817, §12 (NEW). 1983, c. 863, §D2 (RP).

§3294. APPLICATION OF THE AGREEMENT

(REPEALED)

SECTION HISTORY
1983, c. 817, §12 (NEW). 1983, c. 863, §D2 (RP).

§3295. FUEL USER LICENSING

(REPEALED)

SECTION HISTORY
1983, c. 817, §12 (NEW). 1983, c. 863, §D2 (RP).

§3296. REPORTING

(REPEALED)

SECTION HISTORY
1983, c. 817, §12 (NEW). 1983, c. 863, §D2 (RP).

§3297. TAX-PAID PURCHASES

(REPEALED)

SECTION HISTORY
1983, c. 817, §12 (NEW). 1983, c. 863, §D2 (RP).

§3298. BASE-JURISDICTION ACCOUNTING

(REPEALED)

SECTION HISTORY
1983, c. 817, §12 (NEW). 1983, c. 863, §D2 (RP).

§3299. MOTOR VEHICLE IDENTIFICATION

(REPEALED)

SECTION HISTORY
1983, c. 817, §12 (NEW). 1983, c. 863, §D2 (RP).

§3300. RECORDS REQUIREMENTS

(REPEALED)

SECTION HISTORY
1983, c. 817, §12 (NEW). 1983, c. 863, §D2 (RP).

§3301. AUDITING

(REPEALED)

SECTION HISTORY
1983, c. 817, §12 (NEW). 1983, c. 863, §D2 (RP).

§3302. APPEAL PROCEDURES

(REPEALED)

SECTION HISTORY
1983, c. 817, §12 (NEW). 1983, c. 863, §D2 (RP).

§3303. CREDIT AND REFUNDS

(REPEALED)

SECTION HISTORY
1983, c. 817, §12 (NEW). 1983, c. 863, §D2 (RP).

§3304. ENTRY AND WITHDRAWAL

(REPEALED)

SECTION HISTORY
1983, c. 817, §12 (NEW). 1983, c. 863, §D2 (RP).

§3305. EXPULSION OF A MEMBER

(REPEALED)

SECTION HISTORY
1983, c. 817, §12 (NEW). 1983, c. 863, §D2 (RP).

§3306. AGREEMENT AMENDMENTS AND INTERPRETATIONS

(REPEALED)

SECTION HISTORY
1983, c. 817, §12 (NEW). 1983, c. 863, §D2 (RP).

§3307. ADOPTION OF ADMINISTRATIVE PROCEDURES

(REPEALED)

SECTION HISTORY
1983, c. 817, §12 (NEW). 1983, c. 863, §D2 (RP).

§3308. ADMINISTRATION

(REPEALED)

SECTION HISTORY
1983, c. 817, §12 (NEW). 1983, c. 863, §D2 (RP).

Chapter 463-A: REGIONAL FUEL TAX AGREEMENT

§3311. PURPOSE AND PRINCIPLES

(REPEALED)

SECTION HISTORY
1983, c. 863, §D3 (NEW). 1999, c. 414, §33 (RP).

§3312. AUTHORITY OF THE STATE TAX ASSESSOR

(REPEALED)

SECTION HISTORY
1983, c. 863, §D3 (NEW). 1999, c. 414, §33 (RP).

§3313. SCOPE OF THE AGREEMENT; CONFLICT

(REPEALED)

SECTION HISTORY
1983, c. 863, §D3 (NEW). 1999, c. 414, §33 (RP).

§3314. CONTENT OF THE AGREEMENT

(REPEALED)

SECTION HISTORY
1983, c. 863, §D3 (NEW). 1999, c. 414, §33 (RP).

Chapter 465: INDEXING OF MOTOR FUEL TAX RATES

§3321. ANNUAL ADJUSTMENT OF TAX RATES

(REPEALED)

SECTION HISTORY
2001, c. 688, §8 (NEW). 2007, c. 306, §9 (AMD). 2007, c. 650, §3 (AMD). 2009, c. 413, Pt. W, §§4, 5 (AMD). 2009, c. 413, Pt. W, §6 (AFF). 2009, c. 434, §§59, 60 (AMD). 2009, c. 652, Pt. B, §10 (AMD). 2011, c. 392, Pt. C, §1 (AMD). MRSA T. 36, §3321, sub-§5 (RP).

Part 6: INHERITANCE, SUCCESSION AND ESTATE TAXES

Chapter 551: GENERAL PROVISIONS

§3401. DEFINITIONS

(REPEALED)

SECTION HISTORY
1997, c. 668, §26 (RP).

§3402. APPLICABILITY OF PROVISIONS

(REPEALED)

SECTION HISTORY
1981, c. 451, §1 (AMD). 1997, c. 668, §26 (RP).

§3403. INSPECTION OF DOCUMENTS FILED WITH STATE TAX ASSESSOR

(REPEALED)

SECTION HISTORY
1977, c. 668, §4 (RP).

§3404. LIEN FOR TAXES

(REPEALED)

SECTION HISTORY
1979, c. 540, §45 (AMD). 1987, c. 772, §32 (AMD). 1989, c. 42, §1 (AMD). 1997, c. 668, §26 (RP).

Chapter 553: PROPERTY TAXABLE

§3461. PROPERTY TAXABLE; EXEMPTIONS

(REPEALED)

SECTION HISTORY
1975, c. 733, §2 (AMD). 1983, c. 480, §A44 (AMD). 1983, c. 571, §11 (AMD). 1985, c. 506, §A76 (AMD). 1997, c. 668, §26 (RP).

§3462. TAX ON CLASS A

(REPEALED)

SECTION HISTORY
1975, c. 384, (AMD). 1981, c. 451, §§2-4 (AMD). 1997, c. 668, §26 (RP).

§3463. TAX ON CLASS B

(REPEALED)

SECTION HISTORY

1975, c. 384, (AMD). 1997, c. 668, §26 (RP).

§3464. TAX ON CLASS C

(REPEALED)

SECTION HISTORY
1975, c. 384, (AMD). 1997, c. 668, §26 (RP).

§3465. ALL PROPERTY DEEMED SINGLE INTEREST

(REPEALED)

SECTION HISTORY
1997, c. 668, §26 (RP).

§3466. GENERAL POWERS OF APPOINTMENT

(REPEALED)

SECTION HISTORY
1997, c. 668, §26 (RP).

§3467. NONRESIDENTS; DEDUCTIONS

(REPEALED)

SECTION HISTORY
1983, c. 480, §A45 (AMD). 1997, c. 668, §26 (RP).

§3468. -- EXEMPTIONS

(REPEALED)

SECTION HISTORY
1997, c. 668, §26 (RP).

§3469. BEQUESTS TO PERSONAL REPRESENTATIVES OR TRUSTEES

(REPEALED)

SECTION HISTORY
1979, c. 540, §46 (AMD). 1983, c. 480, §A46 (AMD). 1997, c. 668, §26 (RP).

§3470. TRANSFER IN CONTEMPLATION OF DEATH

(REPEALED)

SECTION HISTORY
1997, c. 668, §26 (RP).

§3471. PHASE DOWN OF TAX

(REPEALED)

SECTION HISTORY
1981, c. 451, §5 (NEW). 1997, c. 668, §26 (RP).

Chapter 555: POWERS AND DUTIES OF STATE TAX ASSESSOR

§3521. TAX ASSESSOR TO ADMINISTER LAW; ABSENCE OR DISABILITY

(REPEALED)

SECTION HISTORY
1981, c. 364, §38 (RP).

§3522. AUTHORITY OF STATE TAX ASSESSOR

(REPEALED)

SECTION HISTORY
1981, c. 364, §39 (AMD). 1983, c. 480, §A47 (AMD). 1997, c. 668, §26 (RP).

§3523. VALUE OF PROPERTY DETERMINED; APPEAL

(REPEALED)

SECTION HISTORY
1969, c. 437, §5 (AMD). 1977, c. 694, §709A (RPR). 1983, c. 480, §A48 (AMD). 1997, c. 668, §26 (RP).

§3524. AMOUNT OF TAX DETERMINED

(REPEALED)

SECTION HISTORY
1983, c. 480, §A49 (AMD). 1997, c. 668, §26 (RP).

§3525. PREPARATION OF FORMS AND MAKING OF RULES BY TAX ASSESSOR

(REPEALED)

SECTION HISTORY
1981, c. 364, §40 (RP).

§3526. EXAMINATION OF WITNESSES; ATTENDANCE

(REPEALED)

SECTION HISTORY
1979, c. 540, §47 (AMD). 1981, c. 364, §41 (RP).

§3527. APPOINTMENT OF PERSONAL REPRESENTATIVE ON PROBATE DELAY

(REPEALED)

SECTION HISTORY
1983, c. 480, §A50 (AMD). 1997, c. 668, §26 (RP).

Chapter 557: DUTIES AND LIABILITIES OF ESTATE REPRESENTATIVES

§3581. INVENTORY OF ESTATE

(REPEALED)

SECTION HISTORY
1979, c. 520, §6 (AMD). 1979, c. 540, §48 (AMD). 1979, c. 663, §222 (RPR). 1997, c. 668, §26 (RP).

§3582. TAX DEDUCTED BEFORE DELIVERY

(REPEALED)

SECTION HISTORY
1979, c. 540, §49 (AMD). 1997, c. 668, §26 (RP).

§3583. INFORMATION INCOMPLETE OR WITHHELD

(REPEALED)

SECTION HISTORY
1979, c. 378, §27 (RP).

§3584. ACCOUNTS NOT ALLOWED UNTIL TAX PAID; EXCEPTIONS

(REPEALED)

SECTION HISTORY
1983, c. 480, §A51 (AMD). 1997, c. 668, §26 (RP).

Chapter 559: VALUATION

§3631. TIME OF VALUATION

(REPEALED)

SECTION HISTORY
1997, c. 668, §26 (RP).

§3632. VALUE OF SHARE OF JOINT OWNERS

(REPEALED)

SECTION HISTORY
1965, c. 95, (AMD). 1975, c. 733, §3 (RPR). 1997, c. 668, §26 (RP).

§3633. CONSIDERATION FOR INTER VIVOS TRANSFER

(REPEALED)

SECTION HISTORY
1997, c. 668, §26 (RP).

§3634. ESTATES IN REMAINDER

(REPEALED)

SECTION HISTORY

1997, c. 668, §26 (RP).

§3635. SETTLEMENT WHERE COMPUTATION IMPOSSIBLE OR PERSONS UNKNOWN

(REPEALED)

SECTION HISTORY
1983, c. 480, §A52 (AMD). 1997, c. 668, §26 (RP).

§3636. SETTLEMENT REQUIRED

(REPEALED)

SECTION HISTORY
1983, c. 480, §A53 (AMD). 1985, c. 783, §15 (RPR). 1997, c. 668, §26 (RP).

Chapter 561: PAYMENT AND LIABILITY FOR TAX

§3681. DUE DATE

(REPEALED)

SECTION HISTORY
1973, c. 224, §1 (AMD). 1981, c. 451, §6 (RPR). 1997, c. 668, §26 (RP).

§3682. DEPOSITS

(REPEALED)

SECTION HISTORY
1997, c. 668, §26 (RP).

§3683. INTEREST

(REPEALED)

SECTION HISTORY
1977, c. 679, §25 (RP).

§3684. PERSONS LIABLE

(REPEALED)

SECTION HISTORY
1983, c. 480, §A54 (AMD). 1997, c. 668, §26 (RP).

§3685. LEGACIES CHARGEABLE TO REALTY

(REPEALED)

SECTION HISTORY
1983, c. 480, §A55 (AMD). 1997, c. 668, §26 (RP).

§3686. CIVIL ACTION BY STATE; BOND

(REPEALED)

SECTION HISTORY
1979, c. 540, §50 (AMD). 1981, c. 364, §42 (AMD). 1981, c. 365, (AMD). 1997, c. 668, §26 (RP).

§3687. SALE OF REALTY TO PAY TAXES

(REPEALED)

SECTION HISTORY
1979, c. 540, §51 (RP).

§3688. PAYMENT OF TAXES IN INHERITANCE OF WORKS OF ART

(REPEALED)

SECTION HISTORY
1979, c. 526, §3 (NEW). 1997, c. 668, §26 (RP).

Chapter 563: ESTATE TAX

§3741. ADDITIONAL TAX; RATE

(REPEALED)

SECTION HISTORY
1997, c. 668, §26 (RP).

§3742. DUE DATE

(REPEALED)

SECTION HISTORY
1973, c. 625, §264 (AMD). 1977, c. 679, §26 (AMD). 1981, c. 364, §43 (AMD). 1983, c. 480, §A56 (AMD). 1983, c. 571, §12 (RP). 1983, c. 828, §11 (RP).

§3743. INTENT OF PROVISIONS

(REPEALED)

SECTION HISTORY
1995, c. 639, §13 (AMD). 1997, c. 668, §26 (RP).

§3744. EXCEPTIONS

(REPEALED)

SECTION HISTORY
1997, c. 668, §26 (RP).

§3745. INHERITANCE TAX LAW AS APPLICABLE TO ESTATE TAX LAW

(REPEALED)

SECTION HISTORY
1997, c. 668, §26 (RP).

Chapter 565: ABATEMENT AND REFUNDS

§3801. PETITION FOR ABATEMENT

(REPEALED)

SECTION HISTORY
1969, c. 437, §6 (AMD). 1977, c. 694, §710 (RP).

§3802. REFUNDS

(REPEALED)

SECTION HISTORY
1983, c. 480, §A57 (AMD). 1997, c. 668, §26 (RP).

Chapter 567: REPORTS

§3851. REPORTS BY BANKS AND BUILDING AND LOAN COMPANIES

(REPEALED)

SECTION HISTORY
1987, c. 497, §44 (RP).

§3852. REGISTERS OF PROBATE REPORT TO STATE TAX ASSESSOR

(REPEALED)

SECTION HISTORY
1979, c. 127, §197 (AMD). 1983, c. 480, §A58 (AMD). 1987, c. 497, §45 (RP).

Chapter 569: INTERSTATE ARBITRATION

§3911. SHORT TITLE

This chapter may be cited as the "Uniform Act on Interstate Arbitration of Death Taxes".

§3912. STATE DEFINED

As used in this chapter, the word "state" means any state, territory or possession of the United States and the District of Columbia.

§3913. INTERPRETATION OF PROVISIONS

This chapter shall be so interpreted and construed as to effectuate its general purpose to make uniform the law of those states which enact it.

§3914. ARBITRATION AGREEMENT

When the State Tax Assessor claims that a decedent was domiciled in this State at the time of his death and the taxing authorities of another state or states make a like claim on behalf of their state or states, the State Tax Assessor may with the approval of the Attorney General make a written agreement with the other taxing authorities and with the personal representative to submit the controversy to the decision of a board consisting of one or any uneven number of arbitrators. The personal representative may make the agreement. The parties to the agreement shall select the arbitrator or arbitrators. [1983, c. 480, Pt. A, §59 (AMD).]

SECTION HISTORY
1983, c. 480, §A59 (AMD).

§3915. HEARINGS

The board shall hold hearings at such times and places as it may determine, upon notice to the parties to the agreement, all of whom shall be entitled to be heard, to present evidence and to examine and cross-examine witnesses.

§3916. POWERS OF BOARD

The board shall have power to administer oaths, take testimony, subpoena and require the attendance of witnesses and the production of books, papers and documents, and issue commissions to take testimony. Subpoenas may be signed by any member of the board. In case of failure to obey a subpoena, any judge of a court of record of this State, upon application by the board, may make an order requiring compliance with the subpoena and the court may punish failure to obey the order as a contempt.

§3917. DETERMINATION OF DOMICILE

The board shall, by majority vote, determine the domicile of the decedent at the time of his death. This determination shall be final for purposes of imposing and collecting death taxes but for no other purpose.

§3918. MAJORITY VOTE

Except as provided in section 3916 in respect of the issuance of subpoenas, all questions arising in the course of the proceedings shall be determined by majority vote of the board.

§3919. FILING OF DETERMINATION OF DOMICILE AND OTHER DOCUMENTS

The State Tax Assessor, the board or the personal representative shall file the determination of the board as to domicile, the record of the board's proceedings and the agreement, or a duplicate, made pursuant to section 3914, with the authority having jurisdiction to assess the death taxes in the state determined to be the domicile and shall file copies of all those documents with the authorities that would have been empowered to assess the death taxes in each of the other states involved. [1983, c. 480, Pt. A, §60 (AMD).]

SECTION HISTORY
1983, c. 480, §A60 (AMD).

§3920. INTEREST AND PENALTIES FOR NONPAYMENT

(REPEALED)

SECTION HISTORY
1977, c. 679, §26A (RP).

§3921. COMPROMISE BY PARTIES TO ARBITRATION AGREEMENT

Nothing contained herein shall prevent at any time a written compromise, if otherwise lawful, by all parties to the agreement made pursuant to section 3914, fixing the amounts to be accepted by this and any other state involved in full satisfaction of death taxes.

§3922. COMPENSATION AND EXPENSES

The compensation and expenses of the members of the board and its employees may be agreed upon among the members and the personal representative and if they cannot agree shall be fixed by the Probate Court of the state determined by the board to be the domicile of the decedent. The amounts so agreed upon or fixed shall be deemed an administration expense and shall be payable by the personal representative. [1983, c. 480, Pt. A, §61 (AMD).]

SECTION HISTORY
1983, c. 480, §A61 (AMD).

§3923. RECIPROCAL APPLICATION

This chapter shall apply only to cases in which each of the states involved has a law identical with or substantially similar to this chapter.

§3924. EFFECTIVE DATE

This chapter shall apply to estates of decedents dying before or after August 6, 1949.

Chapter 571: INTERSTATE COMPROMISE

§3981. SHORT TITLE

This chapter may be cited as the "Uniform Act on Interstate Compromise of Death Taxes".

§3982. STATE DEFINED

As used in this chapter, the word "state" means any state, territory or possession of the United States and the District of Columbia.

§3983. INTERPRETATION OF PROVISIONS

This chapter shall be so interpreted and construed as to effectuate its general purpose to make uniform the law of those states which enact it.

§3984. FILING OF COMPROMISE AGREEMENT; INTEREST OR PENALTY FOR NONPAYMENT

When the State Tax Assessor claims that a decedent was domiciled in this State at the time of his death and the taxing authorities of another state or states make a like claim on behalf of their state or states, the State Tax Assessor may, with the approval of the Attorney General, make a written agreement of compromise with the other taxing authorities and the personal representative that a certain sum shall be accepted in full satisfaction of any and all death taxes imposed by this State, including any interest or penalties to the date of filing the agreement. The agreement shall fix the amount to be accepted by the other states in full satisfaction of death taxes. The personal representative may make that agreement. Either the State Tax Assessor or the personal representative shall file the agreement or a duplicate with the authority that would be empowered to assess death taxes for this State if there had been no agreement, and thereupon the tax shall be deemed conclusively fixed as therein provided. Unless the tax is paid within 30 days after filing the agreement,

interest shall thereafter accrue upon the amount fixed in the agreement, but the time between the decedent's death and the filing shall not be included in computing the interest. [1983, c. 480, Pt. A, §62 (AMD).]

SECTION HISTORY
1983, c. 480, §A62 (AMD).

§3985. EFFECTIVE DATE

This chapter shall apply to estates of decedents dying before or after August 6, 1949.

Chapter 573: RECIPROCITY IN COLLECTION

§4041. STATE DEFINED

For the purposes of this chapter the word "state" shall be construed to include any territory of the United States, the District of Columbia and any foreign country.

§4042. PROOF OF PAYMENT FILED IN PROBATE COURT

At any time before the expiration of 15 months after the qualification in any Probate Court in this State of a personal representative of the will of or personal representative of the estate of a nonresident decedent, the personal representative shall file with the court proof that all death taxes, together with interest or penalties thereon, due to the state of domicile of the decedent or to any political subdivision thereof, have been paid or secured or that no taxes, interest or penalties are due, as the case may be. [1983, c. 480, Pt. A, §63 (AMD).]

SECTION HISTORY
1983, c. 480, §A63 (AMD).

§4043. FORM OF PROOF; FAILURE TO FILE

The proof required by section 4042 may be in the form of a certificate issued by the official charged with the administration of the death tax laws of the state of domicile. If proof is not filed as therein provided, the register of probate shall forthwith notify by mail the official of the state of domicile so far as is known to him: [1983, c. 480, Pt. A, §64 (AMD).]

1. **Name, date of death and domicile.** The name, date of death and last domicile of the decedent;

[1983, c. 480, Pt. A, §64 (AMD) .]

2. **Name and address of representative.** The name and address of each personal representative;

[1983, c. 480, Pt. A, §64 (AMD) .]

3. **Value of estate.** An estimate of the value of all the property of the estate; and

[1983, c. 480, Pt. A, §64 (AMD) .]

4. **Fact proof not filed.** The fact that the personal representative has not filed the proof required in section 4042.

[1983, c. 480, Pt. A, §64 (AMD) .]

The register shall attach to that notice a plain copy of the will and codicils of the decedent, if he died testate, or if he died intestate, a list of his heirs and next of kin so far as is known to the register. Within 60 days after the mailing of the notice, the official of the state of domicile may file with the Probate Court in this State a petition for an accounting in the estate. The official shall, for the purposes of this chapter, be a party interested for the purpose of petitioning for the accounting. If a petition is filed within the period of 60 days, the Probate Court shall decree an accounting, and upon that accounting being filed and approved shall decree the remission to the fiduciary appointed by the Probate Court of the state of domicile of the balance of the intangible personalty after the payment of creditors and expenses of administration in this State. [1983, c. 480, Pt. A, §64 (AMD).]

SECTION HISTORY
1983, c. 480, §A64 (AMD).

§4044. VIOLATIONS

Unless either section 4042 or 4043 shall have been complied with, no personal representative may be entitled to a final accounting or discharge in any Probate Court in this State. [1983, c. 480, Pt. A, §65 (AMD).]

SECTION HISTORY
1983, c. 480, §A65 (AMD).

§4045. RECIPROCITY

This chapter shall apply to the estate of any nonresident decedent if the laws of the state of his domicile contain a provision, of any nature or however expressed, whereby this State is given reasonable assurance of the collection of its death taxes, interest and penalties from the estates of decedents dying domiciled in this State in cases where the estates of such decedents are being administered in such other state. This chapter shall be liberally construed in order to insure that the state of domicile of any decedent shall receive any death taxes, together with interest and penalties thereon, due to it.

§4046. REMISSION ORDERS ALLOWED

Nothing in this chapter shall be construed to prevent a probate court from ordering the remission of any intangible personal property belonging to the estate of a nonresident decedent which is being administered in this State, and such probate court is authorized to order such remission whenever good cause is shown therefor.

Chapter 575: MAINE ESTATE TAX

§4061. APPLICABILITY OF PROVISIONS

This chapter applies to the estates of persons who die after June 30, 1986 and before January 1, 2013. [2011, c. 380, Pt. M, §3 (AMD); 2011, c. 380, Pt. M, §10 (AFF).]

SECTION HISTORY
1981, c. 451, §7 (NEW). 2011, c. 380, Pt. M, §3 (AMD). 2011, c. 380, Pt. M, §10 (AFF).

§4062. DEFINITIONS

As used in this chapter, unless the context indicates otherwise, the following terms have the following meanings. [1981, c. 451, §7 (NEW).]

1. **Code.**

[1987, c. 504, §4 (RP) .]

1-A. **Federal credit.** "Federal credit" has the following meanings:

A. For the estates of decedents dying after December 31, 2002, "federal credit" means the maximum credit against the tax on the federal taxable estate for state death taxes determined under the Code, Section 2011 as of December 31, 2002 exclusive of the reduction of the maximum credit contained in the Code, Section 2011(b)(2); the period of limitations under the Code, Section 2011(c); and the termination provision contained in the Code, Section 2011(f). The state death tax deduction contained in the Code, Section 2058 must be disregarded. The unified credit must be determined under the Code, Section 2010 as of December 31, 2000. The termination provision contained in the Code, Section 2210 must be disregarded. Notwithstanding any other provision of this Title to the contrary, the tax determined by this chapter for estates of decedents dying after December 31, 2009 must be determined in accordance with the law applicable to decedents dying during calendar year 2009, except that for purposes of calculation of the amount of property that may be treated as Maine qualified terminable interest property under subsection 2-B, paragraph C, the applicable exclusion amount must be determined in accordance with the law applicable as of the decedent's actual date of death; and [2011, c. 380, Pt. M, §4 (AMD); 2011, c. 380, Pt. M, §10 (AFF).]

B. For the estates of all other decedents, "federal credit" means the maximum credit for state death taxes determined under the Code, Section 2011. [2005, c. 12, Pt. N, §4 (AFF); 2005, c. 12, Pt. N, §1 (RPR).]

[2011, c. 380, Pt. M, §4 (AMD); 2011, c. 380, Pt. M, §10 (AFF) .]

1-B. **Federal taxable estate.** "Federal taxable estate" means the taxable estate as determined using the applicable Code as of the date of the decedent's death except as provided in subsection 1-A, subsection 2 and:

A. The state death tax deduction contained in the Code, Section 2058 must be disregarded; [2009, c. 213, Pt. E, §2 (NEW); 2009, c. 213, Pt. E, §6 (AFF).]

B. For estates of decedents dying after December 31, 2004, the federal taxable estate must be decreased by an amount equal to the value of Maine qualified terminable interest property in the estate of the decedent; and [2009, c. 213, Pt. E, §2 (NEW); 2009, c. 213, Pt. E, §6 (AFF).]

C. For estates of decedents dying after December 31, 2004, the federal taxable estate must be increased by an amount equal to the value of Maine elective property in respect of the decedent. [2009, c. 213, Pt. E, §2 (NEW); 2009, c. 213, Pt. E, §6 (AFF).]

[2009, c. 213, Pt. E, §2 (NEW); 2009, c. 213, Pt. E, §6 (AFF) .]

2. **Federal gross estate.** "Federal gross estate" means the gross estate of a decedent as determined by the assessor in accordance with the Code, except that, notwithstanding the Code, Section 2035, the value of the gross estate includes the value of all taxable gifts as defined under the Code, Section 2503(a) made by the decedent during the 1-year period ending on the date of the decedent's death, but does not include the value of taxable gifts made prior to January 1, 2008.

[2009, c. 213, Pt. E, §3 (AMD); 2009, c. 213, Pt. E, §6 (AFF) .]

2-A. **Maine elective property.** "Maine elective property" means all property in which the decedent at the time of death had a qualified income interest for life and with respect to which, for purposes of determining the tax imposed by this chapter on the estate of a predeceased spouse of the decedent, the federal taxable estate of that predeceased spouse was decreased pursuant to subsection 1-B, paragraph B. The value

of Maine elective property is the value determined by the assessor in accordance with the Code as if such property were includible in the decedent's federal gross estate pursuant to the Code, Section 2044 and, in the case of estates that do not incur a federal estate tax, as if the estate had incurred a federal estate tax.

[2009, c. 213, Pt. E, §4 (AMD); 2009, c. 213, Pt. E, §6 (AFF) .]

2-B. **Maine qualified terminable interest property.** "Maine qualified terminable interest property" means property:

A. That is eligible to be treated as qualified terminable interest property under the Code, Section 2056(b)(7); [2005, c. 12, Pt. N, §2 (NEW); 2005, c. 12, Pt. N, §4 (AFF).]

B. For which no election allowable under the Code, Section 2056(b)(7) is made with respect to the federal estate tax; and [2005, c. 12, Pt. N, §2 (NEW); 2005, c. 12, Pt. N, §4 (AFF).]

C. With respect to which an election is made, on a return filed timely with the State Tax Assessor, to treat the property as Maine qualified terminable interest property for purposes of the tax imposed by this chapter. The amount of property with respect to which such election is made may not be greater than the amount, if any, by which the applicable exclusion amount determined as of the date of the decedent's death using the Code, Section 2010(c) in effect on that date exceeds the applicable exclusion amount determined as of the date of the decedent's death using the Code, Section 2010(c) in effect on December 31, 2000. [2005, c. 622, §16 (AMD).]

[2005, c. 622, §16 (AMD) .]

3. **Nonresident.** "Nonresident" means a natural person domiciled in a jurisdiction other than this State at the time of that person's death.

[2011, c. 380, Pt. M, §5 (AMD); 2011, c. 380, Pt. M, §10 (AFF) .]

4. **Person.**

[2005, c. 218, §40 (RP) .]

5. **Personal representative.** "Personal representative" means the personal representative of the decedent or, if there is no personal representative appointed, qualified and acting within this State, any person who is in the actual or constructive possession of any property included in the gross estate of the decedent.

[1981, c. 451, §7 (NEW) .]

6. **Resident.** "Resident" means a natural person domiciled in this State at the time of that person's death.

[2011, c. 380, Pt. M, §6 (AMD); 2011, c. 380, Pt. M, §10 (AFF) .]

7. **Transfer.** "Transfer" includes the passing of property or any interest therein, in possession or enjoyment, present or future, by inheritance, descent, devise, succession, bequest, grant, deed, bargain sale, gift or appointment in the manner described in this chapter.

[2005, c. 218, §41 (AMD) .]

8. **Value.**

[2007, c. 693, §25 (RP) .]

8-A. **Value.** When determining value for purposes of this chapter, "value" means, with respect to an estate or to property included in an estate, including Maine qualified terminable interest property, the value as determined by the assessor in accordance with the Code.

[2007, c. 693, §26 (NEW) .]

SECTION HISTORY
1981, c. 451, §7 (NEW). 1985, c. 535, §7 (AMD). 1987, c. 504, §4 (AMD). 2001, c. 559, §GG3 (AMD). 2001, c. 559, §GG26 (AFF). 2003, c. 20, §JJ1 (AMD). 2003, c. 673, §§D1,2 (AMD). 2005, c. 12, §§N1,2 (AMD). 2005, c. 12, §N4 (AFF). 2005, c. 218, §§40,41 (AMD). 2005, c. 622, §§15-17 (AMD). 2005, c. 622, §33 (AFF). 2007, c. 693, §§24-26 (AMD). 2009, c. 213, Pt. E, §§1-4 (AMD). 2009, c. 213, Pt. E, §6 (AFF). 2011, c. 380, Pt. M, §§4-6 (AMD). 2011, c. 380, Pt. M, §10 (AFF).

§4063. TAX ON ESTATE OF RESIDENT

A tax is imposed upon the transfer of the estate of every person who dies on or after January 1, 2002 and who, at the time of death, was a resident of this State. The amount of this tax is equal to the federal credit multiplied by a fraction, the numerator of which is the value of that portion of the decedent's federal gross estate that consists of real and tangible personal property located in the State plus the value of all intangible personal property and the denominator of which is the value of the decedent's federal gross estate. [2007, c. 693, §27 (AMD).]

A credit against the tax imposed by this section is allowed for all constitutionally valid estate, inheritance, legacy and succession taxes actually paid to another jurisdiction upon the value of real or tangible personal property owned by the decedent or subject to those taxes as a part of or in connection with the estate and located in that jurisdiction if the value of that property is also included in the value of the decedent's intangible personal property subject to taxation under this section. The credit provided by this section may not exceed the amount of tax otherwise due multiplied by a fraction, the numerator of which is the value of the property located in the other taxing jurisdiction subject to this credit on which tax was actually paid and the denominator of which is the value of the decedent's federal gross estate. For purposes of this section, “another jurisdiction” means another state, the District of Columbia, a possession or territory of the United States or any political subdivision of a foreign country that is analogous to a state. [2007, c. 693, §27 (NEW).]

For purposes of this section, "federal gross estate" means the decedent's federal gross estate as modified by Maine qualified terminable interest property and Maine elective property. [2007, c. 693, §27 (NEW).]

1. **Amount.**

[2005, c. 622, §18 (RP) .]

2. **Values.**

[2005, c. 622, §18 (RP) .]

SECTION HISTORY
1981, c. 451, §7 (NEW). 1985, c. 535, §8 (AMD). 1991, c. 546, §27 (AMD). 1999, c. 414, §34 (AMD). 2001, c. 559, §GG4 (AMD). 2001, c. 559, §GG26 (AFF). 2003, c. 20, §JJ2 (AMD). 2003, c. 673, §D3 (AMD). 2005, c. 622, §18 (RPR). 2007, c. 693, §27 (AMD).

§4063-A. TAX ON ESTATE OF RESIDENT

1. **Amount.** A tax is imposed upon the transfer of the estate of a person who dies during the calendar year 2002 and who, at the time of death, was a resident of this State. The amount of this tax is equal to the lesser of:

A. The federal estate tax calculated prior to the application of the federal credit; and [2001, c. 559, Pt. GG, §5 (NEW); 2001, c. 559, Pt. GG, §26 (AFF).]

B. The amount by which the federal credit divided by .75 exceeds the lesser of:

(1) The aggregate amount of all constitutionally valid estate, inheritance, legacy and succession taxes actually paid to the several states of the United States, other than this State, in respect of any property owned by that decedent or subject to those taxes as a part of or in connection with the decedent's estate; and

(2) An amount equal to such proportion of the federal credit as the value of properties taxable by other states bears to the value of the entire federal gross estate wherever situated. [2001, c. 559, Pt. GG, §5 (NEW); 2001, c. 559, Pt. GG, §26 (AFF).]

[2001, c. 559, Pt. GG, §5 (NEW); 2001, c. 559, Pt. GG, §26 (AFF) .]

2. **Values.**

[2005, c. 622, §19 (RP) .]

SECTION HISTORY
2001, c. 559, §GG5 (NEW). 2001, c. 559, §GG26 (AFF). 2005, c. 622, §19 (AMD).

§4064. TAX ON ESTATE OF NONRESIDENT

A tax is imposed upon the transfer of real property and tangible personal property situated in this State and held by an individual who dies prior to January 1, 2002 or after December 31, 2002 and who at the time of death was not a resident of this State. Maine property is subject to the tax imposed by this section to the extent that such property is either included in the decedent's federal gross estate or is Maine elective property. The amount of this tax is equal to that proportion of the federal credit that the value of the decedent's Maine real and tangible personal property in this State bears to the value of the decedent's federal gross estate. The share of the federal credit used to determine the amount of a nonresident individual's estate tax under this section is computed without regard to whether the specific real or tangible personal property located in the State is marital deduction property. [2011, c. 380, Pt. M, §7 (AMD); 2011, c. 380, Pt. M, §10 (AFF).]

When real or tangible personal property is owned by a pass-through entity, the entity must be disregarded and the property must be treated as personally owned by the decedent if the entity does not actively carry on a business for the purpose of profit and gain; the ownership of the property in the entity was not for a valid business purpose; or the property was acquired by other than a bona fide sale for full and adequate consideration and the decedent retained a power with respect to or interest in the property that would bring the real or tangible personal property located in this State within the decedent's federal gross estate. [2011, c. 380, Pt. M, §7 (NEW); 2011, c. 380, Pt. M, §10 (AFF).]

SECTION HISTORY
1981, c. 451, §7 (NEW). 1995, c. 281, §22 (AMD). 1999, c. 521, §A10 (AMD). 2001, c. 559, §GG6 (AMD). 2001, c. 559, §GG26 (AFF). 2003, c. 20, §JJ3 (AMD). 2003, c. 673, §D4 (AMD). 2005, c. 12, §M1 (AMD). 2005, c. 12, §M2 (AFF). 2005, c. 218, §42 (AMD). 2005, c. 618, §5 (AMD).

2005, c. 618, §22 (AFF). 2005, c. 622, §20 (AMD). 2007, c. 466, Pt. A, §62 (AMD). 2007, c. 466, Pt. A, §63 (AFF). 2011, c. 380, Pt. M, §7 (AMD). 2011, c. 380, Pt. M, §10 (AFF).

§4064-A. TAX ON ESTATE OF NONRESIDENT

1. **Amount.** A tax is imposed upon the transfer of real property and tangible personal property situated in this State and held by an individual who dies during the calendar year 2002 and who at the time of death was not a resident of this State. When real or tangible personal property has been transferred into a trust, the tax imposed by this section applies as if the trust did not exist and the property was personally owned by the decedent. Maine property is subject to the tax imposed by this section to the extent that such property is included in the decedent's gross estate as finally determined for federal estate tax purposes. The amount of this tax is equal to the lesser of:

A. That proportion of the federal estate tax calculated prior to the application of the federal credit that the value of Maine real and tangible personal property taxed in this State that qualifies for the credit bears to the value of the decedent's total federal gross estate; and [2001, c. 559, Pt. GG, §7 (NEW); 2001, c. 559, Pt. GG, §26 (AFF).]

B. That proportion of the federal credit divided by .75 that the value of Maine real and tangible personal property taxed in this State that qualifies for the credit bears to the value of the decedent's total federal gross estate. [2001, c. 559, Pt. GG, §7 (NEW); 2001, c. 559, Pt. GG, §26 (AFF).]

The share of the federal credit used to determine the amount of a nonresident individual's estate tax under this section is computed without regard to whether the specific real or tangible personal property located in the State is marital deduction property.

[2005, c. 622, §21 (AMD) .]

2. **Proceeds from sale of property.** Proceeds from the sale of property are taxable under this section if those proceeds are included in the total federal gross estate and the sale was made in contemplation of death. A sale of property made within 6 months prior to the death of the grantor is deemed to be in contemplation of death within the meaning of this section.

[2001, c. 559, Pt. GG, §7 (NEW); 2001, c. 559, Pt. GG, §26 (AFF) .]

SECTION HISTORY
2001, c. 559, §GG7 (NEW). 2001, c. 559, §GG26 (AFF). 2005, c. 622, §21 (AMD).

§4065. PERSONAL REPRESENTATIVE'S LIABILITY FOR TAX

1. **Payment of tax.** The tax imposed by this chapter shall be paid by the personal representative to the extent of assets subject to his control. The State Tax Assessor may accept payment of estate taxes in works of art in accordance with Title 27, chapter 2, subchapter II.

[1981, c. 451, §7 (NEW) .]

2. **Certification of payment.** No final account of a personal representative of an estate may be allowed by the Probate Court unless and until the personal representative has filed in the Probate Court a certificate of the State Tax Assessor showing either that the amount of tax has been paid, that payment has been secured as provided in section 4069 or that no tax is due.

[1981, c. 451, §7 (NEW) .]

SECTION HISTORY
1981, c. 451, §7 (NEW).

§4066. DISCHARGE OF PERSONAL REPRESENTATIVE'S PERSONAL LIABILITY

If the personal representative makes a written application, accompanied by a copy of the final determination of the federal estate tax liability, if any, and other supporting documentation that the State Tax Assessor may require, to the assessor for determination of the amount of the tax and discharge of personal liability for that tax, the assessor, as soon as possible and in any event within one year after the making of the application, or if the application is made before the return is filed, then within one year after the return is filed, shall notify the personal representative of the amount of the tax and of any interest on that amount. The personal representative, on payment of that amount, is discharged from personal liability for any deficiency in tax subsequently found to be due and is entitled to a certificate of discharge. [2003, c. 673, Pt. D, §5 (AMD).]

SECTION HISTORY
1981, c. 451, §7 (NEW). 2003, c. 673, §D5 (AMD).

§4067. RECORDS; STATEMENTS AND RETURNS; RULES

(REPEALED)

SECTION HISTORY
1981, c. 451, §7 (NEW). 1981, c. 706, §27 (RP).

§4068. TAX DUE DATE; FILING OF RETURN AND PAYMENT OF TAX

1. **Date due.** Except as otherwise provided by this chapter, a return required by this section is due 9 months after the date of the decedent's death and any tax due under this chapter is due at the same time. Interest accrues on any amount of tax not paid by the due date.

[2005, c. 218, §43 (AMD) .]

2. **Return required.** The personal representative shall file a Maine estate tax return whenever:

A. The Code requires that a federal estate tax return be filed; or [2005, c. 218, §43 (NEW).]

B. The federal gross estate, increased by the amount of adjusted taxable gifts made by the decedent after December 31, 1976 and by the aggregate amount of any specific gift tax exemption under former Code, Section 2521 used by the decedent after September 8, 1976 and by Maine elective property, exceeds the exclusion and related unified credit amounts specified in section 4062, subsection 1-A. [2011, c. 380, Pt. M, §8 (AMD); 2011, c. 380, Pt. M, §10 (AFF).]

The return must be in the form prescribed by the State Tax Assessor and it must be accompanied by a copy of the federal estate tax return, if any, and by other supporting documentation that the assessor may require.

[2011, c. 380, Pt. M, §8 (AMD); 2011, c. 380, Pt. M, §8 (AFF) .]

3. **No tax liability.** In all cases where a Maine estate tax return is not required to be filed:

A. If the personal representative makes no election pursuant to section 4062, subsection 2-B, the personal representative, surviving joint tenant of real estate or any other person whose real estate might be subject to a lien for taxes pursuant to this chapter may at any time file with the assessor in the form prescribed by the assessor a statement of the value of the federal gross estate; and [2005, c. 12, Pt. N, §3 (NEW); 2005, c. 12, Pt. N, §4 (AFF).]

B. If the personal representative makes an election pursuant to section 4062, subsection 2-B, the personal representative shall make such election on a timely filed return. The return must be in the form prescribed by the assessor and it must be accompanied by a copy of the federal estate tax return, if any, and other supporting documentation that the assessor may require, including documentation related to an election made pursuant to section 4062, subsection 2-B. [2005, c. 12, Pt. N, §3 (NEW); 2005, c. 12, Pt. N, §4 (AFF).]

[2005, c. 218, §43 (AMD) .]

SECTION HISTORY
1981, c. 451, §7 (NEW). 2003, c. 673, §D6 (AMD). 2003, c. 673, §D9 (AFF). 2005, c. 12, §N3 (AMD). 2005, c. 12, §N4 (AFF). 2005, c. 218, §43 (AMD). 2011, c. 380, Pt. M, §8 (AMD). 2011, c. 380, Pt. M, §10 (AFF).

§4069. EXTENSION OF DUE DATE FOR PAYMENT OF TAX

The State Tax Assessor may extend the time for payment of the tax or any part of the tax for a reasonable period of time not to exceed one year from the date fixed for payment and may grant successive extensions. The aggregate of extensions with respect to any estate may not exceed 10 years, unless a longer period is called for by a payment arrangement elected pursuant to section 4069-A. If an extension is granted, the assessor may require the taxpayer: [1999, c. 414, §35 (AMD).]

1. **Bond.** To give a bond to the Treasurer of State in such amount as the assessor determines necessary; or

[1999, c. 414, §35 (AMD) .]

2. **Other security.** To deposit with the Treasurer of State bonds or other negotiable obligations of governmental entities with an aggregate value sufficient to adequately secure payment of the tax.

[1981, c. 451, §7 (NEW) .]

SECTION HISTORY
1981, c. 451, §7 (NEW). 1999, c. 414, §35 (AMD).

§4069-A. EXTENSION OF TIME FOR PAYMENT OF ESTATE TAX WHEN ESTATE CONSISTS LARGELY OF INTEREST IN CLOSELY HELD BUSINESS

1. **Deferred payment arrangement.** If the Internal Revenue Service has approved a federal estate tax deferral and installment payment arrangement under Section 6166 of the Code, the personal representative may elect a similar deferred payment arrangement under this section for payment of the tax imposed by this chapter, subject to acceptance by the State Tax Assessor. The assessor may approve a deferral and installment arrangement under similar circumstances and on similar terms with respect to an estate of a decedent dying after December 31, 2002 that does not incur a federal estate tax.

[2003, c. 673, Pt. D, §7 (AMD); 2003, c. 673, Pt. D, §9 (AFF) .]

2. **Time and manner of election; rejection by State Tax Assessor.** An election under this section may be made by attaching a payment deferral election in a form prescribed by the assessor to a timely filed Maine estate tax return, in addition to any documentation required by section 4068 and copies of all documentation required by the Internal Revenue Service and submitted in support of a federal payment deferral. Documentation submitted to the assessor must clearly indicate the amount of Maine estate tax and interest to be paid in installments; the number of separate installments; and the due date of each installment payment. The assessor may reject the election. Any election not rejected in writing by the assessor within 60 days after the election is made is considered accepted.

[2003, c. 673, Pt. D, §7 (AMD); 2003, c. 673, Pt. D, §9 (AFF) .]

3. **Interest and penalties.** The Maine estate tax deferred under this section is subject to interest pursuant to section 186 until it is paid. Interest on the unpaid tax attributable to a deferral period under this section must be paid annually. Interest on the unpaid tax attributable to a period after the end of the deferral period must be paid at the same time as, and as part of, each installment payment of the tax. A payment of principal or interest under this section that is not made on or before the due date is subject to the penalties provided by section 187-B.

[2011, c. 240, §27 (AMD) .]

SECTION HISTORY
1999, c. 414, §36 (NEW). 2003, c. 673, §D7 (AMD). 2003, c. 673, §D9 (AFF). 2011, c. 240, §27 (AMD).

§4070. EXTENSION OF TIME FOR FILING RETURN

1. **General.** The State Tax Assessor may grant a reasonable extension of time for filing a return required by this chapter, on terms and conditions the assessor may require, as long as payment reasonably estimating the tax due has been made on or before the original payment due date. Except as provided in subsection 2, an extension for filing any return may not exceed 8 months.

[2003, c. 390, §20 (NEW) .]

2. **Federal extension.** When an extension of time is granted within which to file a federal estate tax return, the due date for filing the Maine estate tax return is automatically extended for an equivalent period, as long as payment reasonably estimating the tax due has been made on or before the original payment due date.

[2003, c. 390, §20 (NEW) .]

SECTION HISTORY
1981, c. 451, §7 (NEW). 1991, c. 546, §28 (AMD). 2003, c. 390, §20 (RPR).

§4071. EFFECT OF FEDERAL DETERMINATION

1. **Final federal determination.** 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; [1981, c. 451, §7 (NEW).]

B. The allowance of any item claimed as a deduction from the federal gross estate; or [2005, c. 622, §22 (AMD); 2005, c. 622, §33 (AFF).]

C. [2005, c. 622, §33 (AFF); 2005, c. 622, §22 (RP).]

D. [2005, c. 622, §33 (AFF); 2005, c. 622, §22 (RP).]

E. For estates of decedents dying before January 1, 2003, the amount of the federal credit. [2003, c. 673, Pt. D, §8 (AMD); 2003, c. 673, Pt. D, §9 (AFF).]

[2007, c. 693, §28 (AMD) .]

1-A. **State determination of certain estates.** For deaths occurring on or after July 1, 2008 but before July 1, 2009, 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.

For deaths occurring on or after July 1, 2009, 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 one year of the date the return was filed or the date the return is due, whichever is later.

[2009, c. 213, Pt. E, §5 (AMD); 2009, c. 213, Pt. E, §6 (AFF) .]

2. **Meaning of final determination.** For purposes of this section, a final federal determination means:

A. A decision by the United States Tax Court or a judgment, decree or other order by any court of competent jurisdiction which has become final; [1981, c. 451, §7 (NEW).]

B. A final disposition by the United States Secretary of the Treasury or his delegate of a claim for a refund. The disposition shall be deemed to have occurred:

(1) As to items of the claim which are allowed, upon allowance of refund or upon disallowance of the claim by reason of offsetting items; and

(2) As to items of the claim which are disallowed, or as to items applied by the United States Secretary of the Treasury or his delegate as an offset against the claim, upon expiration of the time for instituting suit for refund with respect to those items, unless suit is instituted before the expiration of such time, or upon filing with the State Tax Assessor, a written statement that suit will not be instituted; [1981, c. 451, §7 (NEW).]

C. A closing agreement made under the Code, Section 7121; [1981, c. 451, §7 (NEW).]

D. An assessment pursuant to a waiver of restrictions on assessment, or a notification in writing issued by the United States Secretary of the Treasury or his delegate that the federal estate tax return has been accepted as filed, unless the personal representative notifies the State Tax Assessor that a claim for refund of federal estate taxes has been or will be filed; or [1981, c. 451, §7 (NEW).]

E. Any assessment pursuant to a compromise entered into by the personal representative and the United States Secretary of the Treasury or his delegate. [1981, c. 451, §7 (NEW).]

[1981, c. 451, §7 (NEW) .]

3. **Items entering computation of tax.** If there has been a final federal determination with respect to a decedent's federal estate tax, any item, but not its value, entering into the computation of the tax is deemed to have been the subject of the final federal determination, whether or not specifically adjusted thereby.

[2005, c. 622, §23 (AMD); 2005, c. 622, §33 (AFF) .]

SECTION HISTORY
1981, c. 451, §7 (NEW). 2003, c. 390, §21 (AMD). 2003, c. 673, §D8 (AMD). 2003, c. 673, §D9 (AFF). 2005, c. 622, §§22,23 (AMD). 2005, c. 622, §33 (AFF). 2007, c. 693, §§28, 29 (AMD). 2009, c. 213, Pt. E, §5 (AMD). 2009, c. 213, Pt. E, §6 (AFF).

§4072. LIEN FOR TAXES

All property subject to taxes under this chapter, in whatever form of investment it may happen to be, is charged with a lien for all taxes, interest and penalties that are or may become due on that property. The lien does not attach to any property passing by right of survivorship to a surviving joint tenant who was the decedent's spouse on the decedent's date of death. The lien does not attach to any real or personal property after the property has been sold or disposed of for value by the personal representative, trustee or surviving joint tenant. Upon payment of those taxes, interest and penalties due under this chapter, or upon determination that no tax is due, the State Tax Assessor shall upon request execute a discharge of the tax lien for recording in the appropriate registry or registries of deeds. [2013, c. 331, Pt. A, §2 (AMD); 2013, c. 331, Pt. A, §6 (AFF).]

Any lien that attached to real property prior to September 30, 1989 and after the property was sold or disposed of for value by the personal representative, trustee or surviving joint tenant is released by operation of this section. A lien that attaches under this section is released 10 years after the decedent's date of death. [2013, c. 331, Pt. A, §2 (AMD); 2013, c. 331, Pt. A, §6 (AFF).]

SECTION HISTORY
1981, c. 451, §7 (NEW). 1987, c. 772, §33 (AMD). 1989, c. 42, §2 (AMD). 1999, c. 38, §1 (AMD). 2013, c. 331, Pt. A, §2 (AMD). 2013, c. 331, Pt. A, §6 (AFF).

§4073. STATE TAX ASSESSOR TO ADMINISTER LAW

(REPEALED)

SECTION HISTORY
1981, c. 451, §7 (NEW). 1981, c. 706, §28 (RP).

§4074. AUTHORITY OF STATE TAX ASSESSOR

The State Tax Assessor shall collect all taxes, interest and penalties provided by chapter 7 and by this chapter and may institute proceedings of any nature necessary or desirable for that purpose, including proceedings for the removal of personal representatives and trustees who have failed to pay the taxes due from estates in their hands. [2011, c. 1, Pt. EE, §1 (AMD); 2011, c. 1, Pt. EE, §4 (AFF).]

The assessor may enforce the collection of taxes secured by bond in a civil action brought on the bond regardless of the fact that another official may be named as obligee in the bond. [2011, c. 1, Pt. EE, §1 (AMD); 2011, c. 1, Pt. EE, §4 (AFF).]

SECTION HISTORY
1981, c. 451, §7 (NEW). 1981, c. 706, §29 (AMD). 1991, c. 846, §35 (AMD). 2011, c. 1, Pt. EE, §1 (AMD). 2011, c. 1, Pt. EE, §4 (AFF).

§4075. AMOUNT OF TAX DETERMINED

The State Tax Assessor shall determine the amount of tax due and payable upon any estate or part of that estate. If, after determination and certification of the full amount of the tax upon an estate or any interest in or part of an estate, the estate receives or becomes entitled to property in addition to that shown in the estate tax return filed with the assessor or the United States Internal Revenue Service changes any item increasing the estate's liability shown in the Maine estate tax return filed with the assessor, the personal representative shall within 180 days of any receipt, entitlement or change file an amended Maine estate tax return. The assessor

shall determine the amount of additional tax and shall certify the amount due, including interest and penalties, to the person by whom the tax is payable. [2011, c. 1, Pt. CC, §2 (AMD); 2011, c. 1, Pt. CC, §5 (AFF).]

SECTION HISTORY
1981, c. 451, §7 (NEW). 2007, c. 693, §30 (AMD). 2011, c. 1, Pt. CC, §2 (AMD). 2011, c. 1, Pt. CC, §5 (AFF).

§4075-A. AUTHORITY TO MAKE REFUNDS

1. **Refund.** A personal representative or responsible party otherwise liable for the tax imposed by this chapter may request a refund of any tax imposed by this chapter within 3 years from the date the return was filed or 3 years from the date the tax was paid, whichever period expires later. Every claim for refund must be submitted to the State Tax Assessor in writing and must state the specific grounds upon which the claim is founded. The claimant may in writing request reconsideration regarding the denial of the claim for refund pursuant to section 151.

[2013, c. 331, Pt. C, §16 (AMD); 2013, c. 331, Pt. C, §41 (AFF) .]

2. **Limitation on payment of interest.** Interest may not be paid by the assessor on an overpayment of the tax imposed by this chapter that is refunded within 60 days after the date prescribed or permitted by extension of time for filing the return of that tax or within 60 days after the return is filed or within 60 days after a return requesting a refund of the overpayment is filed, whichever is later.

[2011, c. 1, Pt. EE, §2 (AMD); 2011, c. 1, Pt. EE, §4 (AFF) .]

SECTION HISTORY
1995, c. 281, §23 (NEW). 2005, c. 622, §24 (AMD). 2011, c. 1, Pt. DD, §2 (AMD). 2011, c. 1, Pt. DD, §4 (AFF). 2011, c. 1, Pt. EE, §2 (AMD). 2011, c. 1, Pt. EE, §4 (AFF). 2013, c. 331, Pt. C, §16 (AMD). 2013, c. 331, Pt. C, §41 (AFF).

§4076. PREPARATION OF FORMS AND MAKING OF RULES BY STATE TAX ASSESSOR

(REPEALED)

SECTION HISTORY
1981, c. 451, §7 (NEW). 1981, c. 706, §30 (RP).

§4077. APPOINTMENT OF PERSONAL REPRESENTATIVE ON PROBATE DELAY

If, upon the death of a person leaving an estate which may be liable to pay an estate tax, a will is not offered for probate or an application for administration is not made within 6 months after the date of death, or if the personal representative does not qualify within that period, the Probate Court, upon application by the State Tax Assessor, may appoint a personal representative. Nothing may prevent the State Tax Assessor from petitioning for appointment within 6 months after the date of death, if in the opinion of the State Tax Assessor that action is necessary. [1981, c. 451, §7 (NEW).]

SECTION HISTORY
1981, c. 451, §7 (NEW).

§4078. PERSONS LIABLE

Personal representatives, trustees, grantees or donees under nonexempt conveyances or nonexempt gifts made during the life of the grantor or donor and persons to whom beneficial interests shall accrue by survivorship are liable for the taxes imposed by this chapter with interest, as provided, until the taxes are paid. For purposes of this section, the terms "nonexempt conveyances" and "nonexempt gifts" mean any transfer to a person which is includable in the federal gross estate of the decedent and with respect to which no deduction is allowed in computing the federal estate tax liability. [1981, c. 451, §7 (NEW).]

If the tax or any part of the tax is paid or collected out of that part of the estate passing to or in possession of any person other than the personal representative in his capacity as such, that person is entitled to a reimbursement out of any part of the estate still undistributed or by a just and equitable contribution by the person whose interest in the estate of the decedent would have been reduced if the tax had been paid before the distribution of the estate or whose interest in the estate is subject to an equal or prior liability for the payment of tax, debts or other charges against the estate. [1981, c. 451, §7 (NEW).]

SECTION HISTORY
1981, c. 451, §7 (NEW).

§4079. CIVIL ACTION BY STATE; BOND

Personal representatives are liable to the State on their administration bonds for all taxes assessable under this chapter and interest on those taxes. Whenever no administration bond is otherwise required, and except as otherwise provided in this section, the Judge of Probate, notwithstanding any provision of Title 18-A, shall require a bond payable to the judge or the judge's successor sufficient to secure the payment of all estate taxes and interest conditioned in substance to pay all estate taxes due to the State from the estate of the deceased with interest thereon. A bond to secure the payment of estate taxes is not required when the Judge of Probate finds that any estate tax due and to become due the State is reasonably secured by the lien upon real estate as provided in this chapter or by any other adequate security. An action for the recovery of estate taxes and interest lies on either of the bonds. [2007, c. 154, §1 (AMD).]

SECTION HISTORY
1981, c. 451, §7 (NEW). 1981, c. 706, §31 (AMD). 2007, c. 154, §1 (AMD).

Chapter 577: MAINE ESTATE TAX AFTER 2012

§4101. APPLICABILITY OF PROVISIONS

This chapter applies to the estates of persons who die after December 31, 2012. [2011, c. 380, Pt. M, §9 (NEW).]

SECTION HISTORY
2011, c. 380, Pt. M, §9 (NEW).

§4102. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [2011, c. 380, Pt. M, §9 (NEW).]

1. **Adjusted federal gross estate.** "Adjusted federal gross estate" means a decedent's federal gross estate as modified by Maine elective property and the value of all taxable gifts as defined under the Code, Section 2503 made by the decedent during the one-year period ending on the date of the decedent's death.

[2013, c. 331, Pt. C, §17 (AMD); 2013, c. 331, Pt. C, §40 (AFF) .]

2. **Federal gross estate.** "Federal gross estate" means the gross estate of a decedent as determined by the assessor in accordance with the Code. The termination provision contained in the Code, Section 2210 must be disregarded.

[2011, c. 380, Pt. M, §9 (NEW) .]

3. **Federal taxable estate.** "Federal taxable estate" means the taxable estate of a decedent as determined using the applicable provisions of the Code as of the decedent's date of death, except that the state death tax deduction contained in the Code, Section 2058 and the termination provision contained in the Code, Section 2210 must be disregarded.

[2011, c. 380, Pt. M, §9 (NEW) .]

4. **Maine elective property.** "Maine elective property" means all property in which a decedent at the time of death had a qualified income interest for life and with respect to which for purposes of determining the tax imposed by this chapter or chapter 575 on the estate of a predeceased spouse of the decedent the federal taxable estate of that predeceased spouse was decreased pursuant to subsection 7, paragraph A or section 4062, subsection 1-B, paragraph B. The value of Maine elective property is the value determined by the assessor in accordance with the Code as if such property were includible in the decedent's federal gross estate pursuant to the Code, Section 2044 and, in the case of estates that do not incur a federal estate tax, as if the estate had incurred a federal estate tax.

[2011, c. 380, Pt. M, §9 (NEW) .]

5. **Maine exclusion amount.** "Maine exclusion amount" means $2,000,000.

[2011, c. 380, Pt. M, §9 (NEW) .]

6. **Maine qualified terminable interest property.** "Maine qualified terminable interest property" means property:

A. That is eligible to be treated as qualified terminable interest property under the Code, Section 2056(b)(7); [2011, c. 380, Pt. M, §9 (NEW).]

B. For which no election allowable under the Code, Section 2056(b)(7) is made with respect to the federal estate tax; and [2011, c. 380, Pt. M, §9 (NEW).]

C. With respect to which an election is made, on a return timely filed with the assessor, to treat the property as Maine qualified terminable interest property for purposes of the tax imposed by this chapter. The amount of property with respect to which the election is made may not be less than zero or greater than the amount by which the federal applicable exclusion amount under the Code, Section 2010 exceeds the Maine exclusion amount. For the purposes of this paragraph, "federal applicable exclusion amount" does not include any deceased spousal unused exclusion amount under the Code, Section 2010. [2013, c. 546, §11 (AMD).]

[2013, c. 546, §11 (AMD) .]

7. **Maine taxable estate.** "Maine taxable estate" means the federal taxable estate:

A. Decreased by the value of Maine qualified terminable interest property; [2011, c. 380, Pt. M, §9 (NEW).]

B. Increased by the value of Maine elective property; and [2011, c. 380, Pt. M, §9 (NEW).]

C. Increased by, notwithstanding the Code, Section 2035, the value of all taxable gifts as defined under the Code, Section 2503 made by the decedent during the one-year period ending on the date of the decedent's death. [2011, c. 380, Pt. M, §9 (NEW).]

[2011, c. 380, Pt. M, §9 (NEW) .]

8. **Nonresident.** "Nonresident" means a natural person domiciled in a jurisdiction other than this State at the time of death.

[2011, c. 380, Pt. M, §9 (NEW) .]

9. **Personal representative.** "Personal representative" means a personal representative of a decedent or, if there is no personal representative appointed, qualified and acting within this State, any person who is in the actual or constructive possession of any property included in the federal gross estate of the decedent, any Maine elective property or any taxable gifts made during the one-year period ending on the date of the decedent's death.

[2011, c. 380, Pt. M, §9 (NEW) .]

10. **Resident.** "Resident" means a natural person domiciled in this State at the time of death.

[2011, c. 380, Pt. M, §9 (NEW) .]

11. **Transfer.** "Transfer" includes the passing of property or any interest therein, in possession or enjoyment, present or future, by inheritance, descent, devise, succession, bequest, grant, deed, bargain sale, gift or appointment in the manner described in this chapter.

[2011, c. 380, Pt. M, §9 (NEW) .]

12. **Value.** "Value" means, when determining value for purposes of this chapter, with respect to an estate or to property included in an estate, including Maine qualified terminable interest property, the value as determined by the assessor in accordance with the Code.

[2011, c. 380, Pt. M, §9 (NEW) .]

SECTION HISTORY
2011, c. 380, Pt. M, §9 (NEW). 2013, c. 331, Pt. C, §17 (AMD). 2013, c. 331, Pt. C, §40 (AFF). 2013, c. 546, §11 (AMD).

§4103. TAX ON ESTATE OF RESIDENT

1. **Imposition of tax.** A tax is imposed on the transfer of the Maine taxable estate of every person who, at the time of death, was a resident of this State. The amount of tax is determined as provided in this section.

A. If the Maine taxable estate is $2,000,000 or less, the tax is $0. [2011, c. 380, Pt. M, §9 (NEW).]

B. If the Maine taxable estate is more than $2,000,000 but no more than $5,000,000, the tax is 8% of the excess over $2,000,000. [2011, c. 380, Pt. M, §9 (NEW).]

C. If the Maine taxable estate is more than $5,000,000 but no more than $8,000,000, the tax is $240,000 plus 10% of the excess over $5,000,000. [2011, c. 380, Pt. M, §9 (NEW).]

D. If the Maine taxable estate is more than $8,000,000, the tax is $540,000 plus 12% of the excess over $8,000,000. [2011, c. 380, Pt. M, §9 (NEW).]

The amount of this tax is multiplied by a fraction, the numerator of which is the value of that portion of the decedent's adjusted federal gross estate that consists of real and tangible personal property located in this State plus the value of all intangible personal property and the denominator of which is the value of the decedent's adjusted federal gross estate.

[2011, c. 380, Pt. M, §9 (NEW) .]

2. **Other jurisdiction death tax credit.** A credit against the tax imposed by this section is allowed for all constitutionally valid estate, inheritance, legacy and succession taxes actually paid to another jurisdiction upon the value of real or tangible personal property owned by the decedent or subject to those taxes as a part of or in connection with the estate and located in that jurisdiction if the value of that property is also included in the value of the decedent’s intangible personal property subject to taxation under this section. The credit provided by this subsection may not exceed the amount of tax otherwise due multiplied by a fraction, the numerator of which is the value of the property located in the other taxing jurisdiction subject to this credit on which tax was actually paid and the denominator of which is the value of the decedent's adjusted federal gross estate. For the purposes of this section, "another jurisdiction" means another state, the District of Columbia, a possession or territory of the United States or any political subdivision of a foreign country that is analogous to a state.

[2011, c. 380, Pt. M, §9 (NEW) .]

SECTION HISTORY
2011, c. 380, Pt. M, §9 (NEW).

§4104. TAX ON ESTATE OF NONRESIDENT

A tax is imposed on the Maine taxable estate of every person who, at the time of death, was a nonresident. The amount of tax equals the tax computed under section 4103, as if the nonresident were a resident, multiplied by the ratio of the value of that portion of the decedent's adjusted federal gross estate that consists of real and tangible personal property located in this State to the value of the decedent's adjusted federal gross estate. [2011, c. 380, Pt. M, §9 (NEW).]

When real or tangible personal property is owned by a pass-through entity, the entity must be disregarded and the property must be treated as personally owned by the decedent if the entity does not actively carry on a business for the purpose of profit and gain; the ownership of the property in the entity was not for a valid business purpose; or the property was acquired by other than a bona fide sale for full and adequate consideration and the decedent retained a power with respect to or interest in the property that would bring the real or tangible personal property located in this State within the decedent's adjusted federal gross estate. [2011, c. 380, Pt. M, §9 (NEW).]

SECTION HISTORY
2011, c. 380, Pt. M, §9 (NEW).

§4105. PERSONAL REPRESENTATIVE'S LIABILITY FOR TAX

1. **Payment of tax.** The tax imposed by this chapter must be paid by the personal representative to the extent of assets subject to the personal representative's control. The assessor may accept payment of estate taxes in works of art in accordance with Title 27, chapter 2, subchapter 2.

[2011, c. 380, Pt. M, §9 (NEW) .]

2. **Certification of payment.** A final account of a personal representative of an estate may not be allowed by the Probate Court unless the personal representative has filed in the Probate Court a certificate of the assessor showing either that the amount of tax has been paid, that payment has been secured as provided in section 4108 or that no tax is due.

[2011, c. 380, Pt. M, §9 (NEW) .]

SECTION HISTORY
2011, c. 380, Pt. M, §9 (NEW).

§4106. DISCHARGE OF PERSONAL REPRESENTATIVE'S PERSONAL LIABILITY

If the personal representative makes a written application, accompanied by a copy of the final determination of the federal estate tax liability, if any, and other supporting documentation that the assessor may require, to the assessor for determination of the amount of the tax and discharge of personal liability for that tax, the assessor, as soon as possible and in any event within one year after the making of the application or, if the application is made before the return is filed, within one year after the return is filed, shall notify the personal representative of the amount of the tax and of any interest on that amount. The personal representative, on payment of that amount, is discharged from personal liability for any deficiency in tax subsequently found to be due and is entitled to a certificate of discharge. [2011, c. 380, Pt. M, §9 (NEW).]

SECTION HISTORY
2011, c. 380, Pt. M, §9 (NEW).

§4107. TAX DUE DATE; FILING OF RETURN AND PAYMENT OF TAX

1. **Date due.** Except as otherwise provided by this chapter, a return required by this section is due 9 months after the date of the decedent's death and any tax due under this chapter is due at the same time. Interest accrues on any amount of tax not paid by the due date.

[2011, c. 380, Pt. M, §9 (NEW) .]

2. **Return required.** The personal representative shall file a Maine estate tax return whenever:

A. The Code requires that a federal estate tax return be filed; or [2011, c. 380, Pt. M, §9 (NEW).]

B. The federal gross estate, increased by the value of all taxable gifts as defined under the Code, Section 2503 made by the decedent during the one-year period ending on the date of the decedent's death and the value of Maine elective property, exceeds the Maine exclusion amount. [2013, c. 331, Pt. C, §18 (AMD).]

The return must be in the form prescribed by the assessor, and it must be accompanied by a copy of the federal estate tax return, if any, and by other supporting documentation that the assessor may require.

[2013, c. 331, Pt. C, §18 (AMD) .]

3. **No tax liability.** In all cases where a Maine estate tax return is not required to be filed:

A. If the personal representative makes no election pursuant to section 4102, subsection 6, paragraph C, the personal representative, surviving joint tenant of real estate or any other person whose real estate might be subject to a lien for taxes pursuant to this chapter may at any time file with the assessor in the form prescribed by the assessor a statement of the value of the federal gross estate; and [2011, c. 380, Pt. M, §9 (NEW).]

B. If the personal representative makes an election pursuant to section 4102, subsection 6, paragraph C, the personal representative shall make the election on a timely filed return. The return must be in the form prescribed by the assessor, and it must be accompanied by a copy of the federal estate tax return, if any, and other supporting documentation that the assessor may require, including documentation related to an election made pursuant to section 4102, subsection 6, paragraph C. [2011, c. 380, Pt. M, §9 (NEW).]

[2011, c. 380, Pt. M, §9 (NEW) .]

SECTION HISTORY
2011, c. 380, Pt. M, §9 (NEW). 2013, c. 331, Pt. C, §18 (AMD).

§4108. EXTENSION OF DUE DATE FOR PAYMENT OF TAX

The assessor may extend the time for payment of the tax or any part of the tax for a reasonable period of time not to exceed one year from the date fixed for payment and may grant successive extensions. The aggregate of extensions with respect to any estate may not exceed 10 years, unless a longer period is called for by a payment arrangement elected pursuant to section 4109. If an extension is granted, the assessor may require the taxpayer to: [2011, c. 380, Pt. M, §9 (NEW).]

1. **Bond.** Give a bond to the Treasurer of State in an amount the assessor determines necessary; or

[2011, c. 380, Pt. M, §9 (NEW) .]

2. **Other security.** Deposit with the Treasurer of State bonds or other negotiable obligations of governmental entities with an aggregate value sufficient to adequately secure payment of the tax.

[2011, c. 380, Pt. M, §9 (NEW) .]

SECTION HISTORY
2011, c. 380, Pt. M, §9 (NEW).

§4109. EXTENSION OF TIME FOR PAYMENT OF ESTATE TAX WHEN ESTATE CONSISTS LARGELY OF INTEREST IN CLOSELY HELD BUSINESS

1. **Deferred payment arrangement.** If the United States Internal Revenue Service has approved a federal estate tax deferral and installment payment arrangement under the Code, Section 6166, the personal representative may elect a similar deferred payment arrangement under this section for payment of the tax imposed by this chapter, subject to acceptance by the assessor. The assessor may approve a deferral and installment arrangement under similar circumstances and on similar terms with respect to an estate of a decedent dying after December 31, 2012 that does not incur a federal estate tax.

[2013, c. 546, §12 (AMD) .]

2. **Time and manner of election; rejection by assessor.** An election under this section may be made by attaching a payment deferral election in a form prescribed by the assessor to a timely filed Maine estate tax return, in addition to any documentation required by section 4107 and copies of all documentation required by the United States Internal Revenue Service and submitted in support of a federal payment deferral. Documentation submitted to the assessor must clearly indicate the amount of Maine estate tax and interest to be paid in installments; the number of separate installments; and the due date of each installment payment. The assessor may reject the election. An election not rejected in writing by the assessor within 60 days after the election is made is considered accepted.

[2011, c. 380, Pt. M, §9 (NEW) .]

3. **Interest and penalties.** The amount of Maine estate tax deferred under this section is subject to interest pursuant to section 186. Interest payable on the unpaid tax attributable to a 5-year deferral period pursuant to the Code, Section 6166 must be paid annually. Interest payable on any unpaid tax attributable to any period after the 5-year deferral period must be paid annually at the same time as, and as part of, each installment payment of the tax. If any payment of principal or interest under this section is not made on or before the due date, the penalties provided by section 187-B apply.

[2011, c. 380, Pt. M, §9 (NEW) .]

SECTION HISTORY
2011, c. 380, Pt. M, §9 (NEW). 2013, c. 546, §12 (AMD).

§4110. EXTENSION OF TIME FOR FILING RETURN

1. **General.** The assessor may grant a reasonable extension of time for filing a return required by this chapter on terms and conditions as the assessor may require as long as payment reasonably estimating the tax due has been made on or before the original payment due date. Except as provided in subsection 2, an extension for filing any return may not exceed 8 months.

[2011, c. 380, Pt. M, §9 (NEW) .]

2. **Federal extension.** When an extension of time is granted within which to file a federal estate tax return, the due date for filing the Maine estate tax return is automatically extended for an equivalent period, as long as payment reasonably estimating the tax due has been made on or before the original payment due date.

[2011, c. 380, Pt. M, §9 (NEW) .]

SECTION HISTORY
2011, c. 380, Pt. M, §9 (NEW).

§4111. EFFECT OF FEDERAL DETERMINATION

1. **Final federal determination.** Except as provided in subsection 2, 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; and [2011, c. 380, Pt. M, §9 (NEW).]

B. The allowance of any item claimed as a deduction from the federal gross estate. [2011, c. 380, Pt. M, §9 (NEW).]

[2011, c. 380, Pt. M, §9 (NEW) .]

2. **State determination of certain estates.** The assessor is not bound by a final federal determination under subsection 1 if the assessor determines the issue for purposes of the tax under this chapter within one year of the date the return was filed or the date the return is due, whichever is later.

[2011, c. 380, Pt. M, §9 (NEW) .]

3. **Items entering computation of tax.** If there has been a final federal determination with respect to a decedent's federal estate tax, any item, but not its value, entering into the computation of the tax is deemed to have been the subject of the final federal determination, whether or not specifically adjusted thereby.

[2011, c. 380, Pt. M, §9 (NEW) .]

4. **Definition.** For purposes of this section, "final federal determination" means:

A. A decision by the United States Tax Court or a judgment, decree or other order by any court of competent jurisdiction that has become final; [2011, c. 380, Pt. M, §9 (NEW).]

B. A final disposition by the United States Secretary of the Treasury or the secretary's delegate of a claim for a refund. The disposition is deemed to have occurred:

(1) As to items of the claim that are allowed, upon allowance of a refund or upon disallowance of the claim by reason of offsetting items; and

(2) As to items of the claim that are disallowed or as to items applied by the United States Secretary of the Treasury or the secretary's delegate as an offset against the claim, upon expiration of the time for instituting suit for refund with respect to those items, unless suit is instituted before the expiration of that time, or upon filing with the assessor a written statement that suit will not be instituted; [2011, c. 380, Pt. M, §9 (NEW).]

C. A closing agreement made under the Code, Section 7121; [2011, c. 380, Pt. M, §9 (NEW).]

D. An assessment pursuant to a waiver of restrictions on assessment or a notification in writing issued by the United States Secretary of the Treasury or the secretary's delegate that the federal estate tax return has been accepted as filed, unless the personal representative notifies the assessor that a claim for refund of federal estate taxes has been or will be filed; or [2011, c. 380, Pt. M, §9 (NEW).]

E. An assessment pursuant to a compromise entered into by the personal representative and the United States Secretary of the Treasury or the secretary's delegate. [2011, c. 380, Pt. M, §9 (NEW).]

[2011, c. 380, Pt. M, §9 (NEW) .]

SECTION HISTORY
2011, c. 380, Pt. M, §9 (NEW).

§4112. LIEN FOR TAXES

All property subject to taxes under this chapter, in whatever form of investment it may happen to be, is charged with a lien for all taxes, interest and penalties that are or may become due on that property. The lien does not attach to any property passing by right of survivorship to a surviving joint tenant who was the decedent's spouse on the decedent's date of death. The lien does not attach to any real or personal property after the property has been sold or disposed of for value by the personal representative, trustee or surviving joint tenant. Upon payment of those taxes, interest and penalties due under this chapter or upon determination that no tax is due, the assessor shall upon request execute a discharge of the tax lien for recording in the appropriate registry or registries of deeds. [2013, c. 331, Pt. A, §3 (AMD); 2013, c. 331, Pt. A, §6 (AFF).]

A lien that attaches under this section is released 10 years after the decedent's date of death. [2013, c. 331, Pt. A, §3 (NEW); 2013, c. 331, Pt. A, §6 (AFF).]

SECTION HISTORY
2011, c. 380, Pt. M, §9 (NEW). 2013, c. 331, Pt. A, §3 (AMD). 2013, c. 331, Pt. A, §6 (AFF).

§4113. AUTHORITY OF STATE TAX ASSESSOR

The assessor shall collect all taxes, interest and penalties provided by chapter 7 and by this chapter and may institute proceedings of any nature necessary or desirable for that purpose, including proceedings for the removal of personal representatives and trustees who have failed to pay the taxes due from estates in their hands. [2011, c. 380, Pt. M, §9 (NEW).]

The assessor may enforce the collection of any taxes secured by bond in a civil action brought on the bond regardless of the fact that some other official may be named as obligee in the bond. [2011, c. 380, Pt. M, §9 (NEW).]

SECTION HISTORY
2011, c. 380, Pt. M, §9 (NEW).

§4114. AMOUNT OF TAX DETERMINED

The assessor shall determine the amount of tax due and payable under this chapter upon any estate or part of that estate. If, after determination and certification of the full amount of the tax upon an estate or any interest in or part of an estate, the estate receives or becomes entitled to property in addition to that shown in the estate tax return filed with the assessor or the United States Internal Revenue Service changes any item increasing the estate's liability shown in the Maine estate tax return filed with the assessor, the personal representative shall within 180 days of any receipt, entitlement or change file an amended Maine estate tax return. The assessor shall determine the amount of additional tax and shall certify the amount due, including interest and penalties, to the person by whom the tax is payable. [2011, c. 380, Pt. M, §9 (NEW).]

SECTION HISTORY
2011, c. 380, Pt. M, §9 (NEW).

§4115. AUTHORITY TO MAKE REFUNDS

1. **Refund.** A personal representative or responsible party otherwise liable for the tax imposed by this chapter may request a refund of any tax imposed by this chapter within 3 years from the date the Maine estate tax return was filed or 3 years from the date the tax was paid, whichever period expires later. A claim for refund must be submitted to the assessor in writing and must state the specific grounds upon which the claim is founded. The claimant may in writing request reconsideration regarding the denial of the claim for refund pursuant to section 151.

[2013, c. 331, Pt. C, §19 (AMD); 2013, c. 331, Pt. C, §41 (AFF) .]

2. **Limitation on payment of interest.** Interest may not be paid by the assessor on an overpayment of the tax imposed by this chapter that is refunded within 60 days after the date prescribed or permitted by extension of time for filing the Maine estate tax return or within 60 days after the return is filed or within 60 days after a return requesting a refund of the overpayment is filed, whichever is later.

[2011, c. 380, Pt. M, §9 (NEW) .]

SECTION HISTORY
2011, c. 380, Pt. M, §9 (NEW). 2013, c. 331, Pt. C, §19 (AMD). 2013, c. 331, Pt. C, §41 (AFF).

§4116. APPOINTMENT OF PERSONAL REPRESENTATIVE ON PROBATE DELAY

If, upon the death of a person leaving an estate that may be liable to pay tax under this chapter, a will is not offered for probate or an application for administration is not made within 6 months after the date of death or if the personal representative does not qualify within that period, the Probate Court, upon application by

the assessor, may appoint a personal representative. Nothing may prevent the assessor from petitioning for appointment within 6 months after the date of death, if in the opinion of the assessor that action is necessary. [2011, c. 380, Pt. M, §9 (NEW).]

SECTION HISTORY
2011, c. 380, Pt. M, §9 (NEW).

§4117. PERSONS LIABLE

Personal representatives, trustees, grantees or donees under nonexempt conveyances or nonexempt gifts made during the life of the grantor or donor and persons to whom beneficial interests accrue by survivorship are liable for the taxes imposed by this chapter with interest, as provided, until the taxes are paid. For purposes of this section, "nonexempt conveyances" and "nonexempt gifts" mean any transfer to a person that is includable in the federal gross estate of the decedent and with respect to which no deduction is allowed in computing the federal estate tax liability. [2011, c. 380, Pt. M, §9 (NEW).]

If the tax or any part of the tax is paid or collected out of that part of the estate passing to or in possession of any person other than the personal representative in that capacity, that person is entitled to a reimbursement out of any part of the estate still undistributed or by a just and equitable contribution by the person whose interest in the estate of the decedent would have been reduced if the tax had been paid before the distribution of the estate or whose interest in the estate is subject to an equal or prior liability for the payment of tax, debts or other charges against the estate. [2011, c. 380, Pt. M, §9 (NEW).]

SECTION HISTORY
2011, c. 380, Pt. M, §9 (NEW).

§4118. CIVIL ACTION BY STATE; BOND

Personal representatives are liable to the State on their administration bonds for all taxes assessable under this chapter and interest on those taxes. If no administration bond is otherwise required and except as otherwise provided in this section, the judge of probate, notwithstanding any provision of Title 18-A, shall require a bond payable to the judge or the judge's successor sufficient to secure the payment of all estate taxes and interest conditioned in substance to pay all estate taxes due to the State from the estate of the deceased with interest thereon. A bond to secure the payment of estate taxes is not required when the judge of probate finds that any estate tax due and to become due the State is reasonably secured by the lien upon real estate as provided in this chapter or by any other adequate security. An action for the recovery of estate taxes and interest lies on either of the bonds. [2011, c. 380, Pt. M, §9 (NEW).]

SECTION HISTORY
2011, c. 380, Pt. M, §9 (NEW).

Part 7: SPECIAL TAXES

Chapter 701: BLUEBERRY TAX

§4301. PURPOSE

The production and marketing of wild blueberries is one of the most important agricultural industries of the State, and this chapter is enacted into law to conserve and promote the prosperity and welfare of this State and of the wild blueberry industry of this State by fostering research and extension programs, by supporting the development of promotional opportunities and other activities related to the wild blueberry industry.
[1997, c. 511, §3 (AMD).]

SECTION HISTORY
1983, c. 836, §1 (AMD). 1997, c. 511, §3 (AMD).

§4302. DEFINITIONS

The terms used in this chapter shall be construed as follows:

1. **Blueberries.**

[1997, c. 511, §4 (RP) .]

1-A. **Grower.** "Grower" means a person, firm, partnership, association or corporation engaged in the growing of wild blueberries and that is not a "processor" as defined in subsection 2.

[1997, c. 511, §5 (AMD) .]

1-B. **Crew leader.** "Crew leader" means a person designated by an owner to supervise an organized crew.

[1989, c. 214, §1 (NEW) .]

1-C. **Organized crew.** "Organized crew" means a group of people working together under the supervision of a crew leader to harvest, pick, rake, possess or remove wild blueberries from the land of an owner.

[1997, c. 511, §6 (AMD) .]

1-D. **Owner.** "Owner" includes a landowner or leaseholder of land on which wild blueberries are grown and harvested for profit, or the landowner's or leaseholder's authorized agent, and includes a receiver of wild blueberries grown in Canada and purchased from Canadian sellers.

[1997, c. 511, §6 (AMD) .]

1-E. **Permanent record.** "Permanent record" means a written record which is kept and maintained for not less than 6 years.

[1989, c. 214, §1 (NEW) .]

1-F. **First hauler.** "First hauler" means a person, firm, partnership, association or corporation engaged in the transportation of wild blueberries from the field where the berries were harvested.

[2007, c. 694, §4 (NEW) .]

2. **Processor.** "Processor" means a person, firm, partnership, association or corporation first engaged in the fresh packing, canning, freezing, pressing, grinding, juicing or dehydrating of wild blueberries whether as owner, agent or otherwise.

[2013, c. 331, Pt. C, §20 (AMD) .]

3. **Seller.** "Seller" means a person, firm, partnership, association or corporation offering unprocessed wild blueberries for sale, either to themselves or to others.

[2013, c. 331, Pt. C, §21 (AMD) .]

4. **Shipper.** "Shipper" means a person, firm, partnership, association or corporation engaged in the shipping, transporting, storing, selling or otherwise handling of wild blueberries either in processed form or as fresh fruit, whether as owner, agent or otherwise.

[1997, c. 511, §8 (AMD) .]

5. **Transportation permit.** "Transportation permit" means an official permit on forms duly adopted and furnished by the Wild Blueberry Commission of Maine to owners.

[1997, c. 511, §9 (AMD) .]

5-A. **Unprocessed wild blueberries.** "Unprocessed wild blueberries" means wild blueberries that have not been fresh packed, canned, frozen, pressed, ground, juiced or dehydrated.

[2013, c. 331, Pt. C, §22 (NEW) .]

6. **Wild blueberries.** "Wild blueberries" means all lowbush blueberries grown, purchased, sold or handled for commercial purposes in this State.

[1997, c. 511, §10 (NEW) .]

SECTION HISTORY
1983, c. 836, §2 (AMD). 1989, c. 29, §1 (AMD). 1989, c. 214, §1 (AMD). 1997, c. 511, §§4-10 (AMD). 2007, c. 694, §4 (AMD). 2013, c. 331, Pt. C, §§20-22 (AMD).

§4303. RATE OF TAX

There is levied and imposed a tax at the rate of 1 1/2¢ per pound on all wild blueberries processed in this State and on all unprocessed wild blueberries shipped to a destination outside this State. The tax is computed on the gross weight of the wild blueberries as delivered prior to any processing or shipping. The processor that first receives unprocessed wild blueberries in the State, or the shipper that transports unprocessed wild blueberries to a destination outside the State, is responsible for reporting and paying the tax. [2013, c. 331, Pt. C, §23 (AMD).]

A processor or shipper responsible for reporting and paying the tax imposed by this section shall charge and collect 1/2 of the tax levied under this section from the seller. [2013, c. 331, Pt. C, §23 (NEW).]

SECTION HISTORY
1977, c. 533, §1 (AMD). 1979, c. 392, §1 (AMD). 1983, c. 836, §3 (AMD). 1989, c. 29, §2 (AMD). 1997, c. 511, §11 (AMD). 2001, c. 147, §1 (AMD). 2013, c. 331, Pt. C, §23 (AMD).

§4303-A. ADDITIONAL TAX

(REPEALED)

SECTION HISTORY
1971, c. 425, §1 (NEW). 1979, c. 392, §2 (AMD). 1983, c. 836, §4 (AMD). 1989, c. 29, §3 (AMD). 1997, c. 511, §12 (AMD). 2001, c. 147, §2 (AMD). 2013, c. 331, Pt. C, §24 (RP).

§4304. DUE DATE

(REPEALED)

SECTION HISTORY
1971, c. 425, §2 (AMD). 1997, c. 511, §13 (AMD). 2013, c. 331, Pt. C, §25 (RP).

§4305. CERTIFICATION

1. **Certification required.** A processor or shipper of wild blueberries shall obtain certification from the assessor before processing or shipping wild blueberries. The assessor shall provide the applications for the certification, which must contain the name under which the processor or shipper is transacting business in the State, the place or places of business, the names and addresses of the persons constituting a firm, company or partnership and, if a corporation, the corporate name and names and addresses of its principal officers and agents in the State. A processor or shipper may not process or ship wild blueberries until the certification has been issued.

[2007, c. 694, §5 (NEW) .]

2. **Violation; failure to obtain certification.** A processor or shipper who fails to obtain certification under subsection 1 commits a civil violation for which a fine of not more than $5,000 may be adjudged.

[2007, c. 694, §5 (NEW) .]

3. **Discretionary suspension or revocation.** The assessor may suspend or revoke certification for:

A. Failure to pay the tax imposed by section 4303; [2013, c. 331, Pt. C, §26 (AMD).]

B. Filing false or fraudulent reports or returns; or [2007, c. 694, §5 (NEW).]

C. Failure to comply with section 4315 or 4316. [2007, c. 694, §5 (NEW).]

[2013, c. 331, Pt. C, §26 (AMD) .]

4. **Mandatory suspension or revocation.** Upon notification by the Wild Blueberry Commission of Maine, a state agency or a state, county or local law enforcement agency, the assessor shall suspend or revoke certification of a processor or shipper who is convicted under section 4316, subsection 3-A. A person convicted under section 4316, subsection 3-A whose certification has been suspended under this subsection may not obtain a new certification from the assessor for 5 years from the date of the conviction. A firm, company, partnership, association or corporation that has one or more owners, officers or employees who have been convicted under section 4316, subsection 3-A may not obtain certification from the assessor for 5 years from the date of any such conviction. The assessor may determine that an owner, officer or employee has not been convicted under section 4316, subsection 3-A if an applicant for certification submits a notarized statement attesting that none of the applicant's owners, officers or employees has been convicted under section 4316, subsection 3-A in the prior 5 years.

[2007, c. 694, §5 (NEW) .]

5. **Certificate not license.** A certificate issued by the assessor pursuant to this section is not a license within the meaning of that term in the Maine Administrative Procedure Act.

[2007, c. 694, §5 (NEW) .]

SECTION HISTORY
1977, c. 694, §711 (RPR). 1995, c. 639, §14 (AMD). 1997, c. 511, §14 (AMD). 2003, c. 705, §5 (AMD). 2007, c. 694, §5 (RPR). 2013, c. 331, Pt. C, §26 (AMD).

§4306. TAX DEDUCTED FROM PURCHASE PRICE

(REPEALED)

SECTION HISTORY
1977, c. 533, §2 (AMD). 1979, c. 392, §3 (AMD). 1983, c. 836, §5 (AMD). 1997, c. 511, §15 (AMD). 2001, c. 147, §3 (AMD). 2013, c. 331, Pt. C, §27 (RP).

§4307. RECORDS AND REPORTS; PAYMENT OF TAX

Every processor or shipper responsible for reporting and paying the tax imposed by section 4303 shall, on or before November 1st of each year, report to the State Tax Assessor the quantity of unprocessed wild blueberries that are processed in this State or shipped to a destination outside the State during the current season, on forms furnished by the State Tax Assessor. The report must contain the information pertinent to collection of tax under this chapter as the State Tax Assessor prescribes. With the report, each processor or shipper shall forward payment of the full 1 1/2¢ per pound tax upon all wild blueberries reported. [2013, c. 331, Pt. C, §28 (AMD).]

SECTION HISTORY
1971, c. 425, §3 (AMD). 1977, c. 533, §3 (AMD). 1979, c. 378, §28 (AMD). 1979, c. 392, §4 (AMD). 1981, c. 364, §44 (AMD). 1983, c. 836, §6 (AMD). 1997, c. 511, §16 (AMD). 2001, c. 147, §4 (AMD). 2013, c. 331, Pt. C, §28 (AMD).

§4308. INSPECTION

The State Tax Assessor or the assessor's duly authorized agents have authority to enter any place of business of any processor or shipper or any car, boat, truck or other conveyance in which wild blueberries are to be transported and to inspect any books or records of any processor or shipper, or any premises where wild blueberries are stored, handled, transported or merchandised, for the purpose of determining what wild blueberries are taxable under this chapter or for the purpose of determining the truth or falsity of any statement or return made by any processor or shipper, and the State Tax Assessor may delegate that power to the Commissioner of Agriculture, Conservation and Forestry, or the commissioner's deputies, agents or employees. [1997, c. 511, §17 (AMD); 2011, c. 657, Pt. W, §6 (REV).]

SECTION HISTORY
1979, c. 731, §19 (AMD). 1997, c. 511, §17 (AMD). 2011, c. 657, Pt. W, §6 (REV).

§4309. RECORDS AVAILABLE ON LIMITED BASIS

(REPEALED)

SECTION HISTORY
1977, c. 668, §4 (RP).

§4310. FALSE RETURNS; VIOLATIONS; CIVIL ACTION FOR COLLECTION

(REPEALED)

SECTION HISTORY
1973, c. 6, (AMD). 1977, c. 679, §27 (AMD). 1981, c. 364, §45 (RP).

§4311. APPROPRIATION OF MONEYS RECEIVED

(REPEALED)

SECTION HISTORY
1971, c. 425, §4 (AMD). 1977, c. 533, §§4,5 (AMD). 1983, c. 836, §7 (RP).

§4311-A. APPROPRIATIONS OF MONEY RECEIVED

Money received from the tax levied by section 4303 must be appropriated for the following purposes: [2013, c. 331, Pt. C, §29 (AMD).]

1. **Collection and enforcement.** The commission shall pay a sum to the State Tax Assessor representing the cost incurred by the State in collection of the taxes imposed by this chapter and the enforcement of this chapter;

[1997, c. 511, §18 (AMD) .]

1-A. **Transfer, allocation and appropriation.** Money received by the Treasurer of State under this chapter, including all receipts of taxes levied under section 4303, must be transferred to the Wild Blueberry Commission of Maine in its capacity as an independent agency on a monthly basis by the 15th of the month following collection and be used for all activities of the commission authorized under this chapter. All money received by the Treasurer of State under this chapter, including all receipts of taxes levied under section 4303, must be allocated or appropriated to the commission by the Legislature. Money received by the commission does not lapse and may be invested until expended for activities authorized under this chapter;

[2013, c. 331, Pt. C, §30 (AMD) .]

2. **Promotion and advertising.** The Wild Blueberry Commission of Maine may implement programs and activities to promote and advertise wild blueberries; and join with any local, state, federal or private agency, department, firm, corporation or association to implement the purposes of this section;

[1997, c. 511, §18 (AMD) .]

3. **Research and extension educational programs.** Thirty percent of the funds collected, but not to exceed $85,000, must be dedicated to the University of Maine System for the purpose of supplementing its research and extension programs related to improved methods of growing, harvesting, processing, product development and marketing of wild blueberries. The Wild Blueberry Commission of Maine may allocate additional funds to the University of Maine System or other organizations for research and extension programs as may be appropriate to implement the purposes of this section;

[1997, c. 511, §18 (AMD) .]

4. **Administration and other activities.** The commission may allocate funds necessary for the administration of this chapter and for other activities related to the economic viability of the Maine wild blueberry industry; and

[1997, c. 511, §18 (AMD) .]

5. **Balance of funds.** Any funds remaining over and above the expenses incurred under subsection 3 do not lapse, but must be carried forward to the same fund and for the same purposes for the next fiscal year.

[1997, c. 511, §18 (AMD) .]

SECTION HISTORY
1983, c. 836, §8 (NEW). 1985, c. 779, §81 (AMD). 1997, c. 511, §18 (AMD). 2013, c. 331, Pt. C, §§29, 30 (AMD).

§4312. ADVISORY COMMITTEE

The University of Maine System Wild Blueberry Advisory Committee, as authorized by Title 5, chapter 379, is appointed by the Wild Blueberry Commission of Maine. The committee consists of 7 members who are active in and representative of the wild blueberry industry. The duty of the committee is to advise and work with the University of Maine System to develop and approve a plan of work and budgets for research and extension programs related to the production and use of wild blueberries. [1997, c. 511, §19 (AMD).]

Current members of the advisory committee shall continue to serve for the duration of their current appointments. New appointments to the advisory committee shall be for terms of 4 years and no appointee may be eligible for reappointment until the lapse of one year from the expiration of a previous appointment. [1983, c. 836, §9 (NEW).]

SECTION HISTORY
1977, c. 533, §6 (AMD). 1983, c. 836, §9 (RPR). 1985, c. 75, (AMD). 1985, c. 295, §55 (AMD). 1985, c. 737, §A99 (AMD). 1985, c. 779, §82 (AMD). 1987, c. 402, §A186 (AMD). 1989, c. 503, §B166 (AMD). 1997, c. 511, §19 (AMD).

§4312-A. APPROPRIATION OF MONEYS RECEIVED

(REPEALED)

SECTION HISTORY
1971, c. 425, §5 (NEW). 1977, c. 533, §7 (AMD). 1989, c. 29, §4 (RP).

§4312-B. MAINE BLUEBERRY COMMISSION

(REPEALED)

SECTION HISTORY
1971, c. 425, §5 (NEW). 1977, c. 533, §8 (RPR). 1983, c. 812, §272 (AMD). 1983, c. 836, §10 (RPR). 1985, c. 737, §A100 (RPR). P&SL 1987, c. 130, (AMD). 1989, c. 503, §B167 (AMD). 1995, c. 331, §2 (AMD). 1997, c. 511, §20 (RP).

§4312-C. WILD BLUEBERRY COMMISSION OF MAINE

1. **Commission established as a public instrumentality.** The Wild Blueberry Commission of Maine, as established by Title 5, section 12004-H, subsection 13-A and referred to in this section as the "commission," is established as a public body corporate and politic and an incorporated public instrumentality of the State. The exercise of powers conferred by this chapter is held to be the performance of essential government functions.

A. Employees of the commission may not be construed to be state employees for any purpose, including the state civil service provisions of Title 5, Part 2 and Title 5, chapter 372. [1997, c. 511, §21 (NEW); 1997, c. 511, §25 (AFF).]

B. The commission may not be construed to be a state agency for any purpose, including the budget, accounts and control, auditing, purchasing or other provisions of Title 5, Part 4. [1997, c. 511, §21 (NEW); 1997, c. 511, §25 (AFF).]

C. Notwithstanding paragraphs A and B:

(1) Employees of the commission may be state employees for the purposes of the state retirement provisions of Title 5, Part 20 and the state employee health insurance program under Title 5, chapter 13, subchapter II;

(2) For the purposes of the Maine Tort Claims Act, the commission is a governmental entity and its employees and members are employees as those terms are defined in Title 14, section 8102;

(3) Funds received by the commission pursuant to this chapter must be allocated to the commission by the Legislature in accordance with Title 5, section 1673; and

(4) All meetings and records of the commission are subject to the provisions of Title 1, chapter 13, subchapter I, except that by majority vote of those members present, records and meetings of the commission may be closed to the public when public disclosure of the subject matter of the records or meetings would adversely affect the competitive position of the wild blueberry industry of the State or segments of that industry. The Commissioner of Agriculture, Conservation and Forestry and those members of the Legislature appointed to serve on the joint standing committee of the Legislature having jurisdiction over agricultural, conservation and forestry matters have access to all material designated confidential by the commission. [1997, c. 511, §21 (NEW); 1997, c. 511, §25 (AFF); 2011, c. 657, Pt. W, §6 (REV).]

[1997, c. 511, §21 (NEW); 1997, c. 511, §25 (AFF); 2011, c. 657, Pt. W, §6 (REV) .]

2. **Appointment.** Appointments to the commission are made by the Commissioner of Agriculture, Conservation and Forestry.

[1997, c. 511, §21 (NEW); 1997, c. 511, §25 (AFF); 2011, c. 657, Pt. W, §6 (REV) .]

3. **Membership.** The commission consists of 8 members who are active in and representative of the wild blueberry industry, appointed by the Commissioner of Agriculture, Conservation and Forestry. Three members must be grower representatives. For the purposes of this section, "grower" means a person, firm, partnership, association or corporation engaged in the growing of wild blueberries and processing less than 1,000,000 pounds of wild blueberries in a calendar year. Five members must be processor representatives who process 1,000,000 pounds or more of wild blueberries in a calendar year.

[1997, c. 511, §21 (NEW); 1997, c. 511, §25 (AFF); 2011, c. 657, Pt. W, §6 (REV) .]

4. **Term.** Members are appointed to staggered 4-year terms so that the terms of 2 members expire on August 31st of every year. If the Commissioner of Agriculture, Conservation and Forestry fails to make an appointment prior to the expiration of a member's term, that member continues to serve until the commissioner makes an appointment for the remainder of that term. If a vacancy occurs prior to the expiration of a specified term, the Commissioner of Agriculture, Conservation and Forestry shall appoint an individual to serve only the remainder of that term.

[2011, c. 579, §2 (RPR); 2011, c. 657, Pt. W, §6 (REV) .]

5. **Organization.** Members of the commission shall elect annually by majority vote one member of the commission to serve as chair and one member to serve as vice-chair. The commission may appoint by majority vote an executive director who is the commission's chief administrator and such personnel as the commission considers necessary to administer policies and programs established by the commission. The executive director and other staff serve at the pleasure of the commission. The salaries paid to the executive director and other staff of the commission are fixed by the commission. The executive director and other staff are not subject to the personnel laws of the State.

[1997, c. 511, §21 (NEW); 1997, c. 511, §25 (AFF) .]

6. **Compensation of commissioners.** Members of the commission are entitled to compensation in accordance with Title 5, chapter 379.

[1997, c. 511, §21 (NEW); 1997, c. 511, §25 (AFF) .]

7. **Function of commission.** It is the responsibility of the commission to utilize and allocate such funds as may be available from the funds collected under section 4307. The commission may make contracts or enter into contracts with any local, state, federal or private agency, department, firm, corporation or association as may be necessary to carry out the purposes of this chapter.

[1997, c. 511, §21 (NEW); 1997, c. 511, §25 (AFF) .]

8. **Debt.** A debt or obligation incurred by the commission is not a debt or obligation of the State.

[1997, c. 511, §21 (NEW); 1997, c. 511, §25 (AFF) .]

9. **Books and records.** The commission shall keep books, records and accounts of all its activities, which must be open to inspection and audit by the State at all times. An independent certified public accountant shall conduct an annual audit of the financial records of the commission and report the results of the audit to the commission, the Commissioner of Agriculture, Conservation and Forestry, the Treasurer of State and the Legislature.

[1997, c. 511, §21 (NEW); 1997, c. 511, §25 (AFF); 2011, c. 657, Pt. W, §6 (REV) .]

10. **Funding.** The commission may receive and expend funds from any source, public or private, that it determines necessary to carry out its purposes.

[1997, c. 511, §21 (NEW); 1997, c. 511, §25 (AFF) .]

11. **Appropriation and use of money received.** The commission may accept grants or contributions of money or other things of value from any source, public or private. Those grants or other contributions must be held by the commission and used to carry out the purposes of this chapter, subject to any condition under which the grant or contribution was accepted by the commission.

[1997, c. 511, §21 (NEW); 1997, c. 511, §25 (AFF) .]

12. **Bylaws.** The commission may adopt bylaws to govern its functions.

[1997, c. 511, §21 (NEW); 1997, c. 511, §25 (AFF) .]

SECTION HISTORY
1997, c. 511, §21 (NEW). 1997, c. 511, §25 (AFF). 2011, c. 579, §2 (AMD). 2011, c. 657, Pt. W, §6 (REV).

§4313. TAX AS ADDITIONAL

(REPEALED)

SECTION HISTORY
1981, c. 364, §46 (RP).

§4314. PERMIT REQUIRED

1. **Possession or removal unlawful.** It is unlawful for a person to harvest, pick, rake, possess or remove wild blueberries from the land of an owner without first securing written permission from the owner or the owner's authorized agent. This section does not apply to members of an organized crew, if the crew leader has first secured the written permission of the owner. The written permission must identify the land by reference to tax map, lot number and town, township or plantation or to global positioning coordinates for the area where wild blueberries are managed. A person authorized to make inspections under this chapter may require a person on the land of an owner who has possession of wild blueberries or is found harvesting, raking, picking or removing wild blueberries to show valid written permission. Violation of this subsection is a strict liability crime as defined in Title 17-A, section 34, subsection 4-A.

[2007, c. 694, §6 (AMD) .]

2. **No effect on other laws.** Nothing in this section may be construed:

A. To relieve any person of any obligation to obtain permission to enter upon the land or premises of another; or [1989, c. 214, §2 (NEW).]

B. To affect any criminal or civil liability which may exist for unauthorized entry, trespass, theft or conversion. [1989, c. 214, §2 (NEW).]

[1989, c. 214, §2 (NEW) .]

3. **Violation; first offense.** A person who violates subsection 1 commits a Class E crime.

[2007, c. 694, §7 (RPR) .]

4. **Violation; subsequent offenses.** A person who violates subsection 1 when the person has 2 prior convictions for violation of subsection 1 commits a Class D crime. Title 17-A, section 9-A governs the use of prior convictions when determining a sentence.

[2007, c. 694, §8 (NEW) .]

SECTION HISTORY
1989, c. 214, §2 (NEW). 1997, c. 511, §22 (AMD). 2007, c. 694, §§6-8 (AMD).

§4315. TRANSPORTATION OF WILD BLUEBERRIES

1. **Transportation of wild blueberries; permit required.** A person may not transport wild blueberries in quantities exceeding 25 pounds without first obtaining a transportation permit on an official form to be furnished by the Wild Blueberry Commission of Maine. The Wild Blueberry Commission of Maine shall issue upon request uniquely numbered transportation permit forms to owners. Owners shall issue the transportation permits to first haulers or shippers who transport wild blueberries directly from the field from which the wild blueberries were harvested. Each transportation permit issued automatically expires on the

30th of September in the year in which it was issued. This subsection does not apply to wild blueberries that have been received by a certified shipper or processor and have been weighed, logged into a permanent record-keeping system and reloaded onto a vehicle for shipping under a bill of lading.

[2007, c. 694, §9 (AMD) .]

1-A. **Records of permits; confidentiality.** When an owner issues a transportation permit, the owner shall send a copy to the Wild Blueberry Commission of Maine within 3 business days of the date of issuance. The commission shall keep a permanent record of all transportation permits issued. The commission shall establish the form and content of transportation permits and establish the record-keeping requirements for the commission and owners. Notwithstanding any provision of Title 1, chapter 13, subchapter 1 to the contrary, records pertaining to transportation permits required to be kept by the Wild Blueberry Commission of Maine under this section are confidential to the extent necessary to preserve the identity of parties to individual business transactions. The confidential status does not apply when records kept by the Wild Blueberry Commission of Maine are needed as evidence in a proceeding to enforce the provisions of this chapter or in a prosecution for a violation of any other criminal law.

[2007, c. 694, §9 (AMD) .]

1-B. **Restrictions on first haulers.** A first hauler who is not certified as a shipper may not transport berries from the field to any entity other than a shipper or a processor holding a valid certification under section 4305.

[2007, c. 694, §9 (NEW) .]

2. **Permits subject to forgery laws.** Every permit specified under this section is deemed to be a written instrument subject to the laws of forgery.

[1989, c. 214, §2 (NEW) .]

3. **Violation.** The following penalties apply to violations of this section.

A. Except as provided in subsection 4, a person who transports wild blueberries in violation of this section commits :

(1) A Class E crime; or

(2) A Class D crime if the person has 2 or more prior convictions under this paragraph.

A violation under this paragraph is a strict liability crime as defined in Title 17-A, section 34, subsection 4-A. [2007, c. 694, §9 (AMD).]

B. A person who violates any other provision of this section commits a civil violation for which a fine of not more than $1,000 may be adjudged. [2007, c. 694, §9 (AMD).]

[2007, c. 694, §9 (AMD) .]

4. **Exceptions.** A person is not guilty of transporting wild blueberries without a transportation permit if:

A. The person is transporting wild blueberries that were not harvested in this State; [2007, c. 694, §9 (AMD).]

B. That person purchased the wild blueberries at a store, farm stand, produce market or other retail outlet; or [2007, c. 694, §9 (AMD).]

C. That person is an owner transporting less than 100 pounds of wild blueberries harvested from the owner's own land to the owner's residence for personal use. [2007, c. 694, §9 (NEW).]

[2007, c. 694, §9 (AMD) .]

SECTION HISTORY
1989, c. 214, §2 (NEW). 1989, c. 859, §1 (AMD). 1997, c. 511, §23 (AMD). 1999, c. 194, §1 (AMD). 2003, c. 452, §§U6-8 (AMD). 2003, c. 452, §X2 (AFF). 2007, c. 694, §9 (AMD).

§4316. RECEIVERS OF WILD BLUEBERRIES

1. **Record keeping required.** A shipper or processor who transports or receives wild blueberries shall keep a permanent record of each lot or load of wild blueberries. The record must include the name of the driver of the vehicle used to deliver the wild blueberries, the date of delivery, the delivery point, a copy of the transportation permit, the driver's license number and the total pounds of wild blueberries delivered.

[2007, c. 694, §10 (AMD) .]

2. **Inspection of permit required.** It is unlawful for a shipper or processor to receive or accept delivery of wild blueberries without first inspecting the transportation permit of the driver of the vehicle used to deliver the wild blueberries and creating a permanent record in accordance with subsection 1.

[2007, c. 694, §10 (AMD) .]

3. **Violation; civil.** The failure to keep the permanent records of wild blueberries transported or received as required in this section, failure to inspect the transportation permit of a driver of a vehicle used to deliver wild blueberries or any other violation of this section is a civil violation punishable by a fine of not more than $5,000 for a first-time violation and punishable by a fine of not more than $10,000 when the person is found to have committed a prior civil violation of this section within the prior 5 years.

[2007, c. 694, §10 (AMD) .]

3-A. **Violation; criminal.** A shipper or processor who violates this section when the shipper or processor is found to have committed 2 prior civil violations of this section commits a Class D crime. Title 17-A, section 9-A governs the use of prior convictions when determining a sentence.

[2007, c. 694, §10 (NEW) .]

3-B. **Strict liability crime.** Violation of this section is a strict liability crime as defined in Title 17-A, section 34, subsection 4-A.

[2007, c. 694, §10 (NEW) .]

4. **Audits.** The Wild Blueberry Commission of Maine may request the Department of Agriculture, Conservation and Forestry to conduct audits of the records of shippers or processors for the purpose of ascertaining compliance with this section. The commissioner, or a duly authorized agent, has free access, during normal business hours, to all records required to be kept by shippers or processors pursuant to this section and also to shippers' or processors' accounts payable, accounts receivable, records of inventories, actual inventories, records of shipments and such other business records as are needed to ascertain compliance with this section. Any documents inspected or taken by the department in furtherance of the audit functions or any other information collected by the department pursuant to the audit must be kept confidential

notwithstanding any provision to the contrary contained in Title 1, chapter 13, subchapter 1. This confidential status does not apply to any documents, records or information that is needed as evidence in any civil or criminal proceeding to enforce any law under this chapter or any other criminal law.

[2007, c. 694, §10 (AMD); 2011, c. 657, Pt. W, §5 (REV) .]

SECTION HISTORY
1989, c. 214, §2 (NEW). 1989, c. 859, §§2,3 (AMD). 1997, c. 511, §24 (AMD). 2007, c. 694, §10 (AMD). 2011, c. 657, Pt. W, §5 (REV).

§4317. AUTHORIZED LAW ENFORCEMENT

State police, county sheriffs and their deputies, municipal enforcement officers, state forest rangers and game wardens are authorized to make inspections, conduct investigations, make arrests and otherwise enforce this chapter. [1989, c. 214, §2 (NEW).]

SECTION HISTORY
1989, c. 214, §2 (NEW).

§4318. SUNSET PROVISION

(REPEALED)

SECTION HISTORY
1989, c. 214, §2 (NEW). 1991, c. 506, §6 (RP).

Chapter 703: CIGARETTE TAX

§4361. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [1997, c. 458, §1 (AMD).]

1. **Dealer.**

[2007, c. 438, §88 (RP) .]

1-A. **Cigarette.** "Cigarette" means a cigarette, as defined in Section 5702 of the Code.

[1997, c. 458, §1 (AMD) .]

1-B. **Delivery sale.** "Delivery sale" means a sale of cigarettes to a consumer in this State when:

A. The purchaser submits the order for the sale by means of telephonic or other electronic method of voice transmission, the Internet or a delivery service; or [2011, c. 285, §9 (NEW).]

B. The cigarettes are delivered by use of a delivery service. [2011, c. 285, §9 (NEW).]

[2011, c. 285, §9 (NEW) .]

2. **Distributor.** "Distributor" means any person engaged in this State in the business of producing or manufacturing cigarettes in this State, importing cigarettes into this State, making delivery sales or making wholesale purchases or sales of cigarettes in this State on which the tax imposed by this chapter has not been paid.

[2011, c. 285, §10 (AMD) .]

3. **Licensed dealer.**

[1983, c. 838, §12 (RP) .]

4. **Licensed distributor.** "Licensed distributor" means a distributor licensed under this chapter.

[1983, c. 828, §12 (AMD) .]

4-A. **Licensed wholesale dealer.**

[1997, c. 458, §1 (RP) .]

5. **Person.**

[1997, c. 458, §1 (RP) .]

6. **Sale or sell.** "Sale" or "sell" includes or applies to gifts, exchanges and barter.

[1997, c. 458, §1 (AMD) .]

7. **Sub-jobber.**

[1997, c. 458, §1 (RP) .]

8. **Tax Assessor.**

[1979, c. 378, §29 (RP) .]

9. **Unclassified importer.**

[1997, c. 458, §1 (RP) .]

10. **Unstamped cigarettes.** "Unstamped cigarettes" means cigarettes to which stamps issued by the State Tax Assessor pursuant to section 4366-A are not affixed.

[1997, c. 458, §1 (NEW) .]

SECTION HISTORY
1979, c. 378, §29 (AMD). 1983, c. 828, §12 (AMD). 1997, c. 458, §1 (AMD). 2007, c. 438, §88 (AMD). 2011, c. 285, §§9, 10 (AMD).

§4362. LICENSES

(REPEALED)

SECTION HISTORY
1977, c. 696, §287 (AMD). 1979, c. 508, §1 (AMD). 1983, c. 828, §13 (AMD). 1997, c. 458, §2 (RP).

§4362-A. LICENSES

1. **Generally.** A distributor doing business in this State shall obtain a license from the assessor. A license must be obtained for each wholesale outlet maintained by the distributor. A distributor's license must be prominently displayed on the premises covered by the license.

[1997, c. 458, §3 (NEW) .]

2. **Applications; forms.** An application for a distributor's license must be made on a form prescribed and issued by the assessor. Licenses are issued in the form prescribed by the assessor and must contain the name and address of the licensed distributor, the address of the place of business and such other information as the assessor may require for the proper administration of this chapter.

[2007, c. 438, §89 (AMD) .]

3. **Expiration and reissuance.** A distributor's license expires one year from the 30th day of June next succeeding the date of issuance unless sooner revoked by the assessor pursuant to subsection 5 or unless the business with respect to which the license was issued is sold, in either of which cases the holder of the license shall immediately surrender it to the assessor.

A person may not be issued a distributor's license or granted a renewal of a license unless the person certifies in writing to the Attorney General that the person is in compliance with Title 22, section 1580-L.

[2003, c. 439, §2 (AMD) .]

4. **Penalties.** The following penalties apply to violations of this section.

A. A distributor who imports into this State any cigarettes without holding a distributor's license issued by the assessor pursuant to this section commits a civil violation for which a fine of not less than $250 and not more than $500 must be adjudged. [2003, c. 452, Pt. U, §9 (NEW); 2003, c. 452, Pt. X, §2 (AFF).]

B. A distributor who violates paragraph A after having been previously adjudicated as violating paragraph A commits a civil violation for which a fine of not less than $500 and not more than $1,000 must be adjudged for each subsequent violation. [2003, c. 452, Pt. U, §9 (NEW); 2003, c. 452, Pt. X, §2 (AFF).]

C. A distributor who sells at wholesale, offers for sale at wholesale or possesses with intent to sell at wholesale any cigarettes without holding a distributor's license issued by the assessor pursuant to this section commits a civil violation for which a fine of not less than $250 and not more than $500 must be adjudged. [2003, c. 452, Pt. U, §9 (NEW); 2003, c. 452, Pt. X, §2 (AFF).]

D. A distributor who violates paragraph C after having been previously adjudicated as violating paragraph C commits a civil violation for which a fine of not less than $500 and not more than $1,000 must be adjudged for each subsequent violation. [2003, c. 452, Pt. U, §9 (NEW); 2003, c. 452, Pt. X, §2 (AFF).]

[2003, c. 452, Pt. U, §9 (RPR); 2003, c. 452, Pt. X, §2 (AFF) .]

5. **Revocation or suspension.** The assessor may revoke or suspend the license of a distributor for failure to comply with any provision of this chapter or if the distributor no longer imports or sells cigarettes. Any person aggrieved by a revocation or suspension may request reconsideration as provided in section 151.

[2007, c. 438, §90 (AMD) .]

SECTION HISTORY
1997, c. 458, §3 (NEW). 2001, c. 526, §3 (AMD). 2003, c. 439, §2 (AMD). 2003, c. 452, §U9 (AMD). 2003, c. 452, §X2 (AFF). 2007, c. 438, §§89,90 (AMD).

§4363. -- EXPIRATION; REISSUANCE

(REPEALED)

SECTION HISTORY

1979, c. 508, §2 (AMD). 1997, c. 458, §4 (RP).

§4364. -- REVOCATION

(REPEALED)

SECTION HISTORY
1983, c. 828, §14 (AMD). 1997, c. 458, §5 (RP).

§4365. RATE OF TAX

A tax is imposed on all cigarettes imported into this State or held in this State by any person for sale at the rate of 100 mills for each cigarette. Payment of the tax is evidenced by the affixing of stamps to the packages containing the cigarettes. [2005, c. 457, Pt. AA, §1 (AMD); 2005, c. 457, Pt. AA, §8 (AFF).]

SECTION HISTORY
1965, c. 343, §§1,2 (AMD). P&SL 1967, c. 154, §G (AMD). P&SL 1967, c. 191, §§E1,E2 (AMD). 1967, c. 544, §§96,97 (AMD). 1967, c. 544, §§110,113 (RP). 1969, c. 295, §§6,7 (AMD). P&SL 1971, c. 117, §§E1,2 (AMD). 1973, c. 768, §§2,3 (AMD). 1975, c. 623, §60 (AMD). 1977, c. 477, §§13,14 (AMD). 1977, c. 696, §288 (AMD). 1979, c. 127, §198 (AMD). 1983, c. 477, Pt. F, Subpt. 2, (AMD). 1983, c. 859, §§M8,M13 (AMD). 1985, c. 1, (AMD). 1985, c. 535, §9 (AMD). 1989, c. 588, §D1 (AMD). 1997, c. 458, §6 (RPR). 1997, c. 560, §A2 (AMD). 1997, c. 560, §A5 (AFF). 1997, c. 643, §T3 (AMD). 1997, c. 643, §T6 (AFF). 1997, c. 750, §D1 (AFF). 1999, c. 414, §37 (AMD). 2001, c. 396, §31 (AMD). 2001, c. 439, §SSSS1 (AMD). 2001, c. 439, §SSSS4 (AFF). 2003, c. 705, §6 (AMD). 2005, c. 218, §44 (AMD). 2005, c. 457, §AA1 (AMD). 2005, c. 457, §AA8 (AFF).

§4365-A. RATE OF TAX AFTER SEPTEMBER 30, 1989

(REPEALED)

SECTION HISTORY
1985, c. 535, §10 (NEW). 1989, c. 588, §D2 (AMD). 1997, c. 458, §7 (RP).

§4365-B. RATE OF TAX AFTER DECEMBER 31, 1990

(REPEALED)

SECTION HISTORY
1989, c. 588, §D3 (NEW). 1997, c. 458, §8 (RP).

§4365-C. RATE OF TAX AFTER JUNE 30, 1991

(REPEALED)

SECTION HISTORY
1989, c. 588, §D3 (NEW). 1997, c. 458, §8 (RP).

§4365-D. RATE OF TAX BEGINNING NOVEMBER 1, 1997

(REPEALED)

SECTION HISTORY
1997, c. 560, §A3 (NEW). 1997, c. 560, §A5 (AFF). 1997, c. 643, §T4 (AMD). 1997, c. 643, §T6 (AFF). 1997, c. 750, §D1 (AFF). 1999, c. 414, §38 (RP).

§4365-E. APPLICATION OF CIGARETTE TAX RATE INCREASE EFFECTIVE OCTOBER 1, 2001

(REPEALED)

SECTION HISTORY
2001, c. 439, §SSSS2 (NEW). 2005, c. 218, §45 (AMD). 2005, c. 457, §AA8 (AFF). 2005, c. 457, §AA2 (RP).

§4365-F. APPLICATION OF CIGARETTE TAX RATE INCREASE EFFECTIVE SEPTEMBER 19, 2005

The following provisions apply to cigarettes held for resale on September 19, 2005. [2005, c. 457, Pt. AA, §3 (NEW); 2005, c. 457, Pt. AA, §8 (AFF).]

1. **Stamped rate.** Cigarettes stamped at the rate of 50 mills per cigarette and held for resale after September 18, 2005 are subject to tax at the rate of 100 mills per cigarette.

[2005, c. 457, Pt. AA, §3 (NEW); 2005, c. 457, Pt. AA, §8 (AFF) .]

2. **Liability.** A person possessing cigarettes for resale is liable for the difference between the tax rate of 100 mills per cigarette and the tax rate of 50 mills per cigarette in effect before September 19, 2005. Stamps indicating payment of the tax imposed by this section must be affixed to all packages of cigarettes held for resale as of September 19, 2005, except that cigarettes held in vending machines as of that date do not require that stamp.

[2005, c. 457, Pt. AA, §3 (NEW); 2005, c. 457, Pt. AA, §8 (AFF) .]

3. **Vending machines.** Notwithstanding any other provision of this chapter, it is presumed that all cigarette vending machines are filled to capacity on September 19, 2005 and that the tax imposed by this section must be reported on that basis. A credit against this inventory tax must be allowed for cigarettes stamped at the rate of 100 mills per cigarette placed in vending machines before September 19, 2005.

[2005, c. 457, Pt. AA, §3 (NEW); 2005, c. 457, Pt. AA, §8 (AFF) .]

4. **Payment.** Payment of the tax imposed by this section must be made to the assessor by December 19, 2005, accompanied by forms prescribed by the assessor.

[2005, c. 457, Pt. AA, §3 (NEW); 2005, c. 457, Pt. AA, §8 (AFF) .]

SECTION HISTORY
2005, c. 457, §AA3 (NEW). 2005, c. 457, §AA8 (AFF).

§4366. STAMPS PROVIDED BY STATE TAX ASSESSOR

(REPEALED)

SECTION HISTORY

1965, c. 343, §3 (AMD). P&SL 1967, c. 191, §E3 (AMD). 1969, c. 504, §50 (AMD). 1973, c. 768, §5 (AMD). 1981, c. 364, §47 (AMD). 1983, c. 828, §15 (AMD). 1997, c. 458, §9 (RP).

§4366-A. CIGARETTE TAX STAMPS

1. **Generally.**

[2009, c. 361, §22 (RP) .]

2. **Provided to sellers.** The State Tax Assessor shall provide stamps to a licensed distributor upon submission by the licensed distributor of a cigarette tax return in a form prescribed by the assessor. The stamps must be of a design suitable to be affixed to packages of cigarettes as evidence of the payment of the tax imposed by this chapter. The assessor may permit a licensed distributor to pay for the stamps within 30 days after the date of purchase, if a bond satisfactory to the assessor in an amount not less than 50% of the sale price of the stamps has been filed with the assessor conditioned upon payment for the stamps. Such a distributor may continue to purchase stamps on a 30-day deferral basis only if it remains current with its cigarette tax obligations. The assessor may not sell additional stamps to a distributor that has failed to pay in full within 30 days for stamps previously purchased until such time as the overdue payment is received. The assessor shall sell cigarette stamps to licensed distributors at the following discounts from their face value:

A. [2007, c. 438, §93 (RP).]

B. [2007, c. 438, §93 (RP).]

C. [2007, c. 438, §93 (RP).]

D. For stamps at the face value of 100 mills, the discount rate is 1.15%. [2007, c. 438, §93 (AMD).]

[2009, c. 361, §23 (AMD) .]

3. **Affixed to cigarettes.** A distributor shall affix stamps of the proper denominations to individual packages of cigarettes sold or distributed by the distributor in this State. The distributor shall affix the stamps in the manner specified by the assessor before the cigarettes are transferred out of the possession of the distributor. A distributor may not sell, offer for sale or display for sale in this State cigarettes that do not bear stamps evidencing the payment of the tax imposed by this chapter, except that a licensed distributor may sell unstamped cigarettes to another licensed distributor if the sales are documented in a form prescribed by the assessor. The face value of the stamps must be considered as part of the retail cost of the cigarettes.

[2009, c. 361, §24 (AMD) .]

4. **Resale and reuse of stamps prohibited.** A distributor may not:

A. Sell, transfer, reaffix or reuse cigarette stamps issued by the assessor pursuant to this chapter. [2007, c. 438, §94 (AMD).]

B. [2007, c. 438, §94 (RP).]

[2007, c. 438, §94 (AMD) .]

4-A. **Redemption of stamps before July 1, 2012.** Before July 1, 2012, the assessor shall redeem any unused, uncancelled stamps presented within one year of the date of purchase by a licensed distributor at a price equal to the amount paid for them. Credit for uncancelled stamps is allowed only on full, unopened rolls unless the distributor ceases business as a distributor and returns the license issued under section 4362-

A. The assessor may also redeem, at face value, cigarette tax stamps affixed to packages of cigarettes that have become unsalable if application is made within 90 days of the return of the unsalable cigarettes to the manufacturer.

[2011, c. 441, §1 (AMD) .]

4-B. **Redemption of stamps beginning July 1, 2012.** Beginning July 1, 2012, the assessor shall redeem any unused, uncancelled stamps presented within one year of the date of purchase by a licensed distributor at a price equal to the amount paid for them. Credit for uncancelled stamps is allowed only on full, unopened rolls unless the distributor ceases business as a distributor and returns the license issued under section 4362-A. The assessor may also redeem, at face value, cigarette tax stamps affixed to packages of cigarettes that have become unsalable if application is made within 90 days of the return of the unsalable cigarettes to the manufacturer or of the destruction of the unsalable cigarettes by the distributor. The assessor may either witness the destruction of the unsalable cigarettes or may accept another form of proof that the unsalable cigarettes have been destroyed by the distributor or returned to the manufacturer.

[2011, c. 441, §2 (NEW) .]

5. **Possession of unstamped cigarettes; presumption of intent for sale.** The possession in this State by any person other than a licensed distributor of unstamped cigarettes is prima facie evidence that the cigarettes have been imported and that they are intended for sale in this State.

[1997, c. 458, §10 (NEW) .]

6. **Penalties.** The following penalties apply to violations of this section.

A. A person who sells, offers for sale, displays for sale or possesses with intent to sell unstamped cigarettes in violation of this section commits a Class D crime. [2003, c. 452, Pt. U, §13 (NEW); 2003, c. 452, Pt. X, §2 (AFF).]

B. [2009, c. 361, §25 (RP).]

C. A person who sells, transfers, reaffixes or reuses cigarette stamps in violation of this section commits a Class D crime. [2009, c. 361, §25 (AMD).]

D. [2009, c. 361, §25 (RP).]

Except as otherwise specifically provided, violation of this subsection is a strict liability crime as defined in Title 17-A, section 34, subsection 4-A.

[2009, c. 361, §25 (AMD) .]

SECTION HISTORY
1997, c. 458, §10 (NEW). 2001, c. 439, §SSSS3 (AMD). 2003, c. 452, §§U10-13 (AMD). 2003, c. 452, §X2 (AFF). 2005, c. 218, §46 (AMD). 2005, c. 457, §§AA4,5 (AMD). 2005, c. 457, §AA8 (AFF). 2005, c. 622, §25 (AMD). 2005, c. 622, §34 (AFF). 2007, c. 438, §§91-95 (AMD). 2009, c. 361, §§22-25 (AMD). 2011, c. 441, §§1, 2 (AMD).

§4366-B. IMPORTATION OF UNSTAMPED CIGARETTES

1. **Generally.** Except as provided in subsection 2, only a licensed distributor may import unstamped cigarettes into this State.

[2007, c. 438, §96 (AMD) .]

2. **Exception for personal use.** An individual who is not a licensed distributor may transport cigarettes into this State and may transport cigarettes from place to place within this State for the individual's personal use in a quantity not greater than 2 cartons.

[2007, c. 438, §96 (AMD) .]

3. **Evidence.** The possession of more than 2 cartons of unstamped cigarettes by a person who is not a licensed distributor is prima facie evidence of a violation of this section.

[2007, c. 438, §96 (AMD) .]

4. **Penalties.** The following penalties apply to violations of this section.

A. A person who violates this section commits a Class E crime. [2003, c. 452, Pt. U, §14 (NEW); 2003, c. 452, Pt. X, §2 (AFF).]

B. A person who violates this section when the person has one or more prior convictions for violation of this section commits a Class D crime. Title 17-A, section 9-A governs the use of prior convictions when determining a sentence. [2003, c. 452, Pt. U, §14 (NEW); 2003, c. 452, Pt. X, §2 (AFF).]

Violation of this section is a strict liability crime as defined in Title 17-A, section 34, subsection 4-A.

[2003, c. 452, Pt. U, §14 (RPR); 2003, c. 452, Pt. X, §2 (AFF) .]

SECTION HISTORY
1997, c. 458, §10 (NEW). 1997, c. 668, §27 (AMD). 2003, c. 452, §U14 (AMD). 2003, c. 452, §X2 (AFF). 2007, c. 438, §96 (AMD).

§4366-C. SALES OF CIGARETTES IN CONTRAVENTION OF LAW

1. **Cigarettes; stamps not affixed.** A distributor may not offer for sale, sell or affix a stamp to a package of cigarettes if the package:

A. Does not comply with the Federal Cigarette Labeling and Advertising Act, 15 United States Code, Section 1331, et seq., for the placement of labels, warnings or any other information for a package of cigarettes to be sold within the United States; [1999, c. 616, §3 (NEW).]

B. Is labeled "For Export Only," "U.S. Tax Exempt," "For Use Outside U.S." or with other wording indicating that the manufacturer did not intend that the product be sold in the United States; [1999, c. 616, §3 (NEW).]

C. Has been altered by adding or deleting wording, labels or warnings described in paragraphs A and B; [1999, c. 616, §3 (NEW).]

D. Has been imported into the United States in violation of 26 United States Code, Section 5754; or [1999, c. 616, §3 (NEW).]

E. In any way violates federal trademark or copyright laws. [1999, c. 616, §3 (NEW).]

[2007, c. 438, §97 (AMD) .]

2. **Deceptive practice.** Selling a package of cigarettes described in subsection 1, with or without a stamp, is an unfair or deceptive act or practice under the Maine Unfair Trade Practices Act.

[1999, c. 616, §3 (NEW) .]

2-A. **Shipment only to licensed retailers.** A distributor may not sell or offer to sell cigarettes to a retailer unless the retailer has provided documentation to the distributor that the retailer holds a current retail tobacco license issued under Title 22, section 1551-A.

[2007, c. 172, §1 (NEW) .]

3. **Penalties.** The following penalties apply to violations of this section.

A. A distributor who violates this section commits a Class E crime. [2007, c. 438, §97 (AMD).]

B. A distributor who violates this section when the distributor has one or more prior convictions for violation of this section commits a Class D crime. Title 17-A, section 9-A governs the use of prior convictions when determining a sentence. [2007, c. 438, §97 (AMD).]

Violation of this section is a strict liability crime as defined in Title 17-A, section 34, subsection 4-A.

[2007, c. 438, §97 (AMD) .]

SECTION HISTORY
1999, c. 616, §3 (NEW). 2003, c. 452, §U15 (AMD). 2003, c. 452, §X2 (AFF). 2007, c. 172, §1 (AMD). 2007, c. 438, §97 (AMD).

§4366-D. ADDITIONAL CIGARETTE TAX

(REPEALED)

SECTION HISTORY
2001, c. 450, §D1 (NEW). 2005, c. 218, §47 (RP).

§4367. RESALE OF STAMPS PROHIBITED; REDEMPTION

(REPEALED)

SECTION HISTORY
1971, c. 22, (AMD). 1997, c. 458, §11 (RP).

§4368. STAMPS AFFIXED BY LICENSED DEALERS

(REPEALED)

SECTION HISTORY
1985, c. 535, §11 (AMD). 1997, c. 458, §12 (RP).

§4369. STAMPS AFFIXED BY LICENSED DEALERS

(REPEALED)

SECTION HISTORY
1979, c. 508, §3 (AMD). 1983, c. 828, §16 (AMD). 1985, c. 535, §12 (AMD). 1997, c. 458, §13 (RP).

§4370. SALE OF UNSTAMPED CIGARETTES PROHIBITED

(REPEALED)

SECTION HISTORY
1967, c. 62, (AMD). 1977, c. 696, §289 (AMD). 1979, c. 508, §4 (AMD). 1983, c. 828, §17 (AMD). 1997, c. 458, §14 (RP).

§4371. POSSESSION OF UNSTAMPED CIGARETTES; PRIMA FACIE EVIDENCE

(REPEALED)

SECTION HISTORY
1983, c. 828, §18 (AMD). 1997, c. 458, §15 (RP).

§4372. UNSTAMPED CIGARETTES TO BE CONFISCATED

(REPEALED)

SECTION HISTORY
1975, c. 31, §§1,2 (AMD). 1977, c. 696, §290 (AMD). 1983, c. 828, §19 (AMD). 1997, c. 458, §16 (RP).

§4372-A. SEIZURE AND FORFEITURE OF CONTRABAND CIGARETTES

1. **Generally.** Except as provided in subsection 2, any unstamped cigarettes or cigarettes described in section 4366-C, subsection 1 that are found in this State are hereby declared to be contraband goods subject to seizure by and forfeiture to the State. All law enforcement officers, including contract officers pursuant to Title 22, section 1556-A, and duly authorized agents of the State Tax Assessor may seize contraband cigarettes under the process described in subsection 3.

[1999, c. 616, §4 (AMD) .]

2. **Exceptions.** The following cigarettes are not subject to seizure:

A. Unstamped cigarettes in the possession of a licensed distributor; [1997, c. 458, §17 (NEW).]

B. Unstamped cigarettes in the course of transit from outside the State that are consigned to a licensed distributor; and [2007, c. 438, §98 (AMD).]

C. Unstamped cigarettes in a quantity of 2 cartons or less in the possession of an individual who is not a licensed distributor. [1997, c. 668, §28 (AMD).]

Notwithstanding paragraphs A, B and C, cigarettes described in section 4366-C, subsection 1 are subject to seizure under the process described in subsection 3, unless the distributor can prove the cigarettes are to be exported out of the country.

[2007, c. 438, §98 (AMD) .]

3. **Procedure for seizure.** Contraband cigarettes may be seized by law enforcement officers and by duly authorized agents of the State Tax Assessor who have probable cause to believe that the cigarettes are unstamped cigarettes or cigarettes described in section 4366-C, subsection 1 under the following circumstances:

A. When the cigarettes are discovered in a place where the law enforcement officer or agent has the lawful right to be in the performance of official duties; or [1997, c. 458, §17 (NEW).]

B. When the seizure is incident to a search under a valid search warrant or an inspection under a valid administrative inspection warrant. [1997, c. 458, §17 (NEW).]

[1999, c. 616, §6 (AMD) .]

4. **Procedure for forfeiture.** A petition for forfeiture must be filed as provided in this subsection.

A. A district attorney or assistant district attorney, or the Attorney General or an Assistant Attorney General, may petition the District Court in the name of the State in the nature of a proceeding in rem to order the forfeiture of contraband cigarettes. [1997, c. 458, §17 (NEW).]

B. There may be no discovery other than under the Maine Rules of Civil Procedure, Rule 36, except by order of the court upon a showing of substantial need. An order permitting discovery must set forth in detail the areas in which substantial need has been shown and the extent to which discovery may take place. [1997, c. 458, §17 (NEW).]

C. A petition for forfeiture filed pursuant to this section must be accepted by the District Court without the assessment or payment of civil entry or filing fees otherwise provided for by rule of court. [1997, c. 458, §17 (NEW).]

[1997, c. 458, §17 (NEW) .]

5. **Jurisdiction and venue.** Cigarettes subject to forfeiture under this section must be declared forfeited by the District Court having jurisdiction over the cigarettes. Venue is in the location where the contraband cigarettes are seized or in Kennebec County.

[1997, c. 458, §17 (NEW) .]

6. **Type of action; burden of proof.** A proceeding instituted pursuant to this section is an in rem civil action. The State has the burden of proving all material facts by a preponderance of the evidence and the owner of the cigarettes or other person claiming the cigarettes has the burden of proving by a preponderance of the evidence one of the exceptions set forth in subsection 2.

[1997, c. 458, §17 (NEW) .]

7. **Hearings; disposition; deposit of funds.** At a hearing, other than a default proceeding, the court shall hear evidence, make findings of fact, enter conclusions of law and file a final order from which the parties have the right of appeal. When cigarettes are ordered forfeited, the final order must provide for the disposition of the cigarettes by the State Tax Assessor by public auction or by the State Purchasing Agent. Proceeds must be deposited in the General Fund. Cigarettes described in section 4366-C, subsection 1 must be destroyed by the State Tax Assessor in a manner that prevents their reintroduction into the marketplace.

[1999, c. 616, §6 (AMD) .]

8. **Default proceedings.** Default proceedings must be held in the same manner as default proceedings in other civil actions, except that service of motions and affidavits related to the default proceedings need not be served upon any person who has not answered or otherwise defended in the action.

[1997, c. 458, §17 (NEW) .]

SECTION HISTORY
1997, c. 458, §17 (NEW). 1997, c. 668, §28 (AMD). 1999, c. 616, §§4-6 (AMD). 2007, c. 438, §98 (AMD).

§4373. FORFEITURE PROCEEDINGS

(REPEALED)

SECTION HISTORY
1969, c. 4, (AMD). 1979, c. 615, §1 (AMD). 1983, c. 828, §20 (AMD). 1997, c. 458, §18 (RP).

§4373-A. RECORDS REQUIRED; INSPECTION AND EXAMINATION; ASSESSMENT OF TAX DEFICIENCY

1. **Generally.** Distributors shall keep complete and accurate records of all cigarettes that they manufacture, produce, purchase, transfer or sell. The records must be of a kind and in the form prescribed by the State Tax Assessor and must be safely preserved for 6 years in a manner that ensures permanency and accessibility by authorized agents of the assessor. Records maintained by distributors must include the following data on either a calendar or fiscal year basis:

A. An inventory of unaffixed Maine cigarette stamps by denomination; [1997, c. 458, §19 (NEW).]

B. An inventory of stamped cigarettes, by pack size; [1997, c. 458, §19 (NEW).]

C. An inventory of unstamped cigarettes, by pack size; and [1997, c. 458, §19 (NEW).]

D. Copies of all documents supporting redemption for tax on unused, uncancelled stamps and for unsalable cigarettes. [1997, c. 458, §19 (NEW).]

If the rate of tax imposed by section 4365 is changed, a distributor shall take a new inventory.

[2007, c. 438, §99 (AMD) .]

2. **Inspection and examination; penalty.** The assessor or any authorized agent may enter into or upon any premises where there is reason to believe that cigarettes are possessed, stored or sold, and may examine the books, papers, records and cigarette stock of any distributor to determine compliance with the provisions of this chapter. Failure or refusal to permit an examination pursuant to this subsection is a civil violation for which a fine in the amount of $250 must be imposed, no part of which may be suspended.

[2007, c. 438, §99 (AMD) .]

3. **Assessment of tax deficiency; presumptions.** If the assessor determines that a distributor has not purchased sufficient stamps to cover sales of cigarettes or has made sales of unstamped cigarettes, the assessor shall assess the tax deficiency pursuant to section 141. When a distributor cannot produce evidence of sufficient stamp purchases to cover receipts and sales or other disposition of cigarettes, it is presumed that the cigarettes were sold without having the proper stamps affixed to them.

[2007, c. 438, §99 (AMD) .]

SECTION HISTORY
1997, c. 458, §19 (NEW). 2001, c. 396, §32 (AMD). 2007, c. 438, §99 (AMD).

§4374. FRAUDULENT STAMPS

Any person who, with the intent to defraud, makes, forges or counterfeits any stamp prescribed by the State Tax Assessor under this chapter or who causes or procures the same to be done, who knowingly utters, publishes, passes or renders as true any false, altered, forged or counterfeited stamp or who knowingly possesses any such false, altered, forged or counterfeited stamp, for the purpose of evading the tax imposed by this chapter, commits a Class C crime. [1997, c. 458, §20 (RPR).]

SECTION HISTORY
1977, c. 696, §291 (RPR). 1997, c. 458, §20 (RPR).

§4375. RECORDS; EXAMINATIONS BY STATE TAX ASSESSOR

(REPEALED)

SECTION HISTORY
1979, c. 378, §30 (AMD). 1979, c. 508, §5 (AMD). 1979, c. 663, §223 (RPR). 1981, c. 364, §48 (RP).

§4376. OATHS AND SUBPOENAS

(REPEALED)

SECTION HISTORY
1981, c. 364, §49 (RP).

§4377. HEARINGS BY TAX ASSESSOR

(REPEALED)

SECTION HISTORY
1977, c. 694, §712 (RP).

§4378. APPEALS

(REPEALED)

SECTION HISTORY
1977, c. 694, §712 (RP).

§4379. ADMINISTRATION; RULES

The administration of this chapter is vested in the State Tax Assessor. All forms necessary and proper for the enforcement of this chapter must be prescribed and furnished by the assessor. The assessor shall appoint any agents necessary for effecting the purpose of this chapter. The assessor may adopt rules to carry into effect this chapter. [1997, c. 458, §21 (AMD).]

SECTION HISTORY
1985, c. 785, §B169 (AMD). 1997, c. 458, §21 (AMD).

§4380. USE OF METERING MACHINES

(REPEALED)

SECTION HISTORY
1983, c. 828, §21 (AMD). 1997, c. 458, §22 (RP).

§4381. TAX CREDITED TO GENERAL FUND

The revenue derived from the tax imposed by this chapter shall be credited to the General Fund of the State.

§4382. TAX IS LEVY ON CONSUMER

The liability for, or the incidence of, the tax on cigarettes is declared to be a levy on the consumer. The distributors shall add the amount of the tax on cigarettes presently levied to the price of the cigarettes and the distributor may state the amount of the taxes separately from the price of such cigarettes on all price display signs, sales or delivery slips, bills and statements which advertise or indicate the price of such cigarettes. This section shall in no way affect the method of collection of such taxes on cigarettes as now provided by existing law.

§4383. DISTRIBUTOR RESPONSIBILITIES

(REPEALED)

SECTION HISTORY
2001, c. 322, §1 (NEW). 2003, c. 439, §3 (RP).

§4384. REPORTING AND PAYMENT OF TAX

A person who is not a licensed distributor who imports, receives or otherwise acquires unstamped cigarettes for use or consumption in the State in a quantity greater than 2 cartons in any one month from a person other than a licensed distributor shall file, on or before the last day of the month following each month in which unstamped cigarettes were acquired, a return on a form prescribed by the State Tax Assessor together with payment of the tax imposed by this chapter at the rate provided in section 4365. The return must report the number of unstamped cigarettes imported, received or otherwise acquired during the previous calendar month and additional information the assessor may require. [2007, c. 438, §100 (AMD).]

SECTION HISTORY
2003, c. 705, §7 (NEW). 2007, c. 438, §100 (AMD).

Chapter 704: TOBACCO PRODUCTS TAX

§4401. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [1985, c. 783, §16 (NEW).]

1. **Business.** "Business" means any trade, occupation, activity or enterprise engaged in for the purpose of selling or distributing tobacco products in this State.

[1985, c. 783, §16 (NEW) .]

1-A. **Delivery sale.** "Delivery sale" means a sale of tobacco products to a consumer in this State when:

A. The purchaser submits the order for the sale by means of telephonic or other electronic method of voice transmission, the Internet or a delivery service; or [2011, c. 285, §11 (NEW).]

B. The tobacco products are delivered by use of a delivery service. [2011, c. 285, §11 (NEW).]

[2011, c. 285, §11 (NEW) .]

2. **Distributor.** "Distributor" means a person engaged in the business of producing or manufacturing tobacco products in this State for sale in this State, a person engaged in the business of selling tobacco products in this State who brings, or causes to be brought, into this State any tobacco products for sale to a retailer, a person engaged in the business of selling tobacco products who ships or transports tobacco products to retailers for sale in this State, a retailer who imports, receives or acquires, from a person other than a licensed distributor, tobacco products for sale within the State or a person who makes delivery sales.

[2011, c. 285, §12 (AMD) .]

3. **Manufacturer.** "Manufacturer" means a person who manufactures and sells tobacco products.

[1985, c. 783, §16 (NEW) .]

4. **Place of business.** "Place of business" means any place where tobacco products are sold or where tobacco products are manufactured, stored, or kept for the purpose of sale or consumption, including any vessel, vehicle, airplane, train or vending machines.

[1985, c. 783, §16 (NEW) .]

5. **Retailer.** "Retailer" means any person engaged in the business of selling tobacco products to ultimate consumers.

[1985, c. 783, §16 (NEW) .]

6. **Retail outlet.** "Retail outlet" means a place of business from which tobacco products are sold to consumers. Vending machines shall be considered a retail outlet.

[1985, c. 783, §16 (NEW) .]

7. **Sale.** "Sale" means any transfer, exchange, barter or gift in any manner or by any means whatsoever, for a consideration. "Sale" includes a gift for advertising by a person engaged in the business of selling tobacco products.

[2005, c. 627, §2 (AMD) .]

8. **Subjobber.**

[2005, c. 627, §3 (RP) .]

9. **Tobacco products.** "Tobacco products" means cigars; cheroots; stogies; periques, granulated, plug cut, crimp cut, ready rubbed, and other smoking tobacco; snuff; snuff flour; cavendish; plug and twist tobacco; finecut and other chewing tobaccos; shorts; refuse scraps, clippings, cuttings and sweepings of tobacco; and other kinds and forms of tobacco, prepared in such manner as to be suitable for chewing or smoking in a pipe or otherwise, or both for chewing and smoking; but does not include tobacco products that are subject to the tax provided by chapter 703.

[2005, c. 627, §4 (AMD) .]

10. **Unclassified importer.**

[2005, c. 627, §5 (RP) .]

11. **Wholesale sales price.** "Wholesale sales price" means the price for which a manufacturer sells tobacco products to a distributor, exclusive of any discount or other reduction.

[2005, c. 627, §6 (AMD) .]

SECTION HISTORY
1985, c. 783, §16 (NEW). 2005, c. 627, §§1-6 (AMD). 2011, c. 285, §§11, 12 (AMD).

§4402. LICENSES

1. **Generally.** Every distributor shall obtain a license from the State Tax Assessor before engaging in business. A retailer required to be licensed as a distributor pursuant to this chapter must also hold a current retail tobacco license issued under Title 22, section 1551-A.

[2005, c. 627, §7 (NEW) .]

2. **Applications; forms.** Every license application must be made on a form prescribed by the assessor and must state the name and address of the applicant, the address of the applicant's principal place of business and such other information as the assessor may require for the proper administration of this chapter. A person outside the State who ships or transports tobacco products to a retailer in this State must make application as a distributor and be granted by the assessor a license subject to all the provisions of this chapter and agree, upon applying for a license, to submit that person's books, accounts and records to examination by the bureau during reasonable business hours and to accept service of process by mail when service is made in any proceeding involving enforcement of this chapter.

[2005, c. 627, §7 (NEW) .]

3. **Expiration and reissuance.** A license issued pursuant to this section expires on June 30th of each year unless sooner revoked by the assessor. The license must be prominently displayed on the premises covered by the license and may not be transferred to any other person.

[2005, c. 627, §7 (NEW) .]

4. **Penalties.** The following penalties apply to a violation of this section.

A. A distributor that imports into this State any tobacco product without holding a distributor's license issued by the assessor pursuant to this section commits a civil violation for which a fine of not less than $250 and not more than $500 must be adjudged. [2005, c. 627, §7 (NEW).]

B. A distributor that violates paragraph A after having been previously adjudicated as violating paragraph A commits a civil violation for which a fine of not less than $500 and not more than $1,000 must be adjudged for each subsequent violation. [2005, c. 627, §7 (NEW).]

C. A distributor that sells at wholesale or retail, offers for sale at wholesale or retail or possesses with intent to sell at wholesale or retail any tobacco product without holding a distributor's license issued by the assessor pursuant to this section commits a civil violation for which a fine of not less than $250 and not more than $500 must be adjudged. [2005, c. 627, §7 (NEW).]

D. A distributor that violates paragraph C after having been previously adjudicated as violating paragraph C commits a civil violation for which a fine of not less than $500 and not more than $1,000 must be adjudged for each subsequent violation. [2005, c. 627, §7 (NEW).]

[2005, c. 627, §7 (NEW) .]

5. **Revocation or suspension.** The assessor may revoke or suspend the license of any distributor for failure to comply with any provision of this chapter or if the person no longer imports or sells tobacco products. A person aggrieved by a revocation or suspension may request reconsideration as provided in section 151.

[2013, c. 331, Pt. C, §31 (AMD); 2013, c. 331, Pt. C, §41 (AFF) .]

6. **License directory maintained.** The assessor shall maintain a directory of distributors licensed pursuant to this chapter. The assessor shall update the directory as necessary, but not less than annually. Notwithstanding the provisions of section 191, the list must be available to the public and must be posted on a publicly accessible website maintained by the assessor. The directory must be mailed annually to all retailers at or near the time of renewal of a retail tobacco license issued under Title 22, section 1551-A.

[2005, c. 627, §7 (NEW) .]

7. **Notification.** A licensed distributor that does not renew or maintain a license, or that has its license suspended or revoked, shall inform in writing all its accounts in this State that it no longer holds a valid license under this section. The licensed distributor shall inform its accounts in this State within 10 business

days of the event giving rise to such notice. Notwithstanding the provisions of section 191, the assessor may publish the names of distributors that have not renewed or maintained a license or that have had a license suspended or revoked.

[2005, c. 627, §7 (NEW) .]

SECTION HISTORY
1985, c. 783, §16 (NEW). 1997, c. 526, §14 (AMD). 2001, c. 382, §1 (AMD). 2001, c. 526, §4 (AMD). 2003, c. 439, §4 (AMD). 2005, c. 627, §7 (RPR). 2013, c. 331, Pt. C, §31 (AMD). 2013, c. 331, Pt. C, §41 (AFF).

§4403. TAX ON TOBACCO PRODUCTS

1. **Smokeless tobacco.** A tax is imposed on smokeless tobacco, including chewing tobacco and snuff, at the rate of:

A. On amounts of smokeless tobacco packaged for sale to the consumer in a package that contains one ounce or more of smokeless tobacco, $2.02 per ounce and prorated; and [2009, c. 213, Pt. H, §1 (NEW); 2009, c. 213, Pt. H, §3 (AFF).]

B. On smokeless tobacco packaged for sale to the consumer in a package that contains less than one ounce of smokeless tobacco, $2.02 per package. [2009, c. 213, Pt. H, §1 (NEW); 2009, c. 213, Pt. H, §3 (AFF).]

[2009, c. 213, Pt. H, §3 (AFF); 2009, c. 213, Pt. H, §1 (RPR) .]

2. **Other tobacco.** A tax is imposed on cigars, pipe tobacco and other tobacco intended for smoking at the rate of 20% of the wholesale sales price beginning October 1, 2005.

[2005, c. 627, §8 (AMD) .]

3. **Imposition.** The tax is imposed at the time the distributor brings or causes to be brought into this State tobacco products that are for sale to consumers or to retailers or for use or at the time tobacco products are manufactured or fabricated in this State for sale in this State.

[2005, c. 627, §9 (AMD) .]

4. **Exclusion.** The tax imposed on tobacco products does not apply to those products exported from this State or to any tobacco products which under laws of the United States may not be subject to taxation by this State.

[1985, c. 783, §16 (NEW) .]

SECTION HISTORY
1985, c. 783, §16 (NEW). 1989, c. 588, §D4 (AMD). 2001, c. 382, §2 (AMD). 2005, c. 218, §48 (AMD). 2005, c. 457, §AA6 (AMD). 2005, c. 457, §AA8 (AFF). 2005, c. 627, §§8,9 (AMD). 2009, c. 213, Pt. H, §1 (AMD). 2009, c. 213, Pt. H, §3 (AFF).

§4404. RETURNS; PAYMENT OF TAX AND PENALTY

Every distributor subject to the licensing requirement of section 4402 shall file, on or before the last day of each month, a return on a form prescribed and furnished by the State Tax Assessor together with payment of the tax due under this chapter. The return must report all tobacco products held, purchased, manufactured, brought in or caused to be brought in from outside the State or shipped or transported to retailers within the

State during the preceding calendar month. Every distributor shall keep a complete and accurate record at its principal place of business to substantiate all receipts and sales of tobacco products. [2009, c. 213, Pt. H, §2 (AMD).]

Before July 1, 2012, the return must include further information as the assessor may prescribe and must show a credit for any tobacco products exempted as provided in section 4403. Records must be maintained to substantiate the exemption. Tax previously paid on tobacco products that are returned to a manufacturer because the product has become unfit for use, sale or consumption may be taken as a credit on a subsequent return upon receipt of the credit notice from the original supplier. [2011, c. 441, §3 (AMD).]

Beginning July 1, 2012, the return must include further information as the assessor may prescribe and must show a credit for any tobacco products exempted as provided in section 4403. Records must be maintained to substantiate the exemption. Tax previously paid on tobacco products that are returned to a manufacturer or a distributor because the product has become unfit for use, sale or consumption and for tobacco products that are returned to a distributor that are subsequently destroyed by the distributor may be taken as a credit on a subsequent return. The assessor may either witness the destruction of the product or may accept another form of proof that the product has been destroyed by the distributor or returned to the manufacturer. [2011, c. 441, §4 (NEW).]

A person who is not a distributor licensed pursuant to this chapter who imports, receives or otherwise acquires tobacco products for use or consumption in the State from a person other than a licensed distributor shall file, on or before the last day of the month following each month in which tobacco products were acquired, a return on a form prescribed by the assessor together with payment of the tax imposed by this chapter at the rate provided in section 4403. The return must report the quantity of tobacco products imported, received or otherwise acquired from a person other than a licensed distributor or retailer during the previous calendar month and additional information the assessor may require. [2005, c. 627, §10 (NEW).]

SECTION HISTORY
1985, c. 783, §16 (NEW). 1987, c. 497, §46 (AMD). 2001, c. 382, §3 (AMD). 2005, c. 627, §10 (AMD). 2007, c. 438, §§101,102 (AMD). 2009, c. 213, Pt. H, §2 (AMD). 2011, c. 441, §§ 3, 4 (AMD).

§4404-A. IMPORTATION OF TOBACCO PRODUCTS

1. **Generally.** Except as provided in subsections 2 and 3, only a person licensed pursuant to section 4402 may import tobacco products into this State.

[2005, c. 627, §11 (NEW) .]

2. **Manufacturers.** A manufacturer may transport tobacco products into this State and may transport tobacco products from place to place within this State in quantities greater than those excepted in subsection 3 for the purpose of marketing and sales if the sale or distribution of those tobacco products is accounted for and the taxes are paid by a person licensed pursuant to section 4402.

[2007, c. 466, Pt. A, §64 (AMD) .]

3. **Exception for personal use.** A person who is not a licensed distributor may:

A. Import or transport tobacco products other than cigars into this State and transport those tobacco products from place to place within this State for personal use in a quantity not greater than one pound; or [2007, c. 438, §103 (AMD).]

B. Import or transport cigars into this State and transport those cigars from place to place within this State for personal use in a quantity of no more than 125 cigars. [2005, c. 627, §11 (NEW).]

Untaxed tobacco products imported or transported into this State in any quantity are subject to the tax imposed by section 4403.

[2007, c. 438, §103 (AMD) .]

4. **Evidence.** The possession by a person who is not licensed pursuant to section 4402 of more than 125 cigars or one pound of other tobacco product for which the tax imposed by this chapter has not been paid is prima facie evidence of a violation of this section.

[2005, c. 627, §11 (NEW) .]

5. **Penalties.** The following penalties apply to violations of this section.

A. A person who violates this section commits a Class E crime. [2005, c. 627, §11 (NEW).]

B. A person who violates this section when the person has one or more prior convictions for violation of this section commits a Class D crime. Title 17-A, section 9-A governs the use of prior convictions when determining a sentence. [2005, c. 627, §11 (NEW).]

[2005, c. 627, §11 (NEW) .]

Violation of this section by a person other than a retailer is a strict liability crime as defined in Title 17-A, section 34, subsection 4-A. It is an affirmative defense to a prosecution under this section that a retailer, alleged to have imported tobacco products or caused tobacco products to be imported, reasonably relied on licensing information annually mailed to the retailer pursuant to section 4402, subsection 6 that listed the company from which the retailer obtained tobacco products as being a licensed distributor. [2005, c. 627, §11 (NEW).]

SECTION HISTORY
2005, c. 627, §11 (NEW). 2007, c. 438, §103 (AMD). 2007, c. 466, Pt. A, §64 (AMD).

§4404-B. SALES OF TOBACCO PRODUCTS IN CONTRAVENTION OF LAW

1. **Tobacco products.** A distributor may not offer for sale or sell tobacco products if the package containing the tobacco products:

A. Is subject to and does not comply with 15 United States Code, Section 4401, et seq., for the placement of labels, warnings or any other information for a package of tobacco products to be sold within the United States and 26 United States Code, Section 5723; [2005, c. 627, §11 (NEW).]

B. Is labeled "For Export Only," "U.S. Tax Exempt," "For Use Outside U.S." or with other wording indicating that the manufacturer did not intend that the product be sold in the United States; [2005, c. 627, §11 (NEW).]

C. Has been altered by adding or deleting wording, labels or warnings described in paragraphs A and B; [2005, c. 627, §11 (NEW).]

D. Has been imported into the United States in violation of 26 United States Code, Section 5754; or [2005, c. 627, §11 (NEW).]

E. In any way violates federal trademark or copyright laws. [2005, c. 627, §11 (NEW).]

[2005, c. 627, §11 (NEW) .]

2. **Shipment only to licensed retailers.** A distributor may not sell or offer to sell tobacco products to a retailer unless the retailer has provided documentation to the distributor that the retailer holds a current retail tobacco license issued under Title 22, section 1551-A.

[2005, c. 627, §11 (NEW) .]

3. **Deceptive practice.** A distributor that sells tobacco products described in subsection 1, with or without having paid the appropriate tax, commits an unfair or deceptive act or practice under the Maine Unfair Trade Practices Act.

[2005, c. 627, §11 (NEW) .]

4. **Penalties.** The following penalties apply to violations of this section.

A. A distributor that violates this section commits a Class E crime. [2005, c. 627, §11 (NEW).]

B. A distributor that violates this section when the distributor has one or more prior convictions for violation of this section commits a Class D crime. Title 17-A, section 9-A governs the use of prior convictions when determining a sentence. [2005, c. 627, §11 (NEW).]

[2005, c. 627, §11 (NEW) .]

Violation of this section is a strict liability crime as defined in Title 17-A, section 34, subsection 4-A. [2005, c. 627, §11 (NEW).]

SECTION HISTORY
2005, c. 627, §11 (NEW).

§4404-C. SEIZURE AND FORFEITURE OF CONTRABAND TOBACCO PRODUCTS

1. **Generally.** Except as provided in subsection 2, any tobacco products for which the tax imposed by this chapter has not been paid or tobacco products described in section 4404-B, subsection 1 that are found in this State are contraband goods subject to seizure by and forfeiture to the State. A law enforcement officer, including a contract officer pursuant to Title 22, section 1556-A, and a duly authorized agent of the State Tax Assessor may seize contraband tobacco products under the process described in subsection 3.

[2005, c. 627, §11 (NEW) .]

2. **Exceptions.** The following tobacco products are not subject to seizure:

A. Tobacco products in the possession of a licensed distributor or manufacturer for which the tax imposed by this chapter has not been paid; [2005, c. 627, §11 (NEW).]

B. Tobacco products for which the tax imposed by this chapter has not been paid that are in the course of transit from without the State and:

(1) Consigned to a licensed distributor; or

(2) In transit by common carrier or contract carrier. [2005, c. 627, §11 (NEW).]

C. Tobacco products in a quantity of no more than 125 cigars or one pound of other tobacco product in the possession of an individual who is not a licensed distributor for which the tax imposed by this chapter has not been paid. [2005, c. 627, §11 (NEW).]

Notwithstanding paragraphs A, B and C, tobacco products described in section 4404-B, subsection 1 are subject to seizure under the process described in subsection 3 unless the distributor can prove the tobacco products are to be exported out of the country.

[2005, c. 627, §11 (NEW) .]

3. **Procedure for seizure.** Contraband tobacco products may be seized by a law enforcement officer or duly authorized agent of the assessor who has probable cause to believe that the tobacco products are untaxed or are tobacco products described in section 4404-B, subsection 1 under the following circumstances:

A. When the tobacco products are discovered in a place where the law enforcement officer or agent has the lawful right to be in the performance of official duties; or [2005, c. 627, §11 (NEW).]

B. When the seizure is incident to a search under a valid search warrant or an inspection under a valid administrative inspection warrant. [2005, c. 627, §11 (NEW).]

[2005, c. 627, §11 (NEW) .]

4. **Procedure for forfeiture.** A petition for forfeiture must be filed as provided in this subsection.

A. A district attorney or an assistant district attorney, or the Attorney General or an assistant attorney general, may petition the District Court in the name of the State in the nature of a proceeding in rem to order the forfeiture of contraband tobacco products. [2005, c. 627, §11 (NEW).]

B. There may be no discovery other than under the Maine Rules of Civil Procedure, Rule 36 except by order of the court upon a showing of substantial need. An order permitting discovery must set forth in detail the areas in which substantial need has been shown and the extent to which discovery may take place. [2005, c. 627, §11 (NEW).]

C. A petition for forfeiture filed pursuant to this section must be accepted by the District Court without the assessment or payment of civil entry or filing fees otherwise provided for by rule of court. [2005, c. 627, §11 (NEW).]

[2005, c. 627, §11 (NEW) .]

5. **Jurisdiction and venue.** Tobacco products subject to forfeiture under this section must be declared forfeited by the District Court having jurisdiction over the tobacco products. Venue is in the location where the contraband tobacco products are seized or in Kennebec County.

[2005, c. 627, §11 (NEW) .]

6. **Type of action; burden of proof.** A proceeding instituted pursuant to this section is an in rem civil action. The State has the burden of proving all material facts by a preponderance of the evidence. The owner of the tobacco products or other person claiming the tobacco products has the burden of proving by a preponderance of the evidence one of the exceptions set forth in subsection 2.

[2005, c. 627, §11 (NEW) .]

7. **Hearings; disposition; deposit of funds.** At a hearing other than a default proceeding, the court shall hear evidence, make findings of fact, enter conclusions of law and file a final order to which the parties have the right of appeal. When tobacco products are ordered forfeited, the final order must provide for the disposition of the tobacco products by the assessor by public auction or by the State Purchasing Agent. Proceeds must be deposited in the General Fund. Tobacco products described in section 4404-B, subsection 1 must be destroyed by the assessor in a manner that prevents their reintroduction into the marketplace.

[2005, c. 627, §11 (NEW) .]

8. **Default proceedings.** Default proceedings must be held in the same manner as default proceedings in other civil actions, except that service of motions and affidavits related to the default proceedings need not be served upon any person who has not answered or otherwise defended in the action under this section.

[2005, c. 627, §11 (NEW) .]

SECTION HISTORY
2005, c. 627, §11 (NEW).

§4405. THE TAX ASSESSOR MAY ESTIMATE LIABILITY

(REPEALED)

SECTION HISTORY
1985, c. 783, §16 (NEW). 1987, c. 497, §47 (RP).

§4406. INSPECTION OF RECORDS; CIVIL ACTION FOR TAX

(REPEALED)

SECTION HISTORY
1985, c. 783, §16 (NEW). 1987, c. 497, §47 (RP).

§4407. APPEAL PROCEDURE

(REPEALED)

SECTION HISTORY
1985, c. 783, §16 (NEW). 1987, c. 497, §47 (RP).

§4408. PENALTIES; CIVIL ACTION FOR TAX

(REPEALED)

SECTION HISTORY
1985, c. 783, §16 (NEW). 1987, c. 497, §47 (RP).

§4409. CLAIMS

(REPEALED)

SECTION HISTORY
1985, c. 783, §16 (NEW). 1987, c. 497, §47 (RP).

Chapter 704-A: ILLEGAL DRUGS

§4421. DEFINITIONS

(REPEALED)

SECTION HISTORY
1987, c. 343, §9 (NEW). 1987, c. 772, §34 (RP).

§4422. ADMINISTRATION

(REPEALED)

SECTION HISTORY
1987, c. 343, §9 (NEW). 1987, c. 772, §34 (RP).

§4423. TAX PAYMENT REQUIRED FOR POSSESSION

(REPEALED)

SECTION HISTORY
1987, c. 343, §9 (NEW). 1987, c. 772, §34 (RP).

§4424. NO IMMUNITY

(REPEALED)

SECTION HISTORY
1987, c. 343, §9 (NEW). 1987, c. 772, §34 (RP).

§4425. PHARMACEUTICALS

(REPEALED)

SECTION HISTORY
1987, c. 343, §9 (NEW). 1987, c. 772, §34 (RP).

§4426. TAX RATE

(REPEALED)

SECTION HISTORY
1987, c. 343, §9 (NEW). 1987, c. 772, §34 (RP).

§4427. PENALTIES FOR VIOLATION

(REPEALED)

SECTION HISTORY
1987, c. 343, §9 (NEW). 1987, c. 772, §34 (RP).

§4428. STAMPS

(REPEALED)

SECTION HISTORY
1987, c. 343, §9 (NEW). 1987, c. 772, §34 (RP).

§4429. REPORTS

(REPEALED)

SECTION HISTORY
1987, c. 343, §9 (NEW). 1987, c. 772, §34 (RP).

§4430. PAYMENT DUE

(REPEALED)

SECTION HISTORY

1987, c. 343, §9 (NEW). 1987, c. 772, §34 (RP).

§4431. BURDEN OF PROOF

(REPEALED)

SECTION HISTORY
1987, c. 343, §9 (NEW). 1987, c. 772, §34 (RP).

§4432. CONFIDENTIALITY

(REPEALED)

SECTION HISTORY
1987, c. 343, §9 (NEW). 1987, c. 772, §34 (RP).

§4433. DEFINITIONS

(REPEALED)

SECTION HISTORY
1987, c. 772, §35 (NEW). 1991, c. 546, §29 (AMD). 1995, c. 281, §24 (RP).

§4434. TAX

(REPEALED)

SECTION HISTORY
1987, c. 772, §35 (NEW). 1991, c. 546, §30 (AMD). 1991, c. 780, §CC1 (AMD). 1995, c. 281, §24 (RP).

§4435. REPORT OF CONVICTION

(REPEALED)

SECTION HISTORY
1987, c. 772, §35 (NEW). 1991, c. 824, §B11 (AMD). 1995, c. 281, §24 (RP).

§4436. BURDEN OF PROOF

(REPEALED)

SECTION HISTORY
1987, c. 772, §35 (NEW). 1995, c. 281, §24 (RP).

Chapter 705: FERTILIZER TAX

§4441. STATEMENT AND RATE OF TAX

(REPEALED)

SECTION HISTORY
1971, c. 158, (AMD). 1979, c. 672, §A65 (AMD). 1995, c. 281, §24 (RP).

§4442. DISPOSITION OF FEES

(REPEALED)

SECTION HISTORY
1979, c. 672, §A66 (RPR). 1995, c. 281, §24 (RP).

§4443. CIVIL VIOLATION

(REPEALED)

SECTION HISTORY
1977, c. 696, §292 (RPR). 1995, c. 281, §24 (RP).

§4444. TONNAGE FILED WITH COMMISSIONER OF AGRICULTURE, FOOD AND RURAL RESOURCES

(REPEALED)

SECTION HISTORY
1995, c. 281, §24 (RP).

Chapter 706: MARINE WORM TAX

§4451. DEFINITIONS

(REPEALED)

SECTION HISTORY
1969, c. 461, (NEW). 1971, c. 287, §1 (RPR). 1977, c. 534, §3 (RP).

§4452. LICENSE

(REPEALED)

SECTION HISTORY
1969, c. 461, (NEW). 1977, c. 534, §3 (RP).

§4453. RATE OF TAX

(REPEALED)

SECTION HISTORY
1969, c. 461, (NEW). 1971, c. 287, §1 (RPR). 1977, c. 534, §3 (RP).

§4454. RECORDS AND REPORTS

(REPEALED)

SECTION HISTORY
1969, c. 461, (NEW). 1977, c. 534, §3 (RP).

§4455. FALSE RETURNS AND VIOLATIONS

(REPEALED)

SECTION HISTORY

1969, c. 461, (NEW). 1977, c. 534, §3 (RP).

§4456. PACKAGING AND LABELING

(REPEALED)

SECTION HISTORY
1969, c. 461, (NEW). 1971, c. 287, §1 (RPR). 1977, c. 534, §3 (RP).

§4457. APPROPRIATION OF MONEYS RECEIVED

(REPEALED)

SECTION HISTORY
1969, c. 461, (NEW). 1971, c. 287, §2 (AMD). 1977, c. 534, §3 (RP).

Chapter 707: MILK TAX

§4501. PURPOSE

(REPEALED)

SECTION HISTORY
1991, c. 376, §57 (RP).

§4502. DEFINITIONS

(REPEALED)

SECTION HISTORY
1979, c. 452, §1 (RPR). 1991, c. 376, §57 (RP).

§4503. MAINE DAIRY PROMOTION BOARD

(REPEALED)

SECTION HISTORY
1979, c. 452, §2 (RPR). 1983, c. 573, §5 (RPR). 1983, c. 812, §§273,274 (AMD). 1985, c. 785, §B170 (AMD). 1989, c. 503, §B168 (AMD). 1991, c. 376, §57 (RP).

§4503-A. POWERS AND DUTIES

(REPEALED)

SECTION HISTORY
1983, c. 573, §6 (NEW). 1991, c. 376, §57 (RP).

§4504. TAX ADDITIONAL TO OTHER TAXES

(REPEALED)

SECTION HISTORY
1981, c. 364, §50 (RP).

§4505. TAX

(REPEALED)

SECTION HISTORY
1967, c. 269, §1 (AMD). 1969, c. 213, §1 (AMD). 1979, c. 452, §3 (RPR). 1983, c. 573, §7 (RP).

§4506. DEALER MAY DEDUCT TAX FROM PURCHASE PRICE

(REPEALED)

SECTION HISTORY
1967, c. 269, §2 (AMD). 1969, c. 213, §2 (AMD). 1979, c. 452, §4 (RPR). 1983, c. 573, §8 (RP).

§4507. APPLICATIONS FOR CERTIFICATE; NO ACTIVITY UNTIL CERTIFICATE ISSUED

(REPEALED)

SECTION HISTORY
1977, c. 694, §713 (AMD). 1979, c. 452, §5 (AMD). 1983, c. 573, §9 (RP).

§4508. DETERMINATION OF TAX BY STATE TAX ASSESSOR

(REPEALED)

SECTION HISTORY
1979, c. 378, §30A (RP). 1979, c. 452, §5 (AMD). 1981, c. 470, §A160 (RP).

§4509. REPORTS; PAYMENT OF TAX

(REPEALED)

SECTION HISTORY
1967, c. 269, §3 (AMD). 1969, c. 213, §3 (AMD). 1979, c. 378, §30B (AMD). 1979, c. 452, §5 (AMD). 1981, c. 364, §51 (AMD). 1981, c. 470, §A161 (RPR). 1981, c. 698, §185 (RPR). 1983, c. 573, §10 (RP).

§4510. DELEGATION OF INVESTIGATING AUTHORITY

(REPEALED)

SECTION HISTORY
1979, c. 452, §5 (AMD). 1979, c. 731, §19 (AMD). 1981, c. 364, §52 (RPR). 1983, c. 573, §11 (RP).

§4511. APPROPRIATION OF MONEYS RECEIVED

(REPEALED)

SECTION HISTORY
1971, c. 594, §18 (AMD). 1979, c. 452, §§6,7 (AMD). 1979, c. 541, §A225 (AMD). 1991, c. 376, §57 (RP).

§4512. REVOCATION OF DEALER'S CERTIFICATE

(REPEALED)

SECTION HISTORY
1977, c. 679, §28 (AMD). 1977, c. 694, §714 (AMD). 1979, c. 452, §8 (AMD). 1981, c. 364, §53 (RPR). 1983, c. 573, §12 (RP).

Chapter 708: MAINE DAIRY AND NUTRITION COUNCIL TAX

§4521. PURPOSE

(REPEALED)

SECTION HISTORY
1975, c. 444, §6 (NEW). 1991, c. 376, §57 (RP).

§4522. DEFINITIONS

(REPEALED)

SECTION HISTORY
1975, c. 444, §6 (NEW). 1991, c. 376, §57 (RP).

§4523. ORGANIZATION

(REPEALED)

SECTION HISTORY
1975, c. 444, §6 (NEW). 1977, c. 564, §133 (AMD). 1983, c. 573, §13 (RPR). 1983, c. 812, §§275,276 (AMD). 1985, c. 785, §B171 (AMD). 1989, c. 410, §28 (AMD). 1989, c. 503, §B169 (AMD). 1991, c. 376, §57 (RP).

§4524. TAXES

(REPEALED)

SECTION HISTORY
1975, c. 444, §6 (NEW). 1983, c. 573, §14 (RP).

§4525. DEALER MAY DEDUCT TAX

(REPEALED)

SECTION HISTORY
1975, c. 444, §6 (NEW). 1983, c. 573, §14 (RP).

§4526. APPLICATION FOR CERTIFICATE; NO ACTIVITY UNTIL CERTIFICATE ISSUED

(REPEALED)

SECTION HISTORY
1975, c. 444, §6 (NEW). 1977, c. 694, §715 (AMD). 1983, c. 573, §15 (RP).

§4527. DETERMINATION OF TAX BY TAX ASSESSOR

(REPEALED)

SECTION HISTORY
1975, c. 444, §6 (NEW). 1979, c. 378, §31 (RP).

§4528. REPORTS; PAYMENT OF TAX

(REPEALED)

SECTION HISTORY
1975, c. 444, §6 (NEW). 1979, c. 378, §32 (AMD). 1981, c. 364, §54 (AMD). 1983, c. 573, §16 (RP).

§4529. DELEGATION OF INVESTIGATING AUTHORITY

(REPEALED)

SECTION HISTORY
1975, c. 444, §6 (NEW). 1979, c. 731, §19 (AMD). 1981, c. 364, §55 (RPR). 1983, c. 573, §17 (RP).

§4530. APPROPRIATION OF MONEYS RECEIVED

(REPEALED)

SECTION HISTORY
1975, c. 444, §6 (NEW). 1979, c. 541, §A226 (AMD). 1983, c. 573, §18 (RP).

§4531. REVOCATION OF DEALER'S CERTIFICATE

(REPEALED)

SECTION HISTORY
1975, c. 444, §6 (NEW). 1977, c. 679, §29 (AMD). 1977, c. 694, §716 (AMD). 1981, c. 364, §56 (RPR). 1983, c. 573, §19 (RP).

Chapter 708-A: MAINE DAIRY FARM STABILIZATION ACT

§4541. SHORT TITLE

(REPEALED)

SECTION HISTORY
1991, c. 526, §4 (NEW). 1995, c. 2, §4 (RP).

§4542. DEFINITIONS

(REPEALED)

SECTION HISTORY
1991, c. 526, §4 (NEW). 1993, c. 274, §3 (AMD). 1995, c. 2, §4 (RP).

§4543. MAINE DAIRY FARM STABILIZATION TAX

(REPEALED)

SECTION HISTORY
1991, c. 526, §4 (NEW). 1993, c. 274, §4 (AMD). 1993, c. 663, §4 (AMD). 1995, c. 2, §4 (RP).

§4544. MAINE DAIRY FARM STABILIZATION FUND

(REPEALED)

SECTION HISTORY
1991, c. 526, §4 (NEW). 1993, c. 274, §5 (AMD). 1993, c. 274, §6 (AFF). 1993, c. 663, §5 (AMD). 1995, c. 2, §4 (RP).

§4545. PENALTIES

(REPEALED)

SECTION HISTORY
1991, c. 526, §4 (NEW). 1995, c. 2, §4 (RP).

§4546. NONSEVERABILITY

(REPEALED)

SECTION HISTORY
1991, c. 526, §4 (NEW). 1995, c. 2, §4 (RP).

§4547. REPEAL

(REPEALED)

SECTION HISTORY
1991, c. 526, §4 (NEW). 1993, c. 104, §2 (RP).

Chapter 709: POTATO TAX

§4561. PURPOSE

(REPEALED)

SECTION HISTORY
1985, c. 753, §§3,15 (RP).

§4562. DEFINTIONS

(REPEALED)

SECTION HISTORY
1971, c. 428, §1 (RPR). 1975, c. 554, §1 (RPR). 1979, c. 541, §A227 (AMD). 1985, c. 753, §§4,15 (RP).

§4563. MAINE POTATO COMMISSION

(REPEALED)

SECTION HISTORY
1971, c. 428, §1 (RPR). 1971, c. 622, §128 (AMD). 1975, c. 554, §§2,3 (AMD). 1979, c. 672, §§A67,68 (AMD). 1983, c. 812, §§277,278 (AMD). 1985, c. 753, §§5,15 (RP). 1985, c. 785, §B172 (AMD). 1987, c. 402, §A187 (AMD).

§4563-A. POWERS AND DUTIES

(REPEALED)

SECTION HISTORY
1975, c. 554, §4 (NEW). 1977, c. 694, §717 (AMD). 1985, c. 753, §§6,15 (RP).

§4564. TAX AS ADDITIONAL

(REPEALED)

SECTION HISTORY
1981, c. 364, §57 (RP).

§4565. RATE OF TAX

(REPEALED)

SECTION HISTORY
1971, c. 428, §2 (RPR). 1975, c. 554, §5 (RPR). 1977, c. 651, (AMD). 1983, c. 766, §1 (AMD). 1985, c. 753, §§7,15 (RP).

§4566. DUE DATE

(REPEALED)

SECTION HISTORY
1985, c. 753, §§8,15 (RP).

§4567. APPLICATION; CERTIFICATE

(REPEALED)

SECTION HISTORY
1977, c. 694, §718 (AMD). 1985, c. 753, §§9,15 (RP).

§4568. TAX DEDUCTED FROM SELLING PRICE

(REPEALED)

SECTION HISTORY
1971, c. 428, §3 (RPR). 1975, c. 554, §6 (RPR). 1985, c. 753, §§10,15 (RP).

§4569. RECORDS AND REPORTS

(REPEALED)

SECTION HISTORY

1971, c. 428, §4 (AMD). 1975, c. 554, §6A (AMD). 1979, c. 378, §33 (AMD). 1981, c. 364, §58 (AMD). 1983, c. 766, §2 (AMD). 1985, c. 506, §A77 (AMD). 1985, c. 753, §§11,15 (RP).

§4570. INSPECTIONS

(REPEALED)

SECTION HISTORY
1985, c. 753, §§12,15 (RP).

§4571. APPROPRIATION OF MONEYS RECEIVED

(REPEALED)

SECTION HISTORY
1965, c. 307, (AMD). 1971, c. 428, §5 (RPR). 1975, c. 554, §7 (RPR). 1977, c. 653, §§1,2 (AMD). 1977, c. 696, §387 (AMD). 1979, c. 158, (AMD). 1983, c. 812, §279 (AMD). 1985, c. 753, §§13,15 (RP).

§4572. FALSE RETURNS; VIOLATION; CIVIL ACTION FOR COLLECTION

(REPEALED)

SECTION HISTORY
1977, c. 679, §30 (AMD). 1981, c. 364, §59 (RP).

Chapter 710: POTATO INDUSTRY

§4601. LEGISLATIVE FINDINGS AND PURPOSE

The Legislature finds that the potato industry is an essential component of the economic and social welfare of the State, particularly in portions of the State which are stressed by lack of other economic opportunities. Accordingly, the Legislature finds that special efforts by State Government are warranted in order to mobilize and improve the Maine potato industry. [1985, c. 753, §§ 14, 15 (NEW).]

The Legislature also finds that the current, highly fragmented organization of the Maine potato industry inhibits the type of effective leadership which is needed if that industry is to survive. The purpose of this chapter is to create a unified organizational structure, under the auspices of a state agency, to provide for the advancement of the Maine potato industry in the public interest and for the public good. Under this new organizational structure, all elements of the Maine potato industry will be represented and will work together under the leadership of a unified, public board to solve the problems facing the industry. [1985, c. 753, §§ 14, 15 (NEW).]

SECTION HISTORY
1985, c. 753, §§14,15 (NEW).

§4602. DEFINITIONS

As used in this chapter, unless the context indicates otherwise, the following terms have the following meanings. [1985, c. 753, §§14, 15 (NEW).]

1. **Board.** "Board" means the Maine Potato Board.

[1985, c. 753, §§14, 15 (NEW) .]

2. **Dealer.** "Dealer" means any person, defined as a dealer under Title 7, section 1012, who is licensed as a dealer under Title 7, section 1015.

[1985, c. 753, §§14, 15 (NEW) .]

3. **District.** "District" means each one of the geographical divisions of the State as follows:

A. District One: Cyr, Eagle Lake, Fort Kent, Fort Kent Mills, Frenchville, Grand Isle, Hamlin, Keegan, Lille, Madawaska, New Canada Plantation, New Sweden, Sinclair, Soldier Pond, St. Agatha, St. David, St. Francis, St. John, Stockholm, TR 17, Upper Frenchville, Van Buren, Wallagrass and Winterville; [2001, c. 164, §2 (RPR).]

B. District 2: Caribou, Caswell Plantation, Connor, Connor Township, Crouseville, Fort Fairfield, Limestone, Perham, Wade, Washburn, Westmanland and Woodland; [2001, c. 164, §2 (RPR).]

C. District 3: Ashland, Blaine, Bridgewater, Castle Hill, Chapman, E Plantation, Easton, Garfield Plantation, Mapleton, Mars Hill, Masardis, Nashville, Presque Isle, Robbinston and Westfield; [2001, c. 164, §2 (RPR).]

D. District 4: Amity, Benedicta, Cary Plantation, Crystal, Dyer Brook, Hammond Plantation, Hershey, Hodgdon, Houlton, Island Falls, Linneus, Littleton, Ludlow, Merrill, Monticello, New Limerick, Oakfield, Patten, Sherman and Sherman Mills; and [2001, c. 164, §2 (RPR).]

E. District 5: All remaining municipalities and townships in the State not included in Districts 1 to 4. [2001, c. 164, §2 (RPR).]

F. [2001, c. 164, §2 (RP).]

G. [2001, c. 164, §2 (RP).]

[2001, c. 164, §2 (RPR) .]

4. **Potatoes.** "Potatoes" means and includes all potatoes, whether graded or ungraded, including all potatoes sold for processing into food or animal feed.

[2005, c. 176, §1 (AMD) .]

5. **Processing grower.** "Processing grower" means any grower of potatoes destined for sale to a processor.

[1985, c. 753, §§14, 15 (NEW) .]

6. **Processor.** "Processor" means any person, defined as a processor under Title 7, section 1012, who is licensed as a processor under Title 7, section 1015.

[1985, c. 753, §§14, 15 (NEW) .]

7. **Seed grower.** "Seed grower" means any grower of potatoes destined for sale as seed.

[1985, c. 753, §§14, 15 (NEW) .]

8. **Shipment.** "Shipment" shall be deemed to take place when potatoes are located within the State in a car, boat, truck or other conveyance in which potatoes are to be transported.

[1985, c. 753, §§14, 15 (NEW) .]

9. **Shipper.** "Shipper" means any person engaged in the business of any of the following:

A. Agent or broker, by selling or distributing potatoes in commerce for or on behalf of growers or others, or by negotiating sales of potatoes in commerce for or on behalf of the seller or the purchaser, respectively; [1985, c. 753, §§14, 15 (NEW).]

B. Dealer; [1985, c. 753, §§14, 15 (NEW).]

C. Processor; [1985, c. 753, §§14, 15 (NEW).]

D. Grower, only when selling potatoes to anyone other than the parties set forth in paragraph A, B or C. [1985, c. 753, §§14, 15 (NEW).]

[1985, c. 753, §§14, 15 (NEW) .]

10. **Tablestock grower.** "Tablestock grower" means any grower of potatoes destined for fresh market sale.

[1985, c. 753, §§14, 15 (NEW) .]

SECTION HISTORY
1985, c. 753, §§14,15 (NEW). 1991, c. 190, (AMD). 2001, c. 164, §2 (AMD). 2005, c. 176, §1 (AMD).

§4603. MAINE POTATO BOARD

1. **Establishment.** The Maine Potato Board is a body corporate and politic and an incorporated public instrumentality of the State and the exercise of powers conferred by this Part is determined to be the performance of essential government functions. For the purposes of the budget, accounts and control, purchasing or other provisions of Title 5, Part 4, the board may not be construed to be a state agency. The board consists of 11 members who must be elected in accordance with the procedures set forth in this chapter and such additional procedures as the board may prescribe by rulemaking. Subject to such staggered terms as the board may provide by rule, board members shall serve 2-year terms, except that a board member may continue to serve until a successor is duly elected and qualified and that board members may not serve more than 3 consecutive terms.

[2011, c. 548, §22 (AMD) .]

2. **Assemblies.** Persons directly involved in the Maine potato industry shall be entitled to participate as members of an assembly as follows.

A. There are 5 assemblies of tablestock growers, one for each district. Subject to paragraph F, all tablestock growers in any district are entitled to membership in that district's tablestock growers' assembly. [2001, c. 164, §3 (AMD).]

B. There are 5 assemblies of seed growers, one for each district. Subject to paragraph F, all seed growers in any district are entitled to membership in that district's seed growers' assembly. [2001, c. 164, §3 (AMD).]

C. There are 5 assemblies of processing growers, one for each district. Subject to paragraph F, all processing growers in any district are entitled to membership in that district's processing growers' assembly. [2001, c. 164, §3 (AMD).]

D. There shall be one assembly of dealers statewide. Subject to paragraph F, all dealers shall be entitled to membership in this assembly. [1985, c. 753, §§14, 15 (NEW).]

E. There shall be one assembly of processors statewide. Subject to paragraph F, all processors shall be entitled to membership in this assembly. [1985, c. 753, §§14, 15 (NEW).]

F. Notwithstanding paragraphs A to E, no person, firm or corporation may be a member of more than one assembly. Any person, firm or corporation which qualifies for membership in an assembly shall annually declare, in accordance with procedures prescribed by the board, the assembly in which membership is sought. [1985, c. 753, §§14, 15 (NEW).]

[2001, c. 164, §3 (AMD) .]

3. **Election of assembly executive councils.** Pursuant to nomination and election procedures adopted by the board and under the supervision of the board, assemblies shall elect executive councils to serve as liaisons between the board and the respective assemblies and to carry out such other functions as the board may prescribe.

A. The executive council for the tablestock growers consists of 7 members, one elected by the tablestock growers' assembly for each district and 2 additional members appointed by the board. [2001, c. 164, §4 (AMD).]

B. The executive council for the seed growers consists of 7 members, one elected by the seed growers' assembly for each district and 2 additional members appointed by the board. [2001, c. 164, §4 (AMD).]

C. The executive council for the processing growers consists of 7 members, one elected by the processing growers' assembly for each district and 2 additional members appointed by the board. [2001, c. 164, §4 (AMD).]

D. The executive council for the dealers shall consist of 7 members elected by the dealers' assembly. [1985, c. 753, §§14, 15 (NEW).]

E. The executive council for the processors shall consist of 5 members elected by the processors' assembly. [1985, c. 753, §§14, 15 (NEW).]

[2001, c. 164, §4 (AMD) .]

4. **Terms of executive council membership.** Once elected, executive council members serve for 2 years, provided that the members may continue to serve until a successor is duly elected and qualified and that executive council members may not serve more than 5 consecutive terms. The members appointed by the board serve for staggered 2-year terms to be determined by the board.

[2001, c. 164, §5 (AMD) .]

5. **Meetings of executive councils and assemblies.** Executive councils shall annually elect officers, including a chair, vice-chair and secretary. Each executive council shall hold meetings from time to time, no less than once a year, upon call of the executive council chair, a majority of the executive council or the board. Each assembly shall hold meetings from time to time, no less than once a year, upon call of a majority of its executive council or upon call of the board, except that district assemblies of growers may hold these meetings jointly in statewide sessions or in concert with other assemblies or groups of assemblies. All meetings of assemblies and executive councils must be open to the public and otherwise in compliance with Title 1, chapter 13.

[2011, c. 7, §1 (AMD) .]

6. **Composition of the board.** The board consists of the following members:

A. Two members elected by the executive council of the tablestock growers' assemblies, except that no dealer may serve in this capacity; [2011, c. 7, §2 (AMD).]

B. Two members elected by the executive council of the seed growers' assemblies, except that no dealer may serve in this capacity; [2011, c. 7, §2 (AMD).]

C. Two members elected by the executive council of the processing growers' assemblies, except that no dealer may serve in this capacity; [2011, c. 7, §2 (AMD).]

D. One member elected by the executive council of the dealers' assembly; [2011, c. 7, §2 (AMD).]

E. Two members elected by the executive council of the processors' assembly; [2011, c. 7, §2 (AMD).]

F. The immediate past president of the board; and [2011, c. 7, §2 (NEW).]

G. One grower member elected at large from all growers. [2011, c. 7, §2 (NEW).]

In the event of the permanent disqualification or resignation of a board member, the executive council responsible for electing that member shall elect a replacement for the balance of the term remaining.

[2011, c. 7, §2 (AMD) .]

7. **Board officers and committees.** The board shall annually elect officers, including a president, vice-president, secretary and treasurer and such other officers as it deems necessary. The board may appoint committees from its membership and assign to each committee such tasks as it deems appropriate, subject to the regular oversight of the entire board.

[1985, c. 753, §§14, 15 (NEW) .]

8. **Board meetings.** A regular annual meeting of the board must be held on a date determined by the board. Other meetings, of which there must be at least 6 per year, may be held upon call of the chair or of a majority of the board or by vote of the board. A majority of the board's members constitutes a quorum at any board meeting. The vote of a majority of board members present constitutes the act of the board at a meeting where a quorum is present. All board meetings must be open to the public and must be in compliance with Title 1, chapter 13, except as otherwise provided in this chapter.

[2011, c. 7, §3 (AMD) .]

9. **Staff.** The board shall appoint an executive director who is the board's chief administrative officer and who serves at the pleasure of the board. The executive director shall employ such additional staff as the board directs and the staff serves at the pleasure of the executive director. Staff of the board is not subject to the Civil Service Law. The salary paid to the executive director and other staff of the board must be fixed by the board. The board may delegate to its staff the power to execute the board's policies and programs, subject to regular oversight of the board. After March 1, 1996, employees of the board may not be considered to be state employees for any purpose. For the purposes of the Maine Tort Claims Act, the board is a "governmental entity" and its employees are "employees" as those terms are defined in Title 14, section 8102.

[1995, c. 502, Pt. C, §15 (AMD) .]

10. **Compensation.** Board members and members of executive councils may be compensated and reimbursed for expenses in accordance with such guidelines as the board may establish.

[1995, c. 502, Pt. C, §16 (AMD) .]

11. **Transition.**

[2011, c. 548, §23 (RP) .]

12. **State employees for certain purposes.** Notwithstanding subsection 9, employees of the board, including employees hired after the effective date of this section, are state employees for the purposes of the state retirement provisions of Title 5, Part 20 and the state employee health insurance program under Title 5, chapter 13, subchapter II.

[1995, c. 702, §1 (NEW); 1995, c. 702, §4 (AFF) .]

SECTION HISTORY
1985, c. 753, §§14,15 (NEW). 1989, c. 503, §B170 (AMD). RR 1993, c. 1, §108 (COR). 1993, c. 561, §1 (AMD). 1995, c. 502, §§C14-16 (AMD). 1995, c. 702, §1 (AMD). 1995, c. 702, §4 (AFF). 2001, c. 164, §§3-5 (AMD). 2005, c. 176, §2 (AMD). 2011, c. 7, §§1-3 (AMD). 2011, c. 548, §§22, 23 (AMD).

§4604. POWERS AND DUTIES OF THE MAINE POTATO BOARD

In furtherance of the purposes of this chapter, the board shall have the following powers and duties. [1985, c. 753, §§14, 15 (NEW).]

1. **Bylaws.** The board may adopt bylaws to govern its functions and those of the assemblies and executive councils provided for in this chapter.

[1995, c. 502, Pt. C, §17 (AMD) .]

2. **Programs.** The board may make studies; undertake research, development and investment in infrastructure, marketing and promotional programs; publish and disseminate information; and implement other programs in furtherance of its legislative purposes, provided that programs undertaken by the board must be designed to benefit the Maine potato industry at large or segments of the industry, but may not be designed to benefit exclusively any one person or entity involved in the industry. The board shall carry out the duties, as set out in Title 7, article 4 and known as the "Maine Bag Program," and shall use any funds granted by the department to the board or obtained by the board from any other source for the Maine Bag Program to promote the sale of tablestock potatoes, except that revenues from the potato tax under section 4605 may not be used to undertake promotional activities of the board. The board may use funds derived from sources other than the potato tax to carry out advertising and promotional programs in support of the industry.

[2005, c. 176, §3 (AMD) .]

3. **Contracts.** The board may enter into contracts and agreements with private and public entities that the board finds are in furtherance of its legislative purposes. The contracts and agreements may include, without limitation, those relating to the lease or purchase of office space, facilities, property, equipment and supplies as the board considers necessary for its purposes. The board may delegate to its executive director the power to enter into the contracts and agreements, subject to the board's oversight.

[1995, c. 502, Pt. C, §17 (AMD) .]

4. **Funding; accounts.** In addition to the money received by the board pursuant to section 4606, the board may receive and expend funds from any source, public or private, that it considers necessary to carry out its legislative purposes. The board shall establish an account, known as the seed potato account, to receive and expend funds for carrying out the board’s responsibilities under Title 7, chapter 403.

[2009, c. 379, §6 (AMD) .]

5. **Books and records; confidentiality.** The board shall keep books, records and accounts of all its activities, which must be open to inspection and audit by the State at all times. The State Auditor may conduct an annual audit of the financial records of the board and shall report the results of the audit to the board, the

Commissioner of Agriculture, Conservation and Forestry, the Treasurer of State and the Legislature. All books and records of the board must be open to public inspection in accordance with Title 1, chapter 13, except that records and meetings of the board may by vote be closed to the public when public disclosure of the subject matter of the records or meetings would adversely affect the competitive position of the Maine potato industry or segments of the industry.

[2005, c. 176, §4 (AMD); 2011, c. 657, Pt. W, §6 (REV) .]

6. **Assemblies and executive councils.** The board shall oversee, communicate with and coordinate the work of assemblies and their executive councils. The board may make money available to enable the assemblies and executive councils to undertake functions in furtherance of this chapter, subject to the board's supervision.

[1985, c. 753, §§14, 15 (NEW) .]

SECTION HISTORY
1985, c. 753, §§14,15 (NEW). 1987, c. 99, §20 (AMD). 1995, c. 502, §C17 (AMD). 2005, c. 176, §§3,4 (AMD). 2009, c. 379, §6 (AMD). 2011, c. 657, Pt. W, §6 (REV).

§4605. POTATO TAX

1. **Rate.** A tax is levied and imposed at the rate of $.06 per hundredweight, effective September 1, 2011, on all potatoes grown in this State, except that no tax may be imposed on any potatoes that are retained by the grower to be used by the grower for seed purposes or for home consumption and no tax may be imposed on any potatoes received by a processor that are certified as unmerchantable by a federal state inspector.

[2011, c. 7, §4 (AMD) .]

2. **Tax as additional.** Any tax imposed and collected under this chapter shall be in addition to any other taxes imposed or collected under any other law of the State now or hereafter in force.

[1985, c. 753, §§ 14, 15 (NEW) .]

3. **Due date.** The tax shall be due upon any particular lot or quantity of potatoes as provided under subsection 6.

[1985, c. 753, §§ 14, 15 (NEW) .]

4. **Application; certificate.** Every shipper of potatoes shall file an application with the State Tax Assessor, on forms prescribed and furnished by him, which shall contain the name or names under which the shipper is transacting business within the State, the place or places of business and location or locations of loading and shipping places and agents of the shipper, the names and addresses of the several persons constituting a firm or partnership of the shipper and, if a corporation, the corporate name and the names and addresses of its principal officers and agents within the State. Upon receipt of a complete and valid application, the State Tax Assessor will issue a certificate to the shipper. No person may act as a shipper until that certificate is issued to him. The certificate shall not be deemed a license within the meaning of that term in the Maine Administrative Procedure Act, Title 5, chapter 375.

[1985, c. 753, §§ 14, 15 (NEW) .]

5. **Tax deducted from selling price.** A shipper who purchases, ships, receives, processes, handles or sells potatoes grown by another and pays, or becomes liable to pay, the tax imposed under this section shall charge and collect from the person from whom the potatoes were acquired an amount equal to 1/2 the rate of tax imposed under subsection 1, to be deducted or otherwise collected from the purchase price for all potatoes subject to the tax which are purchased, shipped, received, processed, handled or sold by the shipper.

[1985, c. 753, §§ 14, 15 (NEW) .]

6. **Records and reports.** Every shipper shall, on or before the last day of each month, report to the State Tax Assessor the quantity of potatoes received, sold or shipped by the shipper during the preceding calendar month and any additional information that the State Tax Assessor determines pertinent, on forms furnished by the State Tax Assessor. At the time of filing the report, each shipper shall pay to the State Tax Assessor a tax at the rate of $.06 per hundredweight upon all potatoes reported as purchased, sold or shipped, subject to subsection 1.

[2011, c. 7, §5 (AMD) .]

7. **Inspections.** The State Tax Assessor or his duly authorized agent may enter any place of business of any shipper or any car, boat, truck or other conveyance in which potatoes are to be transported and to inspect books and records of any shipper for the purpose of determining what potatoes are taxable under this chapter and for the purpose of verifying any statement or return made by any shipper. The State Tax Assessor may delegate all or part of that authority to agents of the board or of the Commissioner of Agriculture, Conservation and Forestry.

[1985, c. 753, §§ 14, 15 (NEW); 2011, c. 657, Pt. W, §6 (REV) .]

SECTION HISTORY
1985, c. 753, §§14,15 (NEW). 1991, c. 376, §58 (AMD). 2011, c. 7, §§4, 5 (AMD). 2011, c. 657, Pt. W, §6 (REV).

§4606. TRANSFERS OF MONEY RECEIVED

Money received by the Treasurer of State under this chapter, including all receipts of taxes levied under section 4605, must be transferred to the board in its capacity as an independent agency on a monthly basis and used for all activities of the board authorized under this chapter. The board shall pay a sum to the State Tax Assessor representing the actual cost incurred by the State in collecting the taxes, except that the sum paid to the State Tax Assessor for collecting taxes may not be greater than 5% of the total tax collected annually. Notwithstanding section 4603, subsection 1, money received by the Treasurer of State under this chapter, including all receipts of taxes levied under section 4605, must be allocated or appropriated to the board by the Legislature. [2005, c. 176, §5 (AMD).]

1. **Collection and enforcement.**

[1995, c. 502, Pt. C, §18 (RP) .]

2. **Board's activities.**

[1995, c. 502, Pt. C, §18 (RP) .]

Money received by the Treasurer of State under this chapter, including all receipts of taxes levied under section 4605, may be appropriated and used for a one-time only transfer of funds to the Seed Potato Board, established by Title 7, chapter 403, equal to the Seed Potato Board's budget deficit for the fiscal year ending June 30, 1991 or $40,000, whichever is less. [1991, c. 376, §59 (NEW).]

SECTION HISTORY

1985, c. 753, §§14,15 (NEW). 1991, c. 376, §59 (AMD). 1995, c. 502, §C18 (AMD). 1995, c. 702, §2 (AMD). 1995, c. 702, §4 (AFF). 2005, c. 176, §5 (AMD).

Chapter 711: QUAHOG TAX

§4631. PURPOSE

(REPEALED)

SECTION HISTORY
1973, c. 513, §22 (AMD). 1977, c. 661, §7 (RP).

§4632. DEFINITIONS

(REPEALED)

SECTION HISTORY
1973, c. 513, §2 (AMD). 1977, c. 661, §7 (RP).

§4633. TAX ON QUAHOGS

(REPEALED)

SECTION HISTORY
1977, c. 661, §7 (RP).

§4634. DETERMINATION OF TAX BY ASSESSOR

(REPEALED)

SECTION HISTORY
1977, c. 661, §7 (RP).

§4635. REPORT OF PURCHASES; WHEN TAX DUE

(REPEALED)

SECTION HISTORY
1977, c. 661, §7 (RP).

§4636. AUTHORITY TO INSPECT

(REPEALED)

SECTION HISTORY
1973, c. 513, §22 (AMD). 1977, c. 661, §7 (RP).

§4637. APPROPRIATION AND USE OF MONEYS RECEIVED

(REPEALED)

SECTION HISTORY
1977, c. 661, §7 (RP).

§4638. FALSE RETURNS; VIOLATIONS

(REPEALED)

SECTION HISTORY
1973, c. 513, §22 (AMD). 1977, c. 661, §7 (RP). 1977, c. 679, §31 (AMD). 1979, c. 127, §199 (RP).

Chapter 711-A: REAL ESTATE TRANSFERS

§4641. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following words shall have the following meanings: [1975, c. 572, §1 (NEW).]

1. **Consideration.** "Consideration" means the total price or amount paid, or required to be paid, for real property valued in money, whether received in money or otherwise and includes the amount of any mortgages, liens or encumbrances thereon, regardless of whether the underlying indebtedness is assumed by the grantee.

[1993, c. 398, §1 (AMD) .]

1-A. **Controlling interest.** "Controlling interest" means the following.

A. In the case of a corporation, "controlling interest" means more than 50% of the total combined voting power of all classes of stock of the corporation entitled to vote or more than 50% of the capital, profits or beneficial interest in the voting stock of the corporation. [2003, c. 391, §2 (AMD).]

B. In the case of a partnership, association, trust or other entity, "controlling interest" means more than 50% of the capital, profits or beneficial interest in the partnership, association, trust or other entity. [2003, c. 391, §2 (AMD).]

C. For purposes of the tax imposed by section 4641-A, subsection 2, all acquisitions of persons acting in concert are aggregated for purposes of determining whether a transfer or acquisition of a controlling interest has taken place. The State Tax Assessor shall adopt standards by rule to determine when persons are acting in concert. Rules adopted pursuant to this paragraph are routine technical rules as defined in Title 5, chapter 375, subchapter II-A. In adopting a rule for this purpose, the assessor shall consider the following:

(1) Persons must be treated as acting in concert when they have a relationship with each other such that one person influences or controls the actions of another through common ownership; and

(2) When persons are not commonly owned or controlled, they must be treated as acting in concert only when the unity with which the purchasers have negotiated and will consummate the transfer of ownership interests supports a finding that they are acting as a single entity. If the acquisitions are completely independent, with each purchaser buying without regard to the identity of the other purchasers, the acquisitions must be considered separate acquisitions. [2001, c. 559, Pt. I, §1 (NEW); 2001, c. 559, Pt. I, §15 (AFF).]

[2003, c. 391, §2 (AMD) .]

2. **Deed.** "Deed" means a written instrument whereby the grantor conveys to the grantee title in whole or in part to real property.

[1975, c. 572, §1 (NEW) .]

2-A. **Real property.** "Real property" means land or anything affixed to land. "Real property" includes, but is not limited to, improvements such as buildings, mobile homes other than stock-in-trade, lines of electric light and power companies and pipelines and other things constructed or situated on land when the owner of the improvements is not the landowner.

[2001, c. 559, Pt. I, §1 (NEW); 2001, c. 559, Pt. I, §15 (AFF) .]

3. **Value.** "Value" means the amount of the actual consideration for real property, except that in the case of a gift, or a contract or deed with nominal consideration or without stated consideration, or in the case of the transfer of a controlling interest in an entity with a fee interest in real property when the consideration for the real property cannot be determined, "value" is to be based on the estimated price a property will bring in the open market and under prevailing market conditions in a sale between a willing seller and a willing buyer, both conversant with the property and with prevailing general price levels.

"Value" does not include the amount of consideration attributable to vacation exchange rights, vacation services or club memberships or the costs associated with those rights, services or memberships. Upon request of a municipal assessor or the State Tax Assessor, a developer of a time-share estate, as defined in Title 33, section 591, subsection 7, or an association of time-share estate owners shall provide an itemized schedule of fees included in the sales price of a time-share estate.

[2001, c. 559, Pt. I, §2 (AMD); 2001, c. 559, Pt. I, §15 (AFF) .]

SECTION HISTORY
P&SL 1967, c. 154, §H (NEW). 1967, c. 537, §2 (RP). 1975, c. 572, §1 (NEW). 1993, c. 398, §1 (AMD). 1999, c. 478, §3 (AMD). 2001, c. 559, §§I1,2 (AMD). 2001, c. 559, §I15 (AFF). 2003, c. 391, §2 (AMD).

§4641-A. RATE OF TAX; LIABILITY FOR TAX

1. **Deeds.** A tax is imposed on each deed by which any real property in this State is transferred.

A. The rate of the tax is $2.20 for each $500 or fractional part of $500 of the value of the property transferred. [2001, c. 559, Pt. I, §3 (NEW); 2001, c. 559, Pt. I, §15 (AFF).]

B. The tax is imposed 1/2 on the grantor and 1/2 on the grantee. [2001, c. 559, Pt. I, §3 (NEW); 2001, c. 559, Pt. I, §15 (AFF).]

[2001, c. 559, Pt. I, §3 (NEW); 2001, c. 559, Pt. I, §15 (AFF) .]

2. **Transfer of direct or indirect controlling interest in entity with interest in real property.** A tax is imposed on the transfer or acquisition within any 12-month period of a direct or indirect controlling interest in any entity with a fee interest in real property in this State.

A. The rate of the tax is $2.20 for each $500 or fractional part of $500 of the value of the real property owned by the entity and located in this State. [2001, c. 559, Pt. I, §3 (NEW); 2001, c. 559, Pt. I, §15 (AFF).]

B. The tax is imposed 1/2 on the transferor and 1/2 on the transferee, but if the transfer or acquisition is not reported to the register of deeds in the county or counties in which the property is located and the tax is not paid within 30 days of the completion of the transfer or acquisition, the transferor and the transferee are jointly and severally liable for the full amount. [2001, c. 559, Pt. I, §3 (NEW); 2001, c. 559, Pt. I, §15 (AFF).]

C. If a controlling interest is acquired by a series of transfers, each transferor is liable for its proportional share of tax based on the value of the property on the date of the sale. [2001, c. 559, Pt. I, §3 (NEW); 2001, c. 559, Pt. I, §15 (AFF).]

[2001, c. 559, Pt. I, §3 (NEW); 2001, c. 559, Pt. I, §15 (AFF) .]

SECTION HISTORY
1975, c. 572, §1 (NEW). 1983, c. 859, §§M9,M13 (AMD). 1985, c. 381, §1 (AMD). 1993, c. 398, §2 (RPR). 2001, c. 559, §I15 (AFF). 2001, c. 559, §I3 (RPR).

§4641-B. COLLECTION

1. **Transfer of real property by deed.** The State Tax Assessor shall provide for the collection of the tax on the transfer of real property by deed by each register of deeds. When any deed is offered for recordation, the register of deeds shall ascertain and compute the amount of tax due on the deed and shall collect that amount. The amount of tax must be computed on the value of the property as set forth in the declaration of value prescribed by section 4641-D. Payment of tax must be evidenced by affixing an indicium of payment prescribed by the assessor to the declaration of value provided for in section 4641-D.

[2007, c. 627, §82 (AMD) .]

2. **Transfer or acquisition of controlling interest in entity with fee interest in real property.** A person transferring or acquiring a controlling interest in an entity with a fee interest in real property for which a deed is not given shall report the transfer or acquisition to the register of deeds in the county or counties in which the real property is located within 30 days of the transfer or acquisition on a return in the form of an affidavit furnished by the State Tax Assessor. The return must be signed by both the transferor and the transferee and accompanied by payment of the tax due. When the real property is located in more than one county, the tax must be divided among the counties in the same proportion in which the real property is distributed among the counties. Disputes between 2 or more counties as to the proper amount of tax due to them as a result of a particular transaction must be decided by the State Tax Assessor upon the written petition of an official authorized to act on behalf of any such county.

[2001, c. 559, Pt. I, §4 (NEW); 2001, c. 559, Pt. I, §15 (AFF) .]

3. **Disposition of funds.** Each register of deeds shall, on or before the 10th day of each month, pay over to the State Tax Assessor 90% of the tax collected pursuant to this section during the previous month. The remaining 10% must be retained for the county by the register of deeds and accounted for to the county treasurer as reimbursement for services rendered by the county in collecting the tax. If the tax collected is not paid over by the 10th day of the month, the State Tax Assessor may impose interest pursuant to section 186.

[2001, c. 559, Pt. I, §4 (NEW); 2001, c. 559, Pt. I, §15 (AFF) .]

4. **Distribution of State's share of proceeds.**

[2009, c. 372, Pt. E, §2 (RP) .]

4-A. **Distribution of State's share of proceeds.**

[2011, c. 453, §5 (RP) .]

4-B. **Distribution of State's share of proceeds.** The State Tax Assessor shall pay all net receipts received pursuant to this section to the Treasurer of State and shall at the same time provide the Treasurer of State with documentation showing the amount of revenues derived from the tax imposed by section 4641-A, subsection 1 and the amount of revenues derived from the tax imposed by section 4641-A, subsection 2.

A. In fiscal year 2011-12, the Treasurer of State shall credit the revenues derived from the tax imposed pursuant to section 4641-A, subsection 1 in accordance with this paragraph.

(1) At the beginning of the fiscal year, the Maine State Housing Authority shall certify to the Treasurer of State the amount that is necessary and sufficient to meet the authority's obligations relating to bonds issued or planned to be issued by the authority under Title 30-A, section 4864.

(2) On a monthly basis the Treasurer of State shall apply 50% of the revenues in accordance with this subparagraph. The Treasurer of State shall first pay revenues available under this subparagraph to the Maine State Housing Authority, which shall deposit the funds in the Maine Energy, Housing and Economic Recovery Fund established in Title 30-A, section 4863, until the amount paid equals the amount certified by the Maine State Housing Authority under subparagraph (1), after which the Treasurer of State shall credit any remaining revenues available under this subparagraph to the General Fund.

(3) On a monthly basis the Treasurer of State shall apply 50% of the revenues in accordance with this subparagraph. The Treasurer of State shall first credit $3,830,000 of the revenues available under this subparagraph to the General Fund, after which the Treasurer of State shall pay any remaining revenues available under this subparagraph to the Maine State Housing Authority, which shall deposit the funds in the Housing Opportunities for Maine Fund created in Title 30-A, section 4853. [2011, c. 453, §6 (NEW).]

B. In fiscal year 2012-13, the Treasurer of State shall credit the revenues derived from the tax imposed pursuant to section 4641-A, subsection 1 in accordance with this paragraph.

(1) At the beginning of the fiscal year, the Maine State Housing Authority shall certify to the Treasurer of State the amount that is necessary and sufficient to meet the authority's obligations relating to bonds issued or planned to be issued by the authority under Title 30-A, section 4864.

(2) On a monthly basis the Treasurer of State shall apply 50% of the revenues in accordance with this subparagraph. The Treasurer of State shall first pay revenues available under this subparagraph to the Maine State Housing Authority, which shall deposit the funds in the Maine Energy, Housing and Economic Recovery Fund established in Title 30-A, section 4863, until the amount paid equals the amount certified by the Maine State Housing Authority under subparagraph (1), after which the Treasurer of State shall credit any remaining revenues available under this subparagraph to the General Fund.

(3) On a monthly basis the Treasurer of State shall apply 50% of the revenues in accordance with this subparagraph. The Treasurer of State shall first credit $300,000 of the revenues available under this subparagraph to the Department of Health and Human Services, Medical Care - Payments to Providers, Other Special Revenue Funds account and $3,950,000 of the revenues available under this subparagraph to the General Fund, after which the Treasurer of State shall pay any remaining revenues available under this subparagraph to the Maine State Housing Authority, which shall deposit the funds in the Housing Opportunities for Maine Fund created in Title 30-A, section 4853. [2011, c. 477, Pt. P, §1 (AMD).]

C. In fiscal year 2013-14, the Treasurer of State shall credit the revenues derived from the tax imposed pursuant to section 4641-A, subsection 1 in accordance with this paragraph.

(1) At the beginning of the fiscal year, the Maine State Housing Authority shall certify to the Treasurer of State the amount that is necessary and sufficient to meet the authority's obligations relating to bonds issued or planned to be issued by the authority under Title 30-A, section 4864.

(2) On a monthly basis the Treasurer of State shall apply 50% of the revenues in accordance with this subparagraph. The Treasurer of State shall first pay revenues available under this subparagraph to the Maine State Housing Authority, which shall deposit the funds in the Maine Energy, Housing and Economic Recovery Fund established in Title 30-A, section 4863, until the amount paid equals the amount certified by the Maine State Housing Authority under subparagraph (1), after which the Treasurer of State shall credit any remaining revenues available under this subparagraph to the General Fund.

(3) On a monthly basis the Treasurer of State shall apply 50% of the revenues in accordance with this subparagraph. The Treasurer of State shall first credit $2,710,964 of the revenues available under this subparagraph to the General Fund, after which the Treasurer of State shall pay any remaining revenues available under this subparagraph to the Maine State Housing Authority, which shall deposit the funds in the Housing Opportunities for Maine Fund created in Title 30-A, section 4853. [2013, c. 502, Pt. T, §1 (AMD).]

D. In fiscal year 2014-15, the Treasurer of State shall credit the revenues derived from the tax imposed pursuant to section 4641-A, subsection 1 in accordance with this paragraph.

(1) At the beginning of the fiscal year, the Maine State Housing Authority shall certify to the Treasurer of State the amount that is necessary and sufficient to meet the authority's obligations relating to bonds issued or planned to be issued by the authority under Title 30-A, section 4864.

(2) On a monthly basis the Treasurer of State shall apply 50% of the revenues in accordance with this subparagraph. The Treasurer of State shall first pay revenues available under this subparagraph to the Maine State Housing Authority, which shall deposit the funds in the Maine Energy, Housing and Economic Recovery Fund established in Title 30-A, section 4863, until the amount paid equals the amount certified by the Maine State Housing Authority under subparagraph (1), after which the Treasurer of State shall credit any remaining revenues available under this subparagraph to the General Fund.

(3) On a monthly basis the Treasurer of State shall apply 50% of the revenues in accordance with this subparagraph. The Treasurer of State shall first credit $5,038,104 of the revenues available under this subparagraph to the General Fund, after which the Treasurer of State shall pay any remaining revenues available under this subparagraph to the Maine State Housing Authority, which shall deposit the funds in the Housing Opportunities for Maine Fund created in Title 30-A, section 4853. [2013, c. 595, Pt. V, §1 (AMD).]

E. In fiscal year 2015-16 and each fiscal year thereafter, the Treasurer of State shall credit the revenues derived from the tax imposed pursuant to section 4641-A, subsection 1 in accordance with this paragraph.

(1) At the beginning of the fiscal year, the Maine State Housing Authority shall certify to the Treasurer of State the amount that is necessary and sufficient to meet the authority's obligations relating to bonds issued or planned to be issued by the authority under Title 30-A, section 4864.

(2) On a monthly basis the Treasurer of State shall apply 50% of the revenues in accordance with this subparagraph. The Treasurer of State shall first pay revenues available under this subparagraph to the Maine State Housing Authority, which shall deposit the funds in the Maine Energy, Housing and Economic Recovery Fund established in Title 30-A, section 4863, until the amount paid equals the amount certified by the Maine State Housing Authority under subparagraph (1), after which the Treasurer of State shall credit any remaining revenues available under this subparagraph to the General Fund.

(3) On a monthly basis, the Treasurer of State shall credit 50% of the revenues to the Maine State Housing Authority, which shall deposit the funds in the Housing Opportunities for Maine Fund created in Title 30-A, section 4853. [2011, c. 453, §6 (NEW).]

F. Neither the Governor nor the Legislature may divert the revenues payable to the Housing Opportunities for Maine Fund to any other fund or for any other use. Any proposal to enact or amend a law to allow distribution of less than 1/2 of the revenues derived from the tax imposed by section 4641-

A, subsection 1 to the Housing Opportunities for Maine Fund established in Title 30-A, section 4853, as adjusted under this subsection, must be submitted to the Legislative Council and to the joint standing committee of the Legislature having jurisdiction over affordable housing matters at least 30 days prior to any vote or public hearing on the proposal. [2011, c. 453, §6 (NEW).]

G. The Treasurer of State shall credit to the General Fund all of the revenues derived from the tax imposed by section 4641-A, subsection 2. [2011, c. 453, §6 (NEW).]

[2013, c. 502, Pt. T, §1 (AMD); 2013, c. 595, Pt. V, §1 (AMD) .]

5. **Dispute regarding amount.** In the event of a dispute as to the correct amount of tax, the individual seeking to record the deed may request that the State Tax Assessor determine the correct amount of tax to be paid in order for the deed to be recorded.

[2001, c. 559, Pt. I, §4 (NEW); 2001, c. 559, Pt. I, §15 (AFF) .]

6. **Transfer of tax on deeds of foreclosure or in lieu of foreclosure.** Notwithstanding subsection 4-B, the State Tax Assessor shall monthly pay to the Department of Professional and Financial Regulation, Bureau of Consumer Credit Protection the revenues derived from the tax imposed on the transfer of real property described in section 4641-C, subsection 2, paragraphs A and C.

[2013, c. 521, Pt. A, §1 (AMD) .]

7. **Assignment of rights in or connected with foreclosed real property.** A person assigning rights in or connected with title to foreclosed real property for which a deed is not given, including rights as high bidder at the public sale pursuant to Title 14, section 6323, shall report the assignment to the register of deeds in the county or counties in which the real property is located within 30 days of the assignment on a return in the form of an affidavit furnished by the State Tax Assessor. The State Tax Assessor shall provide for the collection of the tax in the same manner as in subsection 1 as if the assignment were a transfer of real property by deed. The return must be signed by both the transferor and the transferee and accompanied by payment of the tax due. When the real property is located in more than one county, the tax must be divided among the counties in the same proportion in which the real property is distributed among the counties. Disputes between 2 or more counties as to the proper amount of tax due to them as a result of a particular transaction must be decided by the State Tax Assessor upon the written petition of an official authorized to act on behalf of any such county. This subsection applies to assignments made during the time between the judgment of foreclosure and the transfer of the foreclosed real property by deed.

[2013, c. 521, Pt. A, §2 (NEW) .]

SECTION HISTORY
1975, c. 572, §1 (NEW). 1981, c. 364, §60 (AMD). 1983, c. 859, §§M10,M13 (AMD). 1985, c. 381, §2 (AMD). 1987, c. 737, §§C83,C106 (AMD). 1989, c. 6, (AMD). 1989, c. 9, §2 (AMD). 1989, c. 104, §§C8,C10 (AMD). RR 1991, c. 2, §135 (COR). 1991, c. 528, §P16 (AMD). 1991, c. 528, §RRR (AFF). 1991, c. 591, §P16 (AMD). 1991, c. 622, §K9 (AMD). 1991, c. 622, §K10 (AFF). 1993, c. 6, §D2 (AMD). 1993, c. 6, §D5 (AFF). 1993, c. 398, §3 (AMD). 1993, c. 410, §C5 (AMD). 1995, c. 368, §K4 (AMD). 1997, c. 24, §C7 (AMD). 1997, c. 504, §9 (AMD). 1997, c. 759, §1 (AMD). 1997, c. 759, §2 (AFF). 2001, c. 439, §XXX2 (AMD). 2001, c. 559, §I15 (AFF). 2001, c. 559, §I4 (RPR). 2003, c. 20, §V1 (AMD). 2005, c. 12, §H1 (AMD). 2005, c. 644, §4 (AMD). 2007, c. 240, Pt. H, §1 (AMD). 2007, c. 427, §1 (AMD). 2007, c. 539, Pt. WW, §2 (AMD). 2007, c. 627, §82 (AMD). 2009, c. 372, Pt. E, §§2, 3 (AMD). 2009, c. 402,

§21 (AMD). 2011, c. 453, §§5, 6 (AMD). 2011, c. 477, Pt. P, §1 (AMD). 2013, c. 368, Pt. U, §1 (AMD). 2013, c. 502, Pt. T, §1 (AMD). 2013, c. 521, Pt. A, §§1,2 (AMD). 2013, c. 595, Pt. V, §1 (AMD).

§4641-C. EXEMPTIONS

The following are exempt from the tax imposed by this chapter: [2001, c. 559, Pt. I, §5 (AMD); 2001, c. 559, Pt. I, §15 (AFF).]

1. **Governmental entities.** Deeds to property transferred to or by the United States, the State of Maine or any of their instrumentalities, agencies or subdivisions. For the purposes of this subsection, only the United States, the State of Maine and their instrumentalities, agencies and subdivisions are exempt from the tax imposed by section 4641-A; except that real property transferred to the Department of Transportation or the Maine Turnpike Authority for transportation purposes; gifts of real property to governmental entities; and deeds transferring real property to governmental entities from a bona fide nonprofit land conservation organization are exempt from the tax;

[1997, c. 504, §10 (AMD) .]

2. **Mortgage deeds, deeds of foreclosure and deeds in lieu of foreclosure.** Mortgage deeds, discharges of mortgage deeds and partial releases of mortgage deeds.

A. For the purposes of this subsection, only the mortgagor is exempt from the tax imposed for a deed in lieu of foreclosure. [2013, c. 521, Pt. A, §3 (NEW).]

B. In the event of a transfer, by deed, assignment or otherwise, to a 3rd party at a public sale held pursuant to Title 14, section 6323, the tax imposed upon the grantor by section 4641-A applies only to that portion of the proceeds of the sale that exceeds the sums required to satisfy in full the claims of the mortgagee and all junior claimants originally made parties in interest in the proceedings or having subsequently intervened in the proceedings as established by the judgment of foreclosure and sale. The tax must be deducted from the excess proceeds. [2013, c. 521, Pt. A, §3 (NEW).]

C. In the event of a transfer, by deed, assignment or otherwise, from a mortgagee or its servicer to the mortgagee or its servicer or to the owner of the mortgage debt at a public sale held pursuant to Title 14, section 6323, the mortgagee or its servicer if the servicer is the selling entity is considered to be both the grantor and grantee for purposes of section 4641-A. [2013, c. 521, Pt. A, §3 (NEW).]

D. In the event of a deed in lieu of foreclosure and a deed from a mortgagee or its servicer to the mortgagee or its servicer or to the owner of the mortgage debt at a public sale held pursuant to Title 14, section 6323, the tax applies to the value of the property. [2013, c. 521, Pt. A, §3 (NEW).]

For the purposes of this subsection, "servicer" means a person or entity that acts on behalf of the owner of a mortgage debt to provide services related to the mortgage debt, including accepting and crediting payments from the mortgagor, issuing statements and notices to the mortgagor, enforcing rights of the owner of a mortgage debt and initiating and pursuing foreclosure proceedings;

[2013, c. 521, Pt. A, §3 (RPR) .]

3. **Deeds affecting a previous deed.** Deeds that, without additional consideration and without changing ownership or ownership interest, confirm, correct, modify or supplement a deed previously recorded;

[1997, c. 504, §11 (AMD) .]

4. **Deeds between certain family members.** Deeds between husband and wife, parent and child or grandparent and grandchild, without actual consideration for the deed, and deeds between spouses in divorce proceedings;

[2005, c. 519, Pt. SSS, §1 (AMD); 2005, c. 519, Pt. SSS, §2 (AFF) .]

5. **Tax deeds.** Tax deeds;

[1977, c. 318, §1 (NEW) .]

6. **Deeds of partition.** Deeds of partition when the interest conveyed is without consideration. However, if any of the parties take shares greater in value than their undivided interest, a tax is due on the difference between their proportional undivided interest and the greater value, computed at the rate set forth in section 4641-A;

[1993, c. 398, §4 (AMD) .]

7. **Deeds pursuant to mergers or consolidations.** Deeds made pursuant to mergers or consolidations of business entities, from which no gain or loss is recognized under the Code. For purposes of this subsection, "business entity" means an association or legal entity organized to conduct business, including, without limitation, a domestic or foreign corporation, a limited partnership, a general partnership, a limited liability partnership, a limited liability company, a joint venture, a joint stock company or a business trust;

[2009, c. 361, §26 (AMD); 2009, c. 361, §37 (AFF) .]

8. **Deeds by subsidiary corporation.** Deeds made by a subsidiary corporation to its parent corporation for no consideration other than the cancellation or surrender of the subsidiary's stock;

[1981, c. 148, §1 (AMD) .]

9. **Deeds prior to October 1, 1975.** Deeds dated or acknowledged prior to October 1, 1975, and offered for recording subsequent to that date;

[1993, c. 398, §4 (AMD) .]

10. **Deeds by parent corporation.** Deeds made by a parent corporation to its subsidiary corporation for no consideration other than shares of stock of the subsidiary corporation;

[1993, c. 398, §4 (AMD) .]

11. **Deeds of distribution.** Deeds of distribution made pursuant to Title 18-A or Title 18-B;

[2005, c. 397, Pt. C, §21 (AMD); 2005, c. 397, Pt. C, §22 (AFF) .]

12. **Deeds executed by public officials.** Deeds executed by public officials in the performance of their official duties;

[1993, c. 398, §4 (NEW) .]

13. **Deeds of foreclosure and in lieu of foreclosure.**

[2009, c. 402, §23 (RP) .]

14. **Deeds given pursuant to the United States Bankruptcy Code.** Deeds given pursuant to the United States Bankruptcy Code;

[1993, c. 398, §4 (NEW) .]

15. **Deeds to a trustee, nominee or straw.** Any deeds:

A. To a trustee, nominee or straw party for the grantor as beneficial owner; [1993, c. 398, §4 (NEW).]

B. For the beneficial ownership of a person other than the grantor when, if that person were the grantee, no tax would be imposed upon the conveyance pursuant to this chapter; or [1993, c. 398, §4 (NEW).]

C. From a trustee, nominee or straw party to the beneficial owner; [1993, c. 647, §2 (AMD); 1993, c. 718, Pt. B, §10 (AMD).]

[1993, c. 647, §2 (AMD); 1993, c. 718, Pt. B, §10 (AMD) .]

16. **Certain corporate, partnership and limited liability company deeds.** Deeds between a family corporation, partnership, limited partnership or limited liability company and its stockholders, partners or members for the purpose of transferring real property in the organization, dissolution or liquidation of the corporation, partnership, limited partnership or limited liability company under the laws of this State, if the deeds are given for no actual consideration other than shares, interests or debt securities of the corporation, partnership, limited partnership or limited liability company. For purposes of this subsection a family corporation, partnership, limited partnership or limited liability company is a corporation, partnership, limited partnership or limited liability company in which the majority of the voting stock of the corporation, or of the interests in the partnership, limited partnership or limited liability company is held by and the majority of the stockholders, partners or members are persons related to each other, including by adoption, as descendants or as spouses of descendants of a common ancestor who was also a transferor of the real property involved, or persons acting in a fiduciary capacity for persons so related;

[1995, c. 462, Pt. A, §69 (RPR) .]

17. **Deeds to charitable conservation organizations.** Deeds for gifts of land or interests in land granted to bona fide nonprofit institutions, organizations or charitable trusts under state law or charter, a similar law or charter of any other state or the Federal Government that meet the conservation purposes requirements of Title 33, section 476, subsection 2, paragraph B without actual consideration for the deeds;

[1999, c. 638, §45 (AMD) .]

18. **Limited liability company deeds.** Deeds to a limited liability company from a corporation, a general or limited partnership or another limited liability company, when the grantor or grantee owns an interest in the limited liability company in the same proportion as the grantor's or grantee's interest in or ownership of the real estate being conveyed;

[2001, c. 559, Pt. I, §6 (AMD); 2001, c. 559, Pt. I, §15 (AFF) .]

19. **Change in identity or form of ownership.** Any transfer of real property, whether accomplished by deed, conversion, merger, consolidation or otherwise, if it consists of a mere change in identity or form of ownership of an entity. This exemption is limited to those transfers when no change in beneficial ownership is made and may include transfers involving corporations, partnerships, limited liability companies, trusts, estates, associations and other entities; and

[2001, c. 559, Pt. I, §7 (AMD); 2001, c. 559, Pt. I, §15 (AFF) .]

20. **Controlling interests.** Transfers of controlling interests in an entity with a fee interest in real property if the transfer of the real property would qualify for exemption if accomplished by deed of the real property between the parties to the transfer of the controlling interest.

[2001, c. 559, Pt. I, §8 (NEW); 2001, c. 559, Pt. I, §15 (AFF) .]

SECTION HISTORY
1975, c. 572, §1 (NEW). 1975, c. 655, §1 (AMD). 1977, c. 318, §1 (RPR). 1977, c. 394, (AMD). 1981, c. 148, §§1-3 (AMD). 1985, c. 691, §32 (AMD). 1993, c. 373, §5 (AMD). 1993, c. 398, §4 (AMD). 1993, c. 647, §§1-4 (AMD). 1993, c. 680, §A31 (AMD). 1993, c. 718, §§B10-12 (AMD). 1995, c. 462, §§A69-71 (AMD). 1995, c. 479, §1 (AMD). 1995, c. 479, §2 (AFF). 1997, c. 504, §§10-12 (AMD). 1999, c. 638, §§44-47 (AMD). 2001, c. 559, §§I5-8 (AMD). 2001, c. 559, §I15 (AFF). 2003, c. 344, §D26 (AMD). 2005, c. 397, §C21 (AMD). 2005, c. 397, §C22 (AFF). 2005, c. 519, §SSS1 (AMD). 2005, c. 519, §SSS2 (AFF). 2009, c. 361, §26 (AMD). 2009, c. 361, §37 (AFF). 2009, c. 402, §§22, 23 (AMD). 2013, c. 521, Pt. A, §3 (AMD).

§4641-D. DECLARATION OF VALUE

Except as otherwise provided in this section, any deed, when offered for recording, and any report of a transfer of a controlling interest must be accompanied by a declaration, signed by the parties to the transaction or their authorized representatives, declaring the value of the property transferred and indicating the taxpayer identification numbers of the grantor and grantee. The declaration of value with regard to a transfer by deed must include evidence of compliance with section 5250-A. The declaration of value must identify the tax map and parcel number of the property transferred unless a tax map does not exist that includes that property, in which event the declaration must indicate that an appropriate tax map does not exist. The following are exempt from these requirements: [2007, c. 437, §14 (AMD).]

1. **Governmental conveyances.** Any conveyance by or to the United States of America, the State of Maine or any of their instrumentalities, agencies or subdivisions. For purposes of this subsection, only governmental entities are exempt from the requirement to file a declaration of value;

[2007, c. 437, §14 (AMD) .]

2. **Mortgage.** Any mortgage or mortgage discharge;

[1977, c. 318, §2 (NEW) .]

3. **Partial release of mortgage.** Any partial release of a mortgage deed;

[1977, c. 318, §2 (NEW) .]

4. **Deed affecting previous deed.** Any deed that, without additional consideration, confirms, corrects, modifies or supplements a previously recorded deed; and

[2007, c. 437, §14 (AMD) .]

5. **Deed dated prior to October 1, 1975.**

[2007, c. 437, §14 (RP) .]

6. **Deed of distribution.** Any deed of distribution made pursuant to Title 18-A.

[1987, c. 568, §2 (NEW) .]

If the transfer is exempt from the tax imposed by this chapter, the reason for the exemption must be stated on the declaration of value. [2007, c. 437, §14 (AMD).]

The declaration of value must be in a form prescribed by the State Tax Assessor, who shall provide an adequate supply of such forms to each register of deeds in the State. The State Tax Assessor shall prescribe a form for the declaration of value with regard to transfers of controlling interests subject to tax under this chapter. The State Tax Assessor, by rule, may establish grounds and procedures for waiver of the requirement that the taxpayer identification numbers of the grantor and grantee must be shown on the declaration of value. Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A. [2007, c. 437, §14 (AMD).]

The register of deeds shall transmit the declaration of value to the State Tax Assessor not later than 40 days from the date of recordation of the deed or, in the case of a transfer of a controlling interest subject to tax under this chapter, no later than the 10th day of the month following the month in which the report of the transfer is received by the register of deeds. [2007, c. 437, §14 (AMD).]

The State Tax Assessor shall, on or before the 20th day of the month following the month of receipt, transmit each declaration of value to the assessors of the municipality or the chief assessor of a primary assessing area in which the real estate is situated. [2007, c. 437, §14 (AMD).]

SECTION HISTORY
1975, c. 572, §1 (NEW). 1975, c. 655, §2 (AMD). 1977, c. 318, §2 (AMD). 1985, c. 535, §13 (AMD). 1987, c. 568, §§1,2 (AMD). 1989, c. 131, (AMD). 1991, c. 528, §Y1 (AMD). 1991, c. 528, §§Y3,RRR (AFF). 1991, c. 591, §Y1 (AMD). 1991, c. 591, §Y3 (AFF). 1993, c. 398, §5 (AMD). 1997, c. 504, §13 (AMD). 2001, c. 559, §§I9,10 (AMD). 2001, c. 559, §I15 (AFF). 2003, c. 391, §3 (AMD). 2007, c. 437, §14 (AMD).

§4641-E. POWERS AND DUTIES OF STATE TAX ASSESSOR

The State Tax Assessor is authorized to prescribe such rules and regulations as are necessary to carry out the purposes of this chapter. [1993, c. 398, §6 (AMD).]

Within 3 years of the recording of a deed subject to the tax imposed by this chapter or of the date on which a transfer of a controlling interest in an entity subject to taxation under this chapter is reported to the register of deeds, the State Tax Assessor may examine any books, papers, records or memoranda of the grantor or grantee bearing upon the amount of tax payable, and may enforce that right of examination by subpoena. If the assessor determines that there is a deficiency of taxes due under this chapter, such deficiency must be assessed, together with interest and penalties, with notice to the persons liable, but no such assessment may be made more than 3 years after the date of recording or transfer. [2003, c. 391, §4 (AMD).]

SECTION HISTORY
1975, c. 572, §1 (NEW). 1977, c. 679, §32 (AMD). 1993, c. 398, §6 (AMD). 2001, c. 559, §I11 (AMD). 2001, c. 559, §I15 (AFF). 2003, c. 391, §4 (AMD).

§4641-F. PETITION FOR RECONSIDERATION OF ASSESSMENT

(REPEALED)

SECTION HISTORY
1975, c. 572, §1 (NEW). 1977, c. 694, §719 (RP).

§4641-G. APPEALS

(REPEALED)

SECTION HISTORY
1975, c. 572, §1 (NEW). 1977, c. 694, §719 (RP).

§4641-H. NOTICES

(REPEALED)

SECTION HISTORY
P&SL 1975, c. 78, §21 (AMD). 1975, c. 572, §1 (NEW). 2005, c. 218, §49 (RP).

§4641-I. PRIORITY

(REPEALED)

SECTION HISTORY
1975, c. 572, §1 (NEW). 1981, c. 364, §61 (AMD). 2005, c. 218, §50 (RP).

§4641-J. RECORDING WITHOUT TAX

Any register of deeds who, upon recording any deed or receiving a report of a transfer of a controlling interest upon which a tax is imposed by this chapter, fails to collect that tax or to obtain the declaration of value required by this chapter and does so with the intent of defeating the purposes of this chapter commits a civil violation for which a forfeiture not to exceed $200 may be adjudged. [2001, c. 559, Pt. I, §12 (AMD); 2001, c. 559, Pt. I, §15 (AFF).]

SECTION HISTORY
1975, c. 572, §1 (NEW). 1977, c. 696, §293 (RPR). 2001, c. 559, §I12 (AMD). 2001, c. 559, §I15 (AFF).

§4641-K. FALSIFYING DECLARATION OF VALUE

1. **Prohibition.** A person may not:

A. Knowingly falsify the declaration of value prescribed by section 4641-D; [2003, c. 452, Pt. U, §16 (NEW); 2003, c. 452, Pt. X, §2 (AFF).]

B. Refuse to permit the State Tax Assessor or any of the State Tax Assessor's agents or representatives to inspect property in question or any relevant books, papers, records or memoranda within 3 years after recording or transfer of a controlling interest subject to tax under this chapter; [2003, c. 452, Pt. U, §16 (NEW); 2003, c. 452, Pt. X, §2 (AFF).]

C. Knowingly alter, cancel or obliterate a part of any relevant books, papers, records or memoranda; or [2003, c. 452, Pt. U, §16 (NEW); 2003, c. 452, Pt. X, §2 (AFF).]

D. Knowingly make a false entry in any relevant books, papers, records or memoranda. [2003, c. 452, Pt. U, §16 (NEW); 2003, c. 452, Pt. X, §2 (AFF).]

[2003, c. 452, Pt. U, §16 (NEW); 2003, c. 452, Pt. X, §2 (AFF) .]

2. **Penalties.** A person who violates this section commits a Class E crime.

[2003, c. 452, Pt. U, §16 (NEW); 2003, c. 452, Pt. X, §2 (AFF) .]

SECTION HISTORY
1975, c. 572, §1 (NEW). 1977, c. 696, §294 (RPR). 1993, c. 398, §7 (AMD). 2001, c. 559, §I13 (AMD). 2001, c. 559, §I15 (AFF). 2003, c. 452, §X2 (AFF). 2003, c. 452, §U16 (RPR).

§4641-L. NO EFFECT ON RECORDATION

Failure to comply with the requirements of this chapter does not affect the validity of any recorded instrument or the validity of any recordation or transfer of a controlling interest. [2001, c. 559, Pt. I, §14 (AMD); 2001, c. 559, Pt. I, §15 (AFF).]

SECTION HISTORY
1975, c. 572, §1 (NEW). 2001, c. 559, §I14 (AMD). 2001, c. 559, §I15 (AFF).

§4641-M. CONFIDENTIALITY OF DECLARATION OF VALUE

(REPEALED)

SECTION HISTORY
1975, c. 572, §1 (NEW). 1977, c. 509, §32 (AMD). 1977, c. 668, §5 (RP).

§4641-N. REVIEW

The Maine State Housing Authority shall submit a report to the joint standing committee of the Legislature having jurisdiction over taxation by April 1, 1987, and each 2 years thereafter. The report shall cover the 2 prior fiscal years of the authority and shall identify the amount of revenues under this chapter that have been credited to the Housing Opportunities for Maine Fund and the manner in which those funds have been used. The committee shall review that report by May 1st of the year in which it is received. [1985, c. 381, §3 (NEW).]

SECTION HISTORY
1985, c. 381, §3 (NEW).

§4642. RATE OF TAX

(REPEALED)

SECTION HISTORY
P&SL 1967, c. 154, §§H1,2 (NEW). 1967, c. 537, §2 (RP).

§4643. COLLECTION

(REPEALED)

SECTION HISTORY
P&SL 1967, c. 154, §§H1,2 (NEW). 1967, c. 537, §2 (RP).

§4644. EXEMPTIONS

(REPEALED)

SECTION HISTORY

P&SL 1967, c. 154, §§H1,2 (NEW). 1967, c. 537, §2 (RP).

Chapter 712: REAL ESTATE TRANSFERS

§4651. RATE OF TAX

(REPEALED)

SECTION HISTORY
1967, c. 537, §1 (NEW). 1975, c. 572, §2 (RP).

§4652. TAX STAMPS; RULES

(REPEALED)

SECTION HISTORY
1967, c. 537, §1 (NEW). 1975, c. 572, §2 (RP).

§4653. STAMPS AFFIXED; CANCELLATION

(REPEALED)

SECTION HISTORY
1967, c. 537, §1 (NEW). 1969, c. 111, (AMD). 1975, c. 572, §2 (RP).

§4654. EXEMPTIONS

(REPEALED)

SECTION HISTORY
1967, c. 537, §1 (NEW). 1973, c. 788, §191 (AMD). 1975, c. 572, §2 (RP).

Chapter 713: SARDINE TAX

§4691. PURPOSE

(REPEALED)

SECTION HISTORY
1991, c. 446, §B1 (RP).

§4692. DEFINITIONS

(REPEALED)

SECTION HISTORY
1975, c. 656, (AMD). 1979, c. 26, §2 (AMD). 1979, c. 541, §A228 (AMD). 1985, c. 737, §A101 (AMD). 1991, c. 446, §B2 (RP).

§4692-A. DEFINITIONS

(REPEALED)

SECTION HISTORY

1991, c. 446, §B3 (NEW). 1993, c. 14, §11 (AMD). 1993, c. 585, §8 (AMD). 1995, c. 307, §§17-19 (AMD). 1999, c. 678, §8 (AFF). 1999, c. 678, §2 (RP).

§4693. SARDINE COUNCIL

(REPEALED)

SECTION HISTORY
1973, c. 513, §22 (AMD). 1979, c. 26, §§3-5 (AMD). 1979, c. 127, §200 (AMD). 1979, c. 541, §B49 (AMD). 1979, c. 731, §17 (AMD). 1981, c. 71, §1 (AMD). 1981, c. 393, (AMD). 1983, c. 812, §§280,281 (AMD). 1985, c. 785, §B173 (AMD). 1987, c. 333, §2 (RPR). 1989, c. 482, §3 (AMD). 1989, c. 503, §B171 (AMD). 1989, c. 878, §A109 (AMD). 1991, c. 446, §B4 (RP).

§4694. TAX AS ADDITIONAL

(REPEALED)

SECTION HISTORY
1973, c. 513, §22 (AMD). 1981, c. 364, §62 (RP).

§4695. RATE OF TAX

(REPEALED)

SECTION HISTORY
1965, c. 332, §5 (AMD). 1981, c. 71, §2 (AMD). 1981, c. 614, §1 (AMD). 1991, c. 446, §§B5,6 (AMD). 1995, c. 307, §20 (AMD). 1997, c. 706, §9 (AMD). 1999, c. 127, §D3 (AMD). 1999, c. 127, §D4 (AFF). 1999, c. 678, §8 (AFF). 1999, c. 678, §2 (RP).

§4696. PACKERS' APPLICATIONS

(REPEALED)

SECTION HISTORY
1977, c. 694, §720 (AMD). 1995, c. 307, §21 (AMD). 1999, c. 678, §8 (AFF). 1999, c. 678, §2 (RP).

§4697. REPORTS OF PRODUCTION AND PAYMENT OF TAX

(REPEALED)

SECTION HISTORY
1979, c. 378, §34 (AMD). 1981, c. 71, §3 (AMD). 1981, c. 364, §63 (AMD). 1981, c. 614, §2 (AMD). 1983, c. 85, §2 (AMD). 1991, c. 376, §60 (AMD). 1991, c. 446, §B7 (AMD). 1991, c. 824, §D5 (RPR). 1995, c. 307, §22 (AMD). 1997, c. 706, §10 (AMD). 1997, c. 706, §17 (AFF). 1999, c. 678, §8 (AFF). 1999, c. 678, §2 (RP).

§4698. INSPECTIONS

(REPEALED)

SECTION HISTORY

1973, c. 513, §22 (AMD). 1979, c. 731, §19 (AMD). 1991, c. 446, §B8 (AMD). 1995, c. 307, §23 (AMD). 1999, c. 678, §8 (AFF). 1999, c. 678, §2 (RP).

§4699. APPROPRIATION AND USE OF MONEY RECEIVED

(REPEALED)

SECTION HISTORY
1969, c. 146, (AMD). 1979, c. 26, §6 (AMD). 1979, c. 731, §19 (AMD). 1991, c. 446, §B8 (AMD). 1993, c. 585, §§9,10 (AMD). 1995, c. 307, §24 (AMD). 1999, c. 678, §8 (AFF). 1999, c. 678, §2 (RP).

§4699-A. REFUND ON SARDINES EXPORTED

(REPEALED)

SECTION HISTORY
1965, c. 332, §6 (NEW). 1979, c. 541, §A229 (AMD). 1991, c. 446, §B9 (AMD). 1995, c. 307, §25 (RP).

§4700. SUSPENSION OF LICENSES OR CERTIFICATE

(REPEALED)

SECTION HISTORY
1973, c. 513, §22 (AMD). 1977, c. 679, §33 (AMD). 1977, c. 694, §721 (AMD). 1979, c. 127, §201 (AMD). 1981, c. 364, §64 (RPR). 1995, c. 307, §26 (AMD). 1999, c. 547, §B78 (AMD). 1999, c. 547, §B80 (AFF). 1999, c. 678, §8 (AFF). 1999, c. 678, §2 (RP).

Chapter 714: MAHOGANY QUAHOG TAX

§4711. DEFINITIONS

As used in this chapter, unless the context indicates otherwise, the following terms have the following meanings: [1987, c. 513, §10 (NEW).]

1. **Bushel.** "Bushel" means a unit of dry capacity equivalent to 2150.4 cubic inches. For the purposes of this chapter, the conversion figure for pounds of whole shell stock per bushel shall be 80.

[1987, c. 513, §10 (NEW) .]

2. **Dealer.** "Dealer" means a person who holds a wholesale seafood license, a shellfish transportation license or a shellfish certificate and who buys mahogany quahogs from a harvester and distributes that species in wholesale channels of trade.

[1987, c. 513, §10 (NEW) .]

3. **Mahogany quahog.** "Mahogany quahog" means a marine mollusk, also known as ocean quahog, Artica islandica, landed in this State and subject to the authority and provisions of this chapter.

[1987, c. 513, §10 (NEW) .]

SECTION HISTORY

1987, c. 513, §10 (NEW).

§4712. RATE OF TAX

An excise tax of $1.20 per bushel of mahogany quahogs is levied upon the dealer and imposed at the point of first sale of this species. [1987, c. 513, §10 (NEW).]

SECTION HISTORY
1987, c. 513, §10 (NEW).

§4713. DEALER APPLICATION FOR MAHOGANY QUAHOG CERTIFICATE

Every dealer shall file an application with the State Tax Assessor on forms prescribed and furnished by the State Tax Assessor which shall contain the name under which such dealer is transacting business within the State, the place or places of business, the dealer's social security or tax identification number and names and addresses of the persons constituting a firm or partnership and, if a corporation, the corporate name and the names and addresses of its principal officers and agents within the State and the Federal Employer Identification Number. Upon receipt of this information, the State Tax Assessor shall issue a mahogany quahog certificate to the dealer. No dealer may conduct business until the certificate required by this section is furnished. The mahogany quahog certificate is not a license within the meaning of that term in the Maine Administrative Procedure Act, Title 5, chapter 375. [1987, c. 513, §10 (NEW).]

SECTION HISTORY
1987, c. 513, §10 (NEW).

§4714. CERTIFICATE REQUIRED FOR LICENSE

The Department of Marine Resources shall not issue or renew a wholesale seafood license as set forth in Title 12, section 6851; a shellfish transportation license as set forth in Title 12, section 6855; or a shellfish certificate as set forth in Title 12, section 6856, for the purpose of dealing in mahogany quahogs without proof of certification by the State Tax Assessor, as required by this chapter. The Department of Marine Resources shall make available to the State Tax Assessor any licensing information necessary to implement this section. [1987, c. 513, §10 (NEW).]

SECTION HISTORY
1987, c. 513, §10 (NEW).

§4715. DEALER REPORTS OF PURCHASES AND PAYMENT OF TAXES

Every dealer shall keep, as a part of its permanent records, a record of all mahogany quahogs purchased at point of first sale. These records must be open for inspection by the State Tax Assessor at all times. On or before the last day of each month, every dealer shall file a return with the assessor on a form furnished by the assessor stating the number of bushels of mahogany quahogs purchased by the dealer during the preceding calendar month. At the same time, the dealer shall pay to the assessor a tax of $1.20 per bushel on all mahogany quahogs purchased by the dealer during the preceding calendar month. A dealer whose annual tax liability under this chapter does not exceed $1,000 may file an annual return with payment on or before January 31st covering the prior calendar year. If the assessor determines that additional tax is due or that an overpayment of tax has been made, assessments or refunds must be made by the assessor to the dealer. [2009, c. 361, §36 (AFF); 2009, c. 361, §27 (RPR).]

SECTION HISTORY
1987, c. 513, §10 (NEW). 1991, c. 376, §61 (AMD). 2009, c. 361, §36 (AFF). 2009, c. 361, §27 (RPR).

§4716. REVIEW

(REPEALED)

SECTION HISTORY
1987, c. 513, §10 (NEW). 1987, c. 816, §KK24 (RPR). 2011, c. 240, §28 (RP).

§4717. ABATEMENT AND CREDIT

(REPEALED)

SECTION HISTORY
1987, c. 551, (NEW). 1997, c. 526, §14 (AMD). 2011, c. 240, §29 (RP).

§4718. CONTRIBUTIONS; MAHOGANY QUAHOG MONITORING FUND

The State Tax Assessor shall determine annually the total amount of tax revenue collected under this chapter. Until June 30, 2004, the State Tax Assessor shall deduct the cost of administering the mahogany quahog tax from those revenues and report the remainder to the Treasurer of State, who shall credit that amount to the Mahogany Quahog Monitoring Fund established in Title 12, section 6731-A, subsection 5, except that not more than $56,000 may be credited to the fund in any year. Until June 30, 2004, revenues collected that are in excess of $56,000 must be credited to the General Fund. [2003, c. 593, §3 (AMD).]

Beginning July 1, 2004, the State Tax Assessor shall deduct the cost of administering the mahogany quahog tax from those revenues and report the remainder to the Treasurer of State, who shall credit 58% of that amount or $56,000, whichever is greater, to the Mahogany Quahog Monitoring Fund established in Title 12, section 6731-A, subsection 5 and 42% or the remainder, as applicable, to the General Fund. [2003, c. 593, §3 (NEW).]

SECTION HISTORY
1991, c. 561, §2 (NEW). 2003, c. 20, §WW28 (AMD). 2003, c. 593, §3 (AMD).

Chapter 715: SHARES OF STOCK IN BANS AND TRUST COMPANIES

§4751. LIST OF COMMON STOCKHOLDERS; REAL ESTATE INVENTORY, ETC., WITH ASSESSED VALUE

(REPEALED)

SECTION HISTORY
1973, c. 539, §§1, 2 (RP).

§4752. TAX ON STOCK; PAYABLE TO STATE TAX ASSESSOR; APPEAL

(REPEALED)

SECTION HISTORY
1973, c. 539, §§ 1, 2 (RP). 1973, c. 625, §265 (AMD).

§4753. TAX UPON SHARES RETURNED TO MUNICIPALITIES

(REPEALED)

SECTION HISTORY
1973, c. 539, §§ 1, 2 (RP).

§4754. PENALTY

(REPEALED)

SECTION HISTORY
1973, c. 539, §§1, 2 (RP).

Chapter 716: MILK HANDLING TAX

§4771. DEFINITIONS

(REPEALED)

SECTION HISTORY
1995, c. 2, §5 (NEW). MRSA T.36, §4773 (RP).

§4772. MILK HANDLING TAX

(REPEALED)

SECTION HISTORY
1995, c. 2, §5 (NEW). MRSA T.36, §4773 (RP).

§4773. REPEAL

(REPEALED)

SECTION HISTORY
1995, c. 2, §5 (NEW). 1995, c. 661, §1 (AMD). 1997, c. 348, §1 (AMD). MRSA T.36, §4773 (RP).

Chapter 717: SWEET CORN TAX

§4801. DEFINITIONS

(REPEALED)

SECTION HISTORY
1965, c. 2, §2 (RP).

§4802. POWER OF COMMISSIONER OF AGRICULTURE

(REPEALED)

SECTION HISTORY
1965, c. 2, §2 (RP).

§4803. TAX COMMITTEE; APPOINTMENT; POWERS

(REPEALED)

SECTION HISTORY
1965, c. 2, §2 (RP).

§4804. TAX ON SWEET CORN

(REPEALED)

SECTION HISTORY
1965, c. 2, §2 (RP).

§4805. CONTRACTOR, DUTY

(REPEALED)

SECTION HISTORY
1965, c. 2, §2 (RP).

§4806. TAX COMMITTEE, DUTY

(REPEALED)

SECTION HISTORY
1965, c. 2, §2 (RP).

§4807. TAX; ON WHOM IMPOSED, AND COLLECTION

(REPEALED)

SECTION HISTORY
1965, c. 2, §2 (RP).

§4808. USE OF FUNDS

(REPEALED)

SECTION HISTORY
1965, c. 2, §2 (RP).

§4809. FAILURE TO PAY OVER TAX

(REPEALED)

SECTION HISTORY
1965, c. 2, §2 (RP).

§4810. ACTION TO RECOVER TAX

(REPEALED)

SECTION HISTORY
1965, c. 2, §2 (RP).

Chapter 718: GENERAL PROVISIONS

§4821. REFERENDUM REQUIREMENT

(REPEALED)

SECTION HISTORY
1981, c. 706, §32 (NEW). 1999, c. 678, §3 (AMD). 2001, c. 396, §33 (RP).

Chapter 719: RECYCLING ASSISTANCE FEE

§4831. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [1989, c. 585, Pt. B, (NEW).]

1. **Brown good.**

[1989, c. 585, Pt. B, §2 (NEW) .]

2. **Lead-acid battery.** "Lead-acid battery" means a device designed and used for the storage of electrical energy through chemical reactions involving lead and acids.

[1989, c. 585, Pt. B, (NEW) .]

2-A. **Major appliance.**

[2003, c. 390, §22 (RP) .]

2-B. **Major furniture.**

[2003, c. 390, §22 (RP) .]

3. **Motorized vehicle.** "Motorized vehicle" means any self-propelled vehicle, including motorcycles, construction and farm vehicles and other off-road vehicles, not operating exclusively on tracks.

[1989, c. 585, Pt. B, (NEW) .]

4. **Tire.** "Tire" means the device made of rubber or any similar substance which is intended to be attached to a motorized vehicle or trailer and is designed to support the load of the motorized vehicle or trailer.

[1989, c. 585, Pt. B, (NEW); 1989, c. 878, Pt. B, §34 (AMD); 1989, c. 878, Pt. B, §35 (AFF) .]

5. **Trailer.** "Trailer" means any vehicle without motive power that is designed to be drawn by a motorized vehicle.

[1989, c. 585, Pt. B, (NEW) .]

6. **White good.**

[1989, c. 585, Pt. B, (NEW); 1989, c. 927, §4 (RP) .]

SECTION HISTORY

1989, c. 585, §B (NEW). 1989, c. 878, §§B34,35 (AMD). 1989, c. 927, §§2-4 (AMD). 2003, c. 390, §22 (AMD).

§4832. FEE IMPOSED

1. **Imposition.** A fee is imposed on the retail sale in this State of new tires and new lead-acid batteries in the amount of $1 per tire or lead-acid battery. A fee in the same amount is imposed on the storage, use or other consumption in this State of tires and lead-acid batteries purchased new in this State by the user or purchased outside the State by the user unless the fee imposed by this section has been paid.

[2003, c. 390, §23 (AMD) .]

1-A. **Repeal.**

[2003, c. 390, §24 (RP) .]

2. **Exemption.** Transactions that, under the laws of this State, are not subject to taxation in accordance with Part 3 are exempt from the fee imposed by subsection 1. Sales of any items that occur as part of a sale of a trailer, a mobile home or any motorized vehicle are exempt from the fee imposed by subsection 1.

[1991, c. 546, §31 (AMD) .]

SECTION HISTORY
1989, c. 585, §B (NEW). 1989, c. 927, §5 (AMD). 1991, c. 546, §31 (AMD). 1995, c. 368, §NN2 (AMD). 2003, c. 390, §§23,24 (AMD).

§4833. ADMINISTRATION

The fee imposed by this chapter is administered as provided in chapter 7 and Part 3, with the fee imposed pursuant to this chapter to be considered as imposed under Part 3. [1989, c. 585, Pt. B, (NEW); 1989, c. 927, §5 (AMD).]

The revenue derived from the fee imposed by this chapter must be deposited in the Maine Solid Waste Management Fund established under Title 38, chapter 24, which must reimburse the General Fund for the administrative costs of the fee as certified by the Bureau of Revenue Services. [1989, c. 585, Pt. B, (NEW); 1989, c. 927, §5 (AMD); 1997, c. 526, §14 (AMD).]

SECTION HISTORY
1989, c. 585, §B (NEW). 1989, c. 927, §5 (AMD). 1997, c. 526, §14 (AMD). 2003, c. 390, §25 (AMD).

§4834. EFFECTIVE DATE

This chapter shall be effective for taxable purchases made in this State on or after July 1, 1990 and for taxable items brought into this State by the user on or after July 1, 1990. [1989, c. 585, Pt. B, (NEW).]

SECTION HISTORY
1989, c. 585, §B (NEW).

Chapter 721: MILK HANDLING FEE

§4901. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [2005, c. 396, §8 (NEW).]

1. **Basic price.** "Basic price" means the minimum Class I price of milk established pursuant to Title 7, chapter 603 including that part of the Class I price that exceeds the applicable Class I price established pursuant to the northeast marketing area milk marketing order, but does not include that part of the Class I price established by the Maine Milk Commission to reflect the cost factors provided in Title 7, section 2954, subsection 2 or the increased costs of production pursuant to Title 7, section 2954, subsection 2, paragraph A.

[2005, c. 396, §8 (NEW) .]

2. **Fee period.** "Fee period" means the period beginning on the Sunday closest to the first day of the month and continuing through the Saturday prior to the Sunday closest to the first day of the subsequent month.

[2005, c. 396, §8 (NEW) .]

3. **Handler.** "Handler," with respect to a particular container of packaged milk, means the wholesale handler or, if none, the producer-handler or the retail handler. If more than one wholesale handler handles a particular container of packaged milk in this State, "handler" means the wholesale handler that first handles a particular container of packaged milk.

[2011, c. 125, §1 (AMD) .]

4. **Milk.** "Milk" has the same meaning as in Title 7, section 2951, subsection 6.

[2005, c. 396, §8 (NEW) .]

5. **Packaged milk.** "Packaged milk" means milk that has been processed and placed in containers for ultimate sale to consumers.

[2005, c. 396, §8 (NEW) .]

6. **Person.**

[2009, c. 434, §61 (RP) .]

7. **Producer-handler.** "Producer-handler" means a person who produces milk and packages that milk or part of that milk for retail sale either by that person or by another retail handler.

[2005, c. 396, §8 (NEW) .]

8. **Retail handler.** "Retail handler" means a person who handles packaged milk in this State that is next sold in this State subject to the minimum retail prices established pursuant to Title 7, chapter 603.

[2005, c. 396, §8 (NEW) .]

9. **Wholesale handler.** "Wholesale handler" means a person who handles packaged milk in this State that is next sold in this State subject to the minimum wholesale prices paid to dealers established pursuant to Title 7, chapter 603.

[2005, c. 396, §8 (NEW) .]

SECTION HISTORY

2005, c. 396, §8 (NEW). 2009, c. 434, §61 (AMD). 2011, c. 125, §1 (AMD).

§4902. MILK HANDLING FEE

1. **Fee.** Upon notification by the Maine Milk Commission in accordance with Title 7, section 2954, subsection 16, the assessor shall levy and impose a fee at the rate established in subsection 2-A on the handling in this State of packaged milk for sale in this State. With respect to the handling in this State of a particular container of packaged milk for sale in this State, the fee must be paid by the handler, but in no event may a container of packaged milk for sale in this State be subject to more than one handling fee. There is no fee on the handling in this State of packaged milk for sale in containers of less than one quart or more than 20 quarts in volume, or packaged milk that is sold to an institution that is owned and operated by the State or the Federal Government.

[2011, c. 125, §2 (AMD) .]

2. **Rate.**

[2007, c. 240, Pt. PPP, §2 (RP); 2007, c. 269, §2 (RP) .]

2-A. **Rate.** The rate of the fee levied under this chapter is established for each fee period on the basis of the basic price of milk in effect on the Sunday following the first Sunday of the fee period in accordance with this subsection:

A. If the basic price is $21.00 per hundredweight and above, the rate of the milk handling fee is 4¢ per gallon; [2009, c. 468, §1 (AMD).]

B. [2009, c. 468, §1 (RP).]

C. [2009, c. 468, §1 (RP).]

D. [2009, c. 468, §1 (RP).]

E. If the basic price is $20.00 to $20.99 per hundredweight, the rate of the milk handling fee is 8¢ per gallon; [2007, c. 240, Pt. PPP, §3 (NEW); 2007, c. 269, §3 (NEW).]

F. If the basic price is $19.50 to $19.99 per hundredweight, the rate of the milk handling fee is 12¢ per gallon; [2009, c. 468, §1 (AMD).]

G. [2009, c. 468, §1 (RP).]

H. If the basic price is $19.00 to $19.49 per hundredweight, the rate of the milk handling fee is 16¢ per gallon; [2009, c. 468, §1 (AMD).]

I. If the basic price is $18.50 to $18.99 per hundredweight, the rate of the milk handling fee is 20¢ per gallon; [2009, c. 468, §1 (AMD).]

J. If the basic price is $18.00 to $18.49 per hundredweight, the rate of the milk handling fee is 24¢ per gallon; [2009, c. 468, §1 (AMD).]

K. If the basic price is $17.50 to $17.99 per hundredweight, the rate of the milk handling fee is 28¢ per gallon; [2009, c. 468, §1 (AMD).]

L. If the basic price is $17.00 to $17.49 per hundredweight, the rate of the milk handling fee is 32¢ per gallon; and [2009, c. 468, §1 (AMD).]

M. If the basic price is $16.50 to $16.99 per hundredweight, the rate of the milk handling fee is 36¢ per gallon. [2009, c. 468, §1 (AMD).]

If the basic price falls below $16.50 per hundredweight, for each 50¢ decrease in the basic price, the rate of the milk handling fee increases by 4¢ per gallon until the handling fee reaches a maximum of 84¢ per gallon.

For any container other than a gallon, the fee is computed on a gallon-equivalent basis.

[2009, c. 468, §1 (AMD) .]

3. **Fee calculation.** Handlers shall pay the fee for each fee period on all milk subject to the fee sold during the fee period and are either:

A. Subject to the minimum wholesale prices paid to dealers established by the Maine Milk Commission pursuant to Title 7, chapter 603; or [2005, c. 396, §8 (NEW).]

B. Not subject to minimum wholesale prices paid to dealers but subject to minimum retail prices established by the Maine Milk Commission pursuant to Title 7, chapter 603. [2005, c. 396, §8 (NEW).]

In calculating the amount of packaged milk handled for sale in this State during each fee period, the handler shall deduct from that amount any packaged milk returned to the handler during that fee period.

[2005, c. 396, §8 (NEW) .]

4. **Fee; additional.** The fee imposed and collected under this chapter is in addition to any taxes imposed or collected under any other law of the State.

[2005, c. 396, §8 (NEW) .]

5. **Records, reports and administration.** Every handler subject to the fee imposed under subsection 1 shall register with the assessor within 5 business days of becoming subject to the fee on forms provided by the assessor. The list of registered handlers must be available to the public. By the 25th day of each calendar month, every handler subject to the fee imposed under subsection 1 shall report to the assessor the quantity of packaged milk handled in this State for sale in this State during the preceding fee period, the quantity of packaged milk handled that was subject to the milk handling fee and any other information the assessor determines necessary or useful in the administration of this chapter and enforcement of the milk handling fee. The assessor may share information with the Maine Milk Commission in accordance with section 191, subsection 2, paragraph DD.

[2005, c. 396, §8 (NEW) .]

6. **Due dates.** Handlers shall pay to the assessor the fee due for the preceding fee period not later than the 25th day of each calendar month and submit the information required by the assessor on the forms provided.

[2005, c. 396, §8 (NEW) .]

7. **Presumption.** In a proceeding against a retail handler for collection of the fee with respect to a particular container of packaged milk, there is a rebuttable presumption that that retail handler did not purchase that container in a transaction subject to the minimum wholesale prices paid to dealers established pursuant to Title 7, chapter 603. The burden is on the retail handler to show that the retail handler purchased that container of packaged milk in a transaction subject to minimum wholesale prices paid to dealers established pursuant to Title 7, chapter 603.

[2005, c. 396, §8 (NEW) .]

8. **General Fund.** The assessor shall immediately pay all funds received from the milk handling fee to the Treasurer of State to be deposited in the General Fund. The funds may not be dedicated to a particular purpose and may be used for all purposes of State Government.

[2005, c. 396, §8 (NEW) .]

9. **Exception.** A producer-handler who sells less than 10,000 hundredweight per year is not subject to the fee imposed under subsection 1.

[2005, c. 396, §8 (NEW) .]

SECTION HISTORY
2005, c. 396, §8 (NEW). 2007, c. 240, Pt. PPP, §§1-3 (AMD). 2007, c. 269, §§1-3 (AMD). 2009, c. 468, §1 (AMD). 2011, c. 125, §2 (AMD).

§4903. CREDIT OR REFUND FOR FEE PAID FOR PACKAGED MILK

1. **Credit or refund allowed.** A handler or handler's designee may claim a credit or refund for a fee paid pursuant to this chapter on packaged milk that is subsequently exported from this State by a customer of the handler or the handler's designee for sale out of state.

[2011, c. 125, §3 (NEW) .]

2. **Handler's claim for credit or refund.** A handler claiming a credit or refund under subsection 1 must file a claim with the assessor. The credit or refund must be claimed on the report required under section 4902, subsection 5. A handler may not claim a credit or refund under this section for any sales occurring before October 1, 2011.

[2011, c. 125, §3 (NEW) .]

3. **Designee's claim for credit or refund.** A handler's designee claiming a credit or refund under subsection 1 must file a claim with the assessor. The credit or refund must be claimed on a report required under section 4902, subsection 5 or other form as prescribed by the assessor. A handler's designee may not claim a credit or refund under this section for any sales occurring before October 1, 2011.

[2011, c. 125, §3 (NEW) .]

SECTION HISTORY
2011, c. 125, §3 (NEW).

Part 8: INCOME TAXES

Chapter 801: DEFINITIONS

§5101. SHORT TITLE

This Part shall be known and may be cited as the "Maine Income Tax Law." [1969, c. 154, §F (NEW).]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW).

§5102. DEFINITIONS

The following definitions shall apply throughout this Part, except as the context may otherwise require: [1969, c. 154, §F1 (NEW).]

1. **Assessor.**

[1979, c. 378, §35 (RP) .]

1-A. **Lobster boat operator.** Any person licensed by the Department of Marine Resources to fish for, take or catch lobsters and who operates a boat for that purpose is a lobster boat operator.

[1975, c. 627, §1 (NEW) .]

1-B. **Affiliated group.** "Affiliated group" means a group of 2 or more corporations in which more than 50% of the voting stock of each member corporation is directly or indirectly owned by a common owner or owners, either corporate or noncorporate, or by one or more of the member corporations.

[1983, c. 571, §13 (NEW) .]

1-C. **Maine adjusted gross income.** "Maine adjusted gross income" has the following meanings.

A. "Maine adjusted gross income" means, for a resident individual, the federal adjusted gross income of that individual, as modified by section 5122. [1985, c. 783, §17 (NEW).]

B. "Maine adjusted gross income" means, for a nonresident individual, that part of his federal adjusted gross income derived from sources within this State, as determined under section 5142. [1985, c. 783, §17 (NEW).]

[1985, c. 783, §17 (NEW) .]

1-D. **Laws of the United States.** "Laws of the United States" means the Code, as defined in section 111, subsection 1-A, and other provisions of the laws of the United States relating to federal income taxes as of the date specified in section 111, subsection 1-A.

[1987, c. 504, §5 (NEW) .]

2. **Nonresident estate or trust.** "Nonresident estate or trust" shall mean an estate or trust which is not a resident estate or trust.

[1969, c. 154, §F1 (NEW) .]

3. **Nonresident individual.** "Nonresident individual" shall mean an individual who is not a resident individual.

[1973, c. 12, §1 (AMD) .]

4. **Resident estate or trust.** "Resident estate or trust" shall mean:

A. The estate of a decedent who at his death was domiciled in this State; [1969, c. 154, §F1 (NEW).]

B. A trust created by will of a decedent who at death was domiciled in this State; or [2003, c. 618, Pt. B, §18 (AMD); 2003, c. 618, Pt. B, §20 (AFF).]

C. A trust created by, or consisting of property of, a person domiciled in this State. [2003, c. 618, Pt. B, §18 (AMD); 2003, c. 618, Pt. B, §20 (AFF).]

D. [2003, c. 618, Pt. B, §20 (AFF); 2003, c. 618, Pt. B, §19 (RP).]

[2003, c. 618, Pt. B, §§18, 19 (AMD); 2003, c. 618, Pt. B, §20 (AFF) .]

5. **Resident individual.** "Resident individual" means an individual:

A. Who is domiciled in Maine, unless:

(1) The individual does not maintain a permanent place of abode in this State, maintains a permanent place of abode elsewhere and spends in the aggregate not more than 30 days of the taxable year in this State; or

(2) Within any period of 548 consecutive days, the individual:

(a) Is present in a foreign country or countries for at least 450 days;

(b) Is not present in this State for more than 90 days;

(c) Does not maintain a permanent place of abode in this State at which a minor child of the individual or the individual's spouse is present for more than 90 days, unless the individual and the individual's spouse are legally separated; and

(d) During the nonresident portion of the taxable year with which, or within which, such period of 548 consecutive days begins and the nonresident portion of the taxable year with which, or within which, such period ends, is present in this State for a number of days that does not exceed an amount that bears the same ratio to 90 as the number of days contained in such portion of the taxable year bears to 548; or [2005, c. 519, Pt. G, §1 (AMD); 2005, c. 519, Pt. G, §2 (AFF).]

B. Who is not domiciled in Maine, but maintains a permanent place of abode in this State and spends in the aggregate more than 183 days of the taxable year in this State, unless the individual is in the Armed Forces of the United States. [2005, c. 519, Pt. G, §1 (AMD); 2005, c. 519, Pt. G, §2 (AFF).]

The geographic location of a political organization or political candidate that receives one or more contributions from the individual is not in and of itself determinative on the question of whether the individual is domiciled in Maine. The geographic location of a professional advisor retained by an individual or the geographic location of a financial institution with an active account or loan of an individual may not be used to determine whether or not an individual is domiciled in Maine. For purposes of this subsection, "professional advisor" includes, but is not limited to, a person that renders medical, financial, legal, accounting, insurance, fiduciary or investment services. Charitable contributions may not be used to determine whether or not an individual is domiciled in Maine.

[2011, c. 132, §1 (AMD) .]

6. **Corporation.** "Corporation" means any business entity subject to income taxation as a corporation under the laws of the United States, except the following:

A. A corporation that is subject to tax under chapter 357 or that would be subject to tax under chapter 357 if the insurance business conducted by such corporation were conducted in this State; [1999, c. 708, §33 (NEW); 1999, c. 708, §51 (AFF).]

B. A corporation subject to tax under section 5206; [2007, c. 240, Pt. KKKK, §6 (AMD).]

C. A business entity referred to in Title 24-A, section 1157, subsection 5, paragraph B, subparagraph (1); or [2007, c. 240, Pt. KKKK, §6 (AMD).]

D. A person that is engaged solely in the business of reinsuring risks of one or more affiliated insurance companies that are not captive insurance companies formed or licensed under Title 24-A, chapter 83 or under the laws of another state. "Insurance companies" means companies that are subject to tax under chapter 357 or that would be subject to tax under chapter 357 if the insurance business conducted by such companies were conducted in this State. [2007, c. 240, Pt. KKKK, §6 (NEW).]

For purposes of this subsection, a corporation described in paragraph A is an "insurance company," and a health maintenance organization to the extent operated under authority of a certificate issued by the Superintendent of Insurance pursuant to Title 24-A, section 4204 is a "Maine health maintenance organization." Notwithstanding paragraph A, an insurance company is subject to the tax imposed by this Part with respect to income it receives from a Maine health maintenance organization, except where the Maine health maintenance organization is separately organized and subject to income taxation. The provisions of this Part pertaining to the taxation and reporting obligations of a unitary business, including section 5200, section 5220, subsection 5 and section 5244, apply to the income, factors and affiliations of an insurance company arising from a Maine health maintenance organization as though the Maine health maintenance organization were a separate corporation, but do not otherwise apply to such insurance company.

[2007, c. 240, Pt. KKKK, §6 (AMD); 2007, c. 240, Pt. KKKK, §7 (AFF) .]

6-A. **80-20 corporation.**

[1997, c. 24, Pt. C, §16 (AFF); 1997, c. 24, Pt. C, §8 (RP) .]

6-B. **Declared state disaster or emergency.** "Declared state disaster or emergency" has the same meaning as in Title 10, section 9902, subsection 1.

[2011, c. 622, §4 (NEW); 2011, c. 622, §7 (AFF) .]

6-C. **Disaster period.** "Disaster period" means the period of 60 days that begins with the date of the Governor's proclamation of a state of emergency or the declaration by the President of the United States of a major disaster or major emergency, whichever occurs first.

[2011, c. 622, §4 (NEW); 2011, c. 622, §7 (AFF) .]

7. **Fiscal year.** "Fiscal year" means an accounting period of 12 months ending on the last day of any month except December, or an accounting period of more or less than 12 months, which period is employed as the fiscal year of the taxpayer for the United States income tax purposes.

[1969, c. 154, §F1 (NEW) .]

8. **Maine net income.** "Maine net income" means, for any taxable year for any corporate taxpayer, the taxable income of that taxpayer for that taxable year under the laws of the United States as modified by section 5200-A and apportionable to this State under chapter 821. To the extent that it derives from a unitary business carried on by 2 or more members of an affiliated group, the Maine net income of a corporation is

determined by apportioning that part of the federal taxable income of the entire group that derives from the unitary business. If a taxable corporation is an S corporation, "Maine net income" means the amount taxable at the federal level pursuant to the Code, Sections 1374 and 1375.

[1997, c. 24, Pt. C, §9 (AMD); 1997, c. 24, Pt. C, §16 (AFF) .]

8-A.

[1983, c. 571, §15 (RP) .]

8-B. **Maine net income.**

[1981, c. 704, §9 (RP) .]

9. **Tax or tax liability.**

[1979, c. 378, §35 (RP) .]

10. **Taxable corporation.** "Taxable corporation" means, for any taxable year, a corporation that, at any time during that taxable year, realized Maine net income and includes any S corporation with realized Maine net income that is subject to federal tax under the Code, Section 1374 and 1375.

[2011, c. 655, Pt. QQ, §4 (AMD); 2011, c. 655, Pt. QQ, §8 (AFF) .]

10-A. **Unitary business.** "Unitary business" means a business activity which is characterized by unity of ownership, functional integration, centralization of management and economies of scale.

[1983, c. 571, §17 (NEW) .]

11. **Other terms.** Any other terms used in this Part have the same meaning as when used in a comparable context in the laws of the United States relating to federal income taxes, unless different meanings are clearly required.

[1987, c. 769, Pt. A, §157 (RPR) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1969, c. 504, §50C (AMD). 1969, c. 553, (AMD). 1971, c. 61, §§2,3 (AMD). 1971, c. 622, §129 (AMD). 1973, c. 12, §§1-4,9 (AMD). 1973, c. 788, §192 (AMD). 1975, c. 17, §1 (AMD). 1975, c. 627, §§1,2 (AMD). 1975, c. 765, §25 (AMD). 1977, c. 477, §15 (AMD). 1977, c. 668, §6 (AMD). 1977, c. 686, §6 (AMD). 1979, c. 378, §35 (AMD). 1979, c. 520, §7 (AMD). 1979, c. 541, §§A230,A231 (AMD). 1979, c. 615, §§2,3 (AMD). 1979, c. 649, §1 (AMD). 1981, c. 411, §1 (AMD). 1981, c. 463, §C1 (AMD). 1981, c. 536, (AMD). 1981, c. 704, §§1-3,9 (AMD). 1983, c. 571, §§13-17 (AMD). 1983, c. 590, §1 (AMD). 1983, c. 842, §1 (AMD). 1983, c. 855, §14 (AMD). 1983, c. 859, §§M11,M13 (AMD). 1985, c. 536, (AMD). 1985, c. 783, §§17,18 (AMD). 1987, c. 4, §2 (AMD). 1987, c. 504, §§5,6 (AMD). 1987, c. 769, §A157 (AMD). 1987, c. 841, §§1,2 (AMD). 1991, c. 148, §§1,2 (AMD). 1991, c. 546, §§32,33 (AMD). 1993, c. 502, §4 (AMD). 1993, c. 502, §5 (AFF). 1995, c. 281, §25 (AMD). 1995, c. 281, §43 (AFF). 1997, c. 24, §§C8,9 (AMD). 1997, c. 24, §C16 (AFF). 1997, c. 668, §29 (AMD). 1999, c. 414, §39 (AMD). 1999, c. 708, §33 (AMD). 1999, c. 708, §51 (AFF). 2001, c. 439, §D1 (AMD). 2001, c. 439, §D9 (AFF). 2003, c. 618, §§B18,19 (AMD). 2003, c. 618, §B20 (AFF). 2005, c. 519, §G1 (AMD). 2005, c. 519, §G2

(AFF). 2007, c. 240, Pt. KKKK, §6 (AMD). 2007, c. 240, Pt. KKKK, §7 (AFF). 2011, c. 132, §1 (AMD). 2011, c. 622, §4 (AMD). 2011, c. 622, §7 (AFF). 2011, c. 655, Pt. QQ, §4 (AMD). 2011, c. 655, Pt. QQ, §8 (AFF).

Chapter 803: IMPOSITION OF TAX ON INDIVIDUALS

§5111. IMPOSITION AND RATE OF TAX

A tax is imposed for each taxable year beginning on or after January 1, 2000, on the Maine taxable income of every resident individual of this State. The amount of the tax is determined as provided in this section. [1999, c. 731, Pt. T, §1 (AMD).]

1. **Single individuals and married persons filing separate returns.**

[1991, c. 824, Pt. A, §76 (AMD); 1991, c. 824, Pt. A, §79 (AFF); T. 36, §5111, sub-§1 (RP) .]

1-A. **Single individuals and married persons filing separate returns; tax years beginning 2000, 2001.** For tax years beginning in 2000 or 2001, for single individuals and married persons filing separate returns:

If Maine taxable income is:	The tax is:
Less than $4,150	2% of the Maine taxable income
At least $4,150 but less than $8,250	$83 plus 4.5% of the excess over $4,150
At least $8,250 but less than $16,500	$268 plus 7% of the excess over $8,250
$16,500 or more	$846 plus 8.5% of the excess over $16,500

[1999, c. 731, Pt. T, §2 (RPR) .]

1-B. **Single individuals and married persons filing separate returns; tax years from 2002 to 2012.** For tax years beginning on or after January 1, 2002 but not later than December 31, 2012, for single individuals and married persons filing separate returns:

If Maine Taxable income is:	The tax is:
Less than $4,200	2% of the Maine taxable income
At least $4,200 but less than $8,350	$84 plus 4.5% of the excess over $4,200
At least $8,350 but less than $16,700	$271 plus 7% of the excess over $8,350
$16,700 or more	$856 plus 8.5% of the excess over $16,700

[2011, c. 380, Pt. N, §1 (AMD); 2011, c. 380, Pt. N, §19 (AFF) .]

1-C. **Single individuals and married persons filing separate returns; tax year 2013.** For tax years beginning on or after January 1, 2013 but not later than December 31, 2013, for single individuals and married persons filing separate returns:

If Maine Taxable income is:	The tax is:
At least $5,000 but less than $19,950	6.5% of the excess over $5,000
$19,950 or more	$972 plus 7.95% of the excess over $19,950

[2013, c. 368, Pt. Q, §3 (AMD) .]

1-D. **Single individuals and married persons filing separate returns; tax years beginning 2014.** For tax years beginning on or after January 1, 2014, for single individuals and married persons filing separate returns:

If Maine Taxable income is:	The tax is:

At least $5,200 but less than $20,900	6.5% of the excess over $5,200
$20,900 or more	$1,021 plus 7.95% of the excess over $20,900

[2013, c. 368, Pt. Q, §4 (NEW) .]

2. **Heads of households.**

[1991, c. 824, Pt. A, §77 (AMD); 1991, c. 824, Pt. A, §79 (AFF); T. 36, §5111, sub-§2 (RP) .]

2-A. **Heads of households; tax years beginning 2000, 2001.** For tax years beginning in 2000 or 2001, for unmarried individuals or legally separated individuals who qualify as heads of households:

If Maine taxable income is:	The tax is:
Less than $6,200	2% of the Maine taxable income
At least $6,200 but less than $12,400	$124 plus 4.5% of the excess over $6,200
At least $12,400 but less than $24,750	$403 plus 7% of the excess over $12,400
$24,750 or more	$1,268 plus 8.5% of the excess over $24,750

[1999, c. 731, Pt. T, §4 (RPR) .]

2-B. **Heads of households; tax years from 2002 to 2012.** For tax years beginning on or after January 1, 2002 but not later than December 31, 2012, for unmarried individuals or legally separated individuals who qualify as heads of households:

If Maine Taxable income is:	The tax is:
Less than $6,300	2% of the Maine taxable income
At least $6,300 but less than $12,500	$126 plus 4.5% of the excess over $6,300
At least $12,500 but less than $25,050	$405 plus 7% of the excess over $12,500
$25,050 or more	$1,284 plus 8.5% of the excess over $25,050

[2011, c. 380, Pt. N, §3 (AMD); 2011, c. 380, Pt. N, §19 (AFF) .]

2-C. **Heads of households; tax year 2013.** For tax years beginning on or after January 1, 2013 but not later than December 31, 2013, for unmarried individuals or legally separated individuals who qualify as heads of households:

If Maine Taxable income is:	The tax is:
At least $7,500 but less than $29,900	6.5% of the excess over $7,500
$29,900 or more	$1,456 plus 7.95% of the excess over $29,900

[2013, c. 368, Pt. Q, §5 (AMD) .]

2-D. **Heads of households; tax years beginning 2014.** For tax years beginning on or after January 1, 2014, for unmarried individuals or legally separated individuals who qualify as heads of households:

If Maine Taxable income is:	The tax is:
At least $7,850 but less than $31,350	6.5% of the excess over $7,850
$31,350 or more	$1,528 plus 7.95% of the excess over $31,350

[2013, c. 368, Pt. Q, §6 (NEW) .]

3. **Individuals filing married joint return or surviving spouses.**

[1991, c. 824, Pt. A, §78 (AMD); 1991, c. 824, Pt. A, §79 (AFF); T. 36, §5111, sub-§3 (RP) .]

3-A. **Individuals filing married joint return or surviving spouses; tax years beginning 2000, 2001.** For tax years beginning in 2000 or 2001, for individuals filing married joint returns or surviving spouses permitted to file a joint return:

If Maine taxable income is:	The tax is:
Less than $8,250	2% of the Maine taxable income
At least $8,250 but less than $16,500	$165 plus 4.5% of the excess over $8,250
At least $16,500 but less than $33,000	$536 plus 7% of the excess over $16,500
$33,000 or more	$1,691 plus 8.5% of the excess over $33,000

[1999, c. 731, Pt. T, §6 (RPR) .]

3-B. **Individuals filing married joint return or surviving spouses; tax years from 2002 to 2012.** For tax years beginning on or after January 1, 2002 but not later than December 31, 2012, for individuals filing married joint returns or surviving spouses permitted to file a joint return:

If Maine Taxable income is:	The tax is:
Less than $8,400	2% of the Maine taxable income
At least $8,400 but less than $16,700	$168 plus 4.5% of the excess over $8,400
At least $16,700 but less than $33,400	$542 plus 7% of the excess over $16,700
$33,400 or more	$1,711 plus 8.5% of the excess over $33,400

[2011, c. 380, Pt. N, §5 (AMD); 2011, c. 380, Pt. N, §19 (AFF) .]

3-C. **Individuals filing married joint return or surviving spouses; tax year 2013.** For tax years beginning on or after January 1, 2013 but not later than December 31, 2013, for individuals filing married joint returns or surviving spouses permitted to file a joint return:

If Maine Taxable income is:	The tax is:
At least $10,000 but less than $39,900	6.5% of the excess over $10,000
$39,900 or more	$1,944 plus 7.95% of the excess over $39,900

[2013, c. 368, Pt. Q, §7 (AMD) .]

3-D. **Individuals filing married joint return or surviving spouses; tax years beginning 2014.** For tax years beginning on or after January 1, 2014, for individuals filing married joint returns or surviving spouses permitted to file a joint return:

If Maine Taxable income is:	The tax is:
At least $10,450 but less than $41,850	6.5% of the excess over $10,450
$41,850 or more	$2,041 plus 7.95% of the excess over $41,850

[2013, c. 368, Pt. Q, §8 (NEW) .]

4. **Additional tax.** Additionally, a tax is imposed for each taxable year on the Maine adjusted gross income of every nonresident individual. The amount of the tax equals the tax computed under this section and chapter 805 as if the nonresident individual were a resident individual, multiplied by the ratio of the nonresident individual's Maine adjusted gross income, as defined in section 5102, subsection 1-C, paragraph B, to the nonresident individual's entire federal adjusted gross income, as modified by section 5122.

[2009, c. 434, §62 (AMD) .]

4. **Nonresident individuals.**

[1987, c. 819, §2 (RP) .]

5. **Income tax surcharge.**

[2009, c. 434, §63 (RP) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1975, c. 660, §6 (RPR). 1975, c. 661, (RPR). 1977, c. 686, §7 (AMD). IB 1983, c. 2, §1 (AMD). IB 1983, c. 3, §1 (AMD). 1983, c. 571, §18 (RPR). 1985, c. 535, §14 (RPR). 1985, c. 783, §§19,20 (AMD). 1987, c. 504, §7 (AMD). 1987, c. 819, §2 (RPR). 1989, c. 495, §§1,9 (RPR). 1989, c. 596, §§J1,2,7 (AMD). 1991, c. 528, §§YY1-6,ZZ1 (AMD). 1991, c. 528, §§YY7,8,ZZ4, RRR (AFF). 1991, c. 528, Pt. RRR, (AFF). 1991, c. 591, §§YY1-6,ZZ1 (AMD). 1991, c. 591, §§YY7,8,ZZ4 (AFF). 1991, c. 824, §§A76-78 (AMD). 1991, c. 824, §§A79,92,93 (AFF). 1999, c. 521, §B1 (AMD). 1999, c. 521, §B11 (AFF). 1999, c. 731, §T1 (AMD). 1999, c. 731, §§T2-7 (AMD). 2009, c. 434, §§62, 63 (AMD). 2011, c. 380, Pt. N, §§1-6 (AMD). 2011, c. 380, Pt. N, §19 (AFF). 2013, c. 368, Pt. Q, §§3-8 (AMD).

§5111-A. ALTERNATIVE METHOD OF COMPUTATION

In lieu of a tax computed exactly according to the rates set forth in section 5111, taxpayers may utilize a tax table. The State Tax Assessor shall prepare and issue tables approximating as near as practicable the tax computed using section 5111 for this express purpose. [1987, c. 819, §3 (RPR).]

SECTION HISTORY
1971, c. 61, §4 (NEW). 1975, c. 765, §26 (AMD). 1987, c. 819, §3 (RPR).

§5111-B. REVENUE TARGETING

(REPEALED)

SECTION HISTORY
1995, c. 368, §VV1 (NEW). 1997, c. 24, §C10 (RP).

§5112. CROSS REFERENCES

For application of the tax to estates and trusts, see chapter 809, for application to partnerships, chapter 815. [1969, c. 154, §F (NEW).]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW).

§5113. SURVIVING SPOUSE

A taxpayer who qualifies and files a federal income tax return utilizing the joint return tax rates as a surviving spouse may file in a similar manner with the State. [1983, c. 571, §19 (RPR).]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1983, c. 571, §19 (RPR).

§5114. SELF-EMPLOYED STERNMEN

(REPEALED)

SECTION HISTORY
1975, c. 627, §2A (NEW). 1983, c. 571, §20 (RP).

§5115. HEAD OF HOUSEHOLD

(REPEALED)

SECTION HISTORY
1977, c. 686, §8 (NEW). 1983, c. 571, §21 (RP).

§5116. TAX WAIVER FOR COMBAT CASUALTY

A taxpayer whose income tax liability is forgiven pursuant to Section 692 of the Code for any tax year is entitled to a waiver of state income tax for the same tax year, including any related interest and penalty, in the same manner in which the federal tax liability is forgiven. In the case of a joint return, the waiver is equal to the proportion of the tax on the joint return equal to the ratio of the deceased taxpayer's tax liability computed as if both taxpayers were filing separately to the sum of the deceased taxpayer's tax liability and the taxpayer's spouse's tax liability computed as if filing separately. [2003, c. 287, §1 (NEW); 2003, c. 287, §2 (AFF).]

SECTION HISTORY
2003, c. 287, §1 (NEW). 2003, c. 287, §2 (AFF).

Chapter 805: COMPUTATION OF TAXABLE INCOME OF RESIDENT INDIVIDUALS

§5121. MAINE TAXABLE INCOME

The Maine taxable income of a resident individual is equal to the individual's federal adjusted gross income as defined by the Code with the modifications and less the deductions and personal exemptions provided in this chapter. [2003, c. 390, §26 (AMD).]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1987, c. 504, §8 (RPR). 1987, c. 819, §4 (RPR). 1989, c. 596, §J3 (RPR). 1995, c. 281, §26 (AMD). 2003, c. 390, §26 (AMD).

§5122. MODIFICATIONS

1. **Additions.** Federal adjusted gross income shall be increased by:

A. Interest or dividends on obligations or securities of any state other than this State, or of a political subdivision or authority of any state other than this State, to the extent that interest or those dividends are not included in the recipient's federal adjusted gross income; [2003, c. 390, §27 (AMD).]

B. Interest or dividends on obligations of any authority, commission, instrumentality, territory or possession of the United States which by the laws of the United States are exempt from federal income tax but not from state income tax; [1981, c. 706, §33 (AMD).]

C. [1987, c. 504, §9 (RP).]

D. For income tax years beginning before January 1, 2002, the amount of any net operating loss in the taxable year that has been carried back to previous years pursuant to the Code, Section 172; [2003, c. 390, §28 (AMD); 2003, c. 390, §53 (AFF).]

E. The amount of any deduction claimed for the taxable year under the United States Internal Revenue Code, Section 172 which has previously been used to offset the modifications provided by this subsection; [1987, c. 739, §§44, 48 (AMD).]

F. [2001, c. 583, §15 (RP).]

G. Pick-up contributions, as defined in Title 5, section 17001, subsection 28-A, paid by the taxpayer's employer on the taxpayer's behalf to the Maine Public Employees Retirement System; [2011, c. 240, §30 (AMD).]

H. The absolute value of the amount of any net operating loss arising from tax years beginning on or after January 1, 1989, but before January 1, 1993, that arises from an S corporation with total assets for the year of at least $1,000,000 and the absolute value of the amount of any net operating loss arising from tax years beginning on or after January 1, 2002 that, pursuant to the United States Internal Revenue Code, Section 172, are being carried back for federal income tax purposes to the taxable year by the taxpayer; [2001, c. 559, Pt. J, §1 (AMD).]

I. [1995, c. 641, §7 (AFF); 1995, c. 641, §3 (RP).]

J. The amount claimed as a deduction in determining federal adjusted gross income that is included in the investment credit base for the high-technology investment tax credit; [2003, c. 390, §29 (AMD).]

K. For income tax years beginning on or after January 1, 1997, all items of loss, deduction and other expense of a financial institution subject to the tax imposed by section 5206, to the extent that those items are passed through to the taxpayer for federal income tax purposes, including, if the financial institution is an S corporation, the taxpayer's pro rata share and, if the financial institution is a partnership or limited liability company, the taxpayer's distributive share. An addition may not be made under this paragraph for any losses recognized on the disposition by a taxpayer of an ownership interest in a financial institution; [2001, c. 559, Pt. GG, §9 (AMD); 2001, c. 559, Pt. GG, §26 (AFF).]

L. [1999, c. 731, Pt. X, §§4, 5 (AFF); 1999, c. 731, Pt. X, §3 (RP).]

M. The absolute value of the amount of any net operating loss arising from a tax year beginning or ending in 2001 that the taxpayer, pursuant to Section 102 of the federal Job Creation and Worker Assistance Act of 2002, Public Law 107-147, carries back more than 2 years to the taxable year for federal income tax purposes; [2001, c. 700, §3 (AMD).]

N. With respect to property placed in service during the taxable year, an amount equal to the net increase in depreciation or expensing attributable to:

(1) For taxable years beginning on or after January 1, 2002 but prior to January 1, 2006, a 30% bonus depreciation deduction claimed by the taxpayer pursuant to Section 101 of the federal Job Creation and Worker Assistance Act of 2002, Public Law 107-147 with respect to property placed in service during the taxable year;

(2) For taxable years beginning on or after January 1, 2002 but prior to January 1, 2006, a 50% bonus depreciation deduction claimed by the taxpayer pursuant to Section 201 of the federal Jobs and Growth Tax Relief Reconciliation Act of 2003, Public Law 108-27 with respect to property placed in service during the taxable year; and

(3) For taxable years beginning on or after January 1, 2003 but prior to January 1, 2011, the increase in aggregate cost under Section 179 of the Code arising from amendments to the Code applicable to tax years beginning on or after January 1, 2003; [2011, c. 380, Pt. O, §1 (AMD).]

O. [2009, c. 434, §64 (RP).]

P. [2009, c. 434, §65 (RP).]

Q. For tax years beginning on or after January 1, 2003, the amount of deduction claimed pursuant to the Code, Section 222 for qualified tuition and related expenses; [2003, c. 20, Pt. II, §2 (NEW).]

R. [2003, c. 451, Pt. KK, §1 (RP).]

S. For tax years beginning in 2003, 2004 and 2005, the amount received from the National Health Service Corps Scholarship Program and the Armed Forces Health Professions Scholarship and Financial Assistance program to the extent excluded from federal gross income in accordance with the Code, Section 117; [2003, c. 2, §117 (COR).]

T. [2003, c. 688, Pt. A, §41 (RP).]

U. [2003, c. 688, Pt. A, §41 (RP).]

V. For tax years beginning on or after January 1, 2003 and before January 1, 2006, the amount claimed as a federal income adjustment for student loan interest under the Code, Section 62 (a)(17), but only for interest paid after 60 months from the start of the loan repayment period; [2007, c. 437, §15 (RPR).]

W. [2005, c. 519, Pt. NNN, §3 (AFF); 2005, c. 519, Pt. NNN, §2 (RP).]

X. An amount equal to the taxpayer's federal deduction relating to income attributable to domestic production activities claimed in accordance with Section 102 of the federal American Jobs Creation Act of 2004, Public Law 108-357; [2007, c. 539, Pt. CCC, §2 (AMD).]

Y. Any amount of allowable deduction claimed for federal purposes in accordance with the election under Section 642(g) of the Code that is also used to determine the taxable estate for purposes of calculating the Maine estate tax under chapter 575 or 577; [2013, c. 331, Pt. A, §4 (AMD); 2013, c. 331, Pt. A, §5 (AFF).]

Z. For income tax years beginning on or after January 1, 2008, the amount of any qualified state and local tax benefit and any qualified payment excluded from gross income pursuant to the Code, Section 139B; [2009, c. 496, §21 (RPR).]

AA. For taxable years beginning on or after January 1, 2008 but before January 1, 2011, an amount equal to the net increase in depreciation attributable to the depreciation deduction claimed by the taxpayer under the Code, Section 168(k) arising from amendments to the Code applicable to taxable years beginning on or after January 1, 2008; [2011, c. 380, Pt. O, §2 (AMD).]

BB. The amount of unemployment compensation received to the extent excluded from federal gross income in accordance with the Code, Section 85(c); [2009, c. 213, Pt. BBBB, §4 (NEW); 2009, c. 213, Pt. BBBB, §17 (AFF).]

CC. For tax years beginning on or after January 1, 2009 but before January 1, 2011, an amount equal to the gross income during the taxable year from the discharge of indebtedness deferred under the Code, Section 108(i); [2011, c. 90, Pt. H, §1 (AMD); 2011, c. 90, Pt. H, §8 (AFF).]

DD. For any taxable year beginning in 2009, 2010 or 2011, an amount equal to the absolute value of any net operating loss carry-forward claimed for purposes of the federal income tax; [2011, c. 380, Pt. O, §3 (AMD).]

EE. The amount claimed as a deduction in determining federal adjusted gross income that is included in the credit for wellness programs under section 5219-FF; [2011, c. 644, §13 (AMD).]

FF. For taxable years beginning in 2011 and 2012:

(1) An amount equal to the depreciation deduction claimed by the taxpayer under the Code, Section 168(k) with respect to property placed in service in the State during the taxable year for which a credit is claimed under section 5219-GG; and

(2) An amount equal to the net increase in depreciation attributable to the depreciation deduction claimed by the taxpayer under the Code, Section 168(k) with respect to property for which a credit is not claimed under section 5219-GG; [2013, c. 368, Pt. TT, §2 (AMD).]

GG. The amount claimed as a deduction in determining federal adjusted gross income that is used to calculate the credit for Maine fishery infrastructure investment under section 5216-D; and [2013, c. 368, Pt. TT, §3 (AMD).]

HH. For taxable years beginning in 2013:

(1) An amount equal to the net increase in depreciation attributable to the depreciation deduction claimed by the taxpayer under the Code, Section 168(k) with respect to property placed in service in the State during the taxable year for which a credit is claimed under section 5219-JJ for that taxable year; and

(2) An amount equal to the net increase in depreciation attributable to the depreciation deduction claimed by the taxpayer under the Code, Section 168(k) with respect to property for which a credit is not claimed under section 5219-JJ. [2013, c. 1, §52 (COR).]

[2013, c. 1, §52 (COR) .]

2. Subtractions. Federal adjusted gross income shall be reduced by:

A. Interest or dividends on obligations of the United States and its territories and possessions or of any authority, commission or instrumentality of the United States to the extent that interest or those dividends are included in federal adjusted gross income but exempt from state income taxes under the laws of the United States. The amount subtracted must be decreased by any expenses incurred in the production of the interest or dividend income to the extent that those expenses, including amortizable bond premiums, are deducted in determining federal adjusted gross income; [2003, c. 390, §30 (AMD).]

B. An amount equal to the reduction in salaries and wages expense for federal income tax purposes associated with the taxpayer's federal work opportunity credit as determined under the Code, Section 51 or empowerment zone employment credit as determined under the Code, Section 1396; [2005, c. 218, §52 (AMD).]

C. Social security benefits and railroad retirement benefits paid by the United States, to the extent included in federal adjusted gross income; [1989, c. 502, Pt. A, §136 (RPR); 1989, c. 556, Pt. B, §7 (RPR).]

D. [2001, c. 177, §2 (RP).]

E. Pick-up contributions paid to the taxpayer by the Maine Public Employees Retirement System or distributed as the result of a rollover, whether or not included in federal adjusted gross income, that have been previously taxed under this Part; [1999, c. 414, §40 (AMD); 1999, c. 414, §57 (AFF); 2007, c. 58, §3 (REV).]

F. An amount equal to income taxes imposed by this State or any other taxing jurisdiction on the taxpayer that are included in the taxpayer's federal adjusted gross income; [1989, c. 880, Pt. G, §3 (RPR).]

G. For income tax years commencing on or after January 1, 1989 and before January 1, 2000, an amount equal to the total premiums spent for insurance policies for long-term care that have been certified by the Superintendent of Insurance as complying with Title 24-A, chapter 68; [1999, c. 521, Pt. C, §3 (AMD); 1999, c. 521, Pt. C, §9 (AFF).]

H. For each taxable year subsequent to the year of the loss, an amount equal to the absolute value of the net operating loss arising from tax years beginning on or after January 1, 1989, but before January 1, 1993, for which federal adjusted gross income was increased in accordance with subsection 1, paragraph H, and the absolute value of the amount of any net operating loss arising from tax years beginning on or after January 1, 2002, for which federal adjusted gross income was increased in accordance with subsection 1, paragraph H and that pursuant to the Code, Section 172 was carried back for federal income tax purposes, less the absolute value of loss used in the taxable year of loss to offset any addition modification required by subsection 1, but only to the extent that:

(1) Maine taxable income is not reduced below zero;

(2) The taxable year is within the allowable federal period for carry-over;

(3) The amount has not been previously used as a modification pursuant to this subsection; and

(4) The modification under this paragraph is not claimed for any tax year beginning in 2009, 2010 or 2011. The amount not deducted as the result of the restriction with respect to tax years beginning in 2009, 2010 or 2011 may be deducted in any tax year beginning after December 31, 2011, but only to the extent that the requirements of subparagraphs (1) and (3) are met and the taxable year is within the allowable federal period for carry-over plus the number of years that the net operating loss carry-over adjustment was not deducted as a result of the restriction with respect to tax years beginning in 2009, 2010 or 2011; [2009, c. 213, Pt. ZZZ, §2 (AMD).]

I. For income tax years beginning on or after January 1, 1991, an amount equal to the amount by which federal taxable income was reduced because of vessel earnings from fishing operations that were contributed to a capital construction fund; [1997, c. 2, §58 (COR).]

J. To the extent included in federal adjusted gross income, any amount constituting a qualified distribution from an account established pursuant to Title 20-A, chapter 417-E and used for paying higher education expenses of the designated beneficiary of that account; [2003, c. 390, §33 (AMD).]

J. (REALLOCATED TO T. 36, §5122, sub-§2, ¶K) [1997, c. 2, §60 (RAL); 1997, c. 746, §6 (NEW); 1997, c. 746, §24 (AFF).]

K. (REALLOCATED FROM T. 36, §5122, sub-§2, ¶J) For income tax years beginning on or after January 1, 1997, all items of income, gain, interest, dividends, royalties and other income of a financial institution subject to the tax imposed by section 5206, to the extent that those items are passed through to the taxpayer for federal income tax purposes, including, if the financial institution is an S corporation, the taxpayer's pro rata share and, if the financial institution is a partnership or limited liability company, the taxpayer's distributive share. A subtraction may not be made under this paragraph for:

(1) Income of the taxpayer earned on interest-bearing or similar accounts of the taxpayer at a financial institution as a customer of that financial institution;

(2) Any dividends or other distributions with respect to a taxpayer's ownership interest in a financial institution; and

(3) Any gain recognized on the disposition by the taxpayer of an ownership interest in a financial institution; [1999, c. 708, §34 (AMD); 1999, c. 731, Pt. S, §1 (AMD); 1999, c. 731, Pt. S, §4 (AFF).]

L. For income tax years beginning on or after January 1, 2000 and before January 1, 2004, an amount equal to the total premiums spent for qualified long-term care insurance contracts as defined in the Code, Section 7702B(b), as long as the amount subtracted is reduced by the long-term care premiums claimed as an itemized deduction pursuant to section 5125. For income tax years beginning on or after January 1, 2004, an amount equal to the total premiums spent for qualified long-term care insurance contracts as defined in the Code, Section 7702B(b), as long as the amount subtracted is reduced by any amount claimed as a deduction for federal income tax purposes in accordance with the Code, Section 162(l) and by the long-term care premiums claimed as an itemized deduction pursuant to section 5125; [2003, c. 705, §11 (AMD); 2003, c. 705, §14 (AFF).]

M. For each individual who is a primary recipient of pension benefits under an employee retirement plan, an amount that is the lesser of:

(1) Six thousand dollars reduced by the total amount of the individual's social security benefits and railroad retirement benefits paid by the United States, but not less than $0. The reduction does not apply to benefits paid under a military retirement plan; or

(2) The aggregate of pension benefits under employee retirement plans included in the individual's federal adjusted gross income.

For purposes of this paragraph, the following terms have the following meanings. "Primary recipient" means the individual upon whose earnings the employee retirement plan benefits are based or the surviving spouse of that individual. "Pension benefits" means employee retirement plan benefits reported as pension or annuity income for federal income tax purposes. "Employee retirement plan" means a state, federal or military retirement plan or any other retirement benefit plan established and maintained by an employer for the benefit of its employees under the Code, Section 401(a), Section 403 or Section 457(b), except that distributions made pursuant to a Section 457(b) plan are not eligible for the deduction provided by this paragraph if they are made prior to age 55 and are not part of a series of substantially equal periodic payments made for the life of the primary recipient or the joint lives of the primary recipient and that recipient's designated beneficiary. "Employee retirement plan" does not include an individual retirement account under Section 408 of the Code, a Roth IRA under Section 408A of the Code, a rollover individual retirement account, a simplified employee pension under Section 408(k) of the Code or an ineligible deferred compensation plan under Section 457(f) of the Code. Pension benefits under an employee retirement plan do not include distributions that are subject to the tax imposed by the Code, Section 72(t). "Military retirement plan" means benefits received as a result of service in the active or reserve components of the Army, Navy, Air Force, Marines or Coast Guard.

This paragraph does not apply to tax years beginning on or after January 1, 2014; [2011, c. 657, Pt. R, §1 (AMD).]

M-1. For tax years beginning on or after January 1, 2014, for each individual who is a primary recipient of retirement plan benefits under an employee retirement plan or an individual retirement account, an amount that is the lesser of the aggregate of retirement plan benefits under employee retirement plans or individual retirement accounts included in the individual's federal adjusted gross income and the pension deduction amount reduced by the total amount of the individual's social security benefits and railroad retirement benefits paid by the United States, but not less than $0. The social security benefits and railroad retirement benefits reduction does not apply to benefits paid under a military retirement plan.

For purposes of this paragraph, the following terms have the following meanings.

(1) "Employee retirement plan" means a state, federal or military retirement plan or any other retirement benefit plan established and maintained by an employer for the benefit of its employees under the Code, Section 401(a), Section 403 or Section 457(b), except that distributions made pursuant to a Section 457(b) plan are not eligible for the deduction provided by this paragraph if they are made prior to age 55 and are not part of a series of substantially equal periodic payments made for the life of the primary recipient or the joint lives of the primary recipient and that recipient's designated beneficiary.

(2) "Individual retirement account" means an individual retirement account under Section 408 of the Code, a Roth IRA under Section 408A of the Code, a simplified employee pension under Section 408(k) of the Code or a simple retirement account for employees under Section 408(p) of the Code.

(3) "Military retirement plan" means retirement plan benefits received as a result of service in the active or reserve components of the Army, Navy, Air Force, Marines or Coast Guard.

(4) "Pension deduction amount" means $10,000 for tax years beginning on or after January 1, 2014.

(5) "Primary recipient" means the individual upon whose earnings or contributions the retirement plan benefits are based or the surviving spouse of that individual.

(6) "Retirement plan benefits" means employee retirement plan benefits, except pick-up contributions for which a subtraction is allowed under paragraph E, reported as pension or annuity income for federal income tax purposes and individual retirement account benefits reported as individual retirement account distributions for federal income tax purposes. "Retirement plan benefits" does not include distributions that are subject to the tax imposed by the Code, Section 72(t); [2013, c. 546, §13 (AMD).]

N. Interest or dividends on obligations or securities of this State and its political subdivisions and authorities to the extent included in federal adjusted gross income; [2001, c. 358, Pt. CC, §3 (NEW).]

O. A Holocaust victim settlement payment received by a Holocaust victim to the extent included in federal adjusted gross income. This paragraph applies only to a taxpayer who is the first recipient of a Holocaust victim settlement payment. For purposes of this paragraph, the following terms have the following meanings.

(1) "Holocaust victim" means an individual who died, lost property or was a victim of persecution as a result of discriminatory laws, policies or actions targeted against discrete groups of individuals based on race, religion, ethnicity, sexual orientation or national origin, whether or not the individual was actually a member of any of those groups, or because the individual assisted or allegedly assisted any of those groups, between January 1, 1929 and December 31, 1945, in Nazi Germany or in any European country allied with or occupied by Nazi Germany. "Holocaust victim" includes the spouse or descendant of such an individual.

(2) "Holocaust victim settlement payment" means a payment received:

(a) As a result of the taxpayer's status as a Holocaust victim;

(b) As a result of the settlement of any other Holocaust claim, including an insurance claim, a claim relating to looted art, a claim relating to looted financial assets, a claim relating to slave labor wages or a class action lawsuit claim against Swiss banks; or

(c) As interest on any payment under division (a) or (b) accumulated or accrued through the date of payment; [2001, c. 679, §3 (AMD); 2001, c. 679, §6 (AFF).]

P. An amount equal to the absolute value of any net operating loss arising in a tax year beginning or ending in 2001 for which federal adjusted gross income was increased in accordance with subsection 1, paragraph M and that, pursuant to Section 102 of the federal Job Creation and Worker Assistance Act of 2002, Public Law 107-147, was carried back more than 2 years to the taxable year for federal income tax purposes, but only to the extent that:

(1) Maine taxable income is not reduced below zero;

(2) The taxable year is either within 2 years prior to the year in which the loss arose or within the allowable federal period for carry-over of net operating losses;

(3) The amount has not been previously used as a modification pursuant to this subsection; and

(4) The modification under this paragraph is not claimed for any tax year beginning in 2009, 2010 or 2011. The amount not deducted as the result of the restriction with respect to tax years beginning in 2009, 2010 or 2011 may be deducted in any tax year beginning after December 31, 2011, but

only to the extent that the requirements of subparagraphs (1) and (3) are met and the taxable year is within the allowable federal period for carry-over plus the number of years that the net operating loss carry-over adjustment was not deducted as a result of the restriction with respect to tax years beginning in 2009, 2010 or 2011; [2009, c. 213, Pt. ZZZ, §3 (AMD).]

P. (REALLOCATED TO T. 36, §5122, sub-§2, ¶T) [2001, c. 679, §4 (NEW); 2001, c. 679, §6 (AFF); 2003, c. 1, §37 (RAL).]

Q. A fraction of any amount previously added back by the taxpayer to federal adjusted gross income pursuant to subsection 1, paragraph N.

(1) With respect to property first placed in service during taxable years beginning in 2002, the adjustment under this paragraph is available for each year during the recovery period, beginning 2 years after the beginning of the taxable year during which the property was first placed in service. The fraction is equal to the amount added back under subsection 1, paragraph N with respect to the property, divided by the number of years in the recovery period minus 2.

(2) With respect to all other property, for the taxable year immediately following the taxable year during which the property was first placed in service, the fraction allowed by this paragraph is equal to 5% of the amount added back under subsection 1, paragraph N with respect to the property. For each subsequent taxable year during the recovery period, the fraction is equal to 95% of the amount added back under subsection 1, paragraph N with respect to the property, divided by the number of years in the recovery period minus 2.

In the case of property expensed pursuant to Section 179 of the Code, the term "recovery period" means the recovery period that would have been applicable to the property had Section 179 not been applied; [2005, c. 416, §1 (AMD).]

R. [2003, c. 20, Pt. EE, §2 (RP).]

S. [2003, c. 20, Pt. EE, §2 (RP).]

T. (REALLOCATED FROM T. 36, §5122, sub-§2, ¶P) For income tax years beginning on or after January 1, 2002 and before January 1, 2004, an amount equal to the total premiums spent for long-term care insurance policies certified under Title 24-A, section 5075-A as long as the amount subtracted is reduced by the long-term care premiums claimed as an itemized deduction pursuant to section 5125.

For income tax years beginning on or after January 1, 2004, an amount equal to the total premiums spent for qualified long-term care insurance contracts certified under Title 24-A, section 5075-A, as long as the amount subtracted is reduced by any amount claimed as a deduction for federal income tax purposes in accordance with the Code, Section 162(l) and by the long-term care premiums claimed as an itemized deduction pursuant to section 5125; [2005, c. 519, Pt. LLL, §1 (AMD); 2005, c. 622, §26 (AMD).]

U. For income tax years beginning on or after January 1, 2015, the gain attributable to the sale of sustainably managed, eligible timberlands as calculated in this paragraph.

(1) As used in this paragraph, unless the context otherwise indicates, the following terms have the following meanings.

(a) "Commercial harvesting" or "commercially harvested" means the harvesting of forest products that have commercial value.

(b) "Eligible timberlands" means land of at least 10 acres located in the State and used primarily for the growth of trees to be commercially harvested. Land that would otherwise be included within this definition may not be excluded because of:

(i) Use of the land for multiple public recreation activities;

(ii) Statutory or governmental restrictions that prevent commercial harvesting of trees or require a primary use of the land other than commercial harvesting;

(iii) Deed restrictions, restrictive covenants or organizational charters that prevent commercial harvesting of trees or require a primary use of land other than commercial harvesting and that were effective prior to January 1, 1982; or

(iv) Past or present multiple use for mineral exploration.

(c) "Forest products that have commercial value" means logs, pulpwood, veneer, bolt wood, wood chips, stud wood, poles, pilings, biomass, fuel wood, Christmas trees, maple syrup, nursery products used for ornamental purposes, wreaths, bough material or cones or other seed products.

(d) "Sustainably managed" means:

(i) A forest management and harvest plan, as defined in section 573, subsection 3-A, has been prepared for the eligible timberlands and has been in effect for the entire time period used to compute the amount of the subtraction modification under this paragraph; and

(ii) The taxpayer has received a written statement from a licensed forester certifying that, as of the time of the sale, the eligible timberlands have been managed in accordance with the plan under subdivision (i) during that period.

(2) To the extent they are included in the taxpayer's federal adjusted gross income, the following amounts must be subtracted from federal adjusted gross income:

(a) For eligible timberlands held by the taxpayer for at least a 10-year period beginning on or after January 1, 2005 but less than an 11-year period beginning on or after January 1, 2005, 1/15 of the gain recognized on the sale of the eligible timberlands;

(b) For eligible timberlands held by the taxpayer for at least an 11-year period beginning on or after January 1, 2005 but less than a 12-year period beginning on or after January 1, 2005, 2/15 of the gain recognized on the sale of the eligible timberlands;

(c) For eligible timberlands held by the taxpayer for at least a 12-year period beginning on or after January 1, 2005 but less than a 13-year period beginning on or after January 1, 2005, 1/5 of the gain recognized on the sale of the eligible timberlands;

(d) For eligible timberlands held by the taxpayer for at least a 13-year period beginning on or after January 1, 2005 but less than a 14-year period beginning on or after January 1, 2005, 4/15 of the gain recognized on the sale of the eligible timberlands;

(e) For eligible timberlands held by the taxpayer for at least a 14-year period beginning on or after January 1, 2005 but less than a 15-year period beginning on or after January 1, 2005, 1/3 of the gain recognized on the sale of the eligible timberlands;

(f) For eligible timberlands held by the taxpayer for at least a 15-year period beginning on or after January 1, 2005 but less than a 16-year period beginning on or after January 1, 2005, 2/5 of the gain recognized on the sale of the eligible timberlands;

(g) For eligible timberlands held by the taxpayer for at least a 16-year period beginning on or after January 1, 2005 but less than a 17-year period beginning on or after January 1, 2005, 7/15 of the gain recognized on the sale of the eligible timberlands;

(h) For eligible timberlands held by the taxpayer for at least a 17-year period beginning on or after January 1, 2005 but less than an 18-year period beginning on or after January 1, 2005, 8/15 of the gain recognized on the sale of the eligible timberlands;

(i) For eligible timberlands held by the taxpayer for at least an 18-year period beginning on or after January 1, 2005 but less than a 19-year period beginning on or after January 1, 2005, 3/5 of the gain recognized on the sale of the eligible timberlands;

(j) For eligible timberlands held by the taxpayer for at least a 19-year period beginning on or after January 1, 2005 but less than a 20-year period beginning on or after January 1, 2005, 2/3 of the gain recognized on the sale of the eligible timberlands;

(k) For eligible timberlands held by the taxpayer for at least a 20-year period beginning on or after January 1, 2005 but less than a 21-year period beginning on or after January 1, 2005, 11/15 of the gain recognized on the sale of the eligible timberlands;

(l) For eligible timberlands held by the taxpayer for at least a 21-year period beginning on or after January 1, 2005 but less than a 22-year period beginning on or after January 1, 2005, 4/5 of the gain recognized on the sale of the eligible timberlands;

(m) For eligible timberlands held by the taxpayer for at least a 22-year period beginning on or after January 1, 2005 but less than a 23-year period beginning on or after January 1, 2005, 13/15 of the gain recognized on the sale of the eligible timberlands;

(n) For eligible timberlands held by the taxpayer for at least a 23-year period beginning on or after January 1, 2005 but less than a 24-year period beginning on or after January 1, 2005, 14/15 of the gain recognized on the sale of the eligible timberlands; or

(o) For eligible timberlands held by the taxpayer for at least a 24-year period beginning on or after January 1, 2005, all of the gain recognized on the sale of the eligible timberlands.

(3) Taxpayers claiming this credit must attach a sworn statement from a forester licensed pursuant to Title 32, chapter 76 that the timberlands for which the credit is claimed have been managed sustainably. For the purposes of this subparagraph, "sustainably" means that the timberlands for which the credit is claimed have been managed to protect soil productivity and to maintain or improve stand productivity and timber quality; known occurrences of threatened or endangered species and rare or exemplary natural communities; significant wildlife habitat and essential wildlife habitat; and water quality, wetlands and riparian zones.

Upon request of the State Tax Assessor, the Director of the Bureau of Forestry within the Department of Agriculture, Conservation and Forestry may provide assistance in determining whether timberlands for which the credit is claimed have been managed sustainably. When assistance is requested under this subparagraph, the director or the director's designee may enter and examine the timberlands for the purpose of determining whether the timberlands have been managed sustainably.

In the case of timberlands owned by an entity that is treated as a pass-through entity for income tax purposes, the land must be treated as eligible timberland if ownership and use of the land by the pass-through entity satisfies the requirements of this paragraph. If the owner of the eligible timberlands is an S corporation, the taxpayer must subtract the owner's pro rata share of the gain. If the owner of the timberlands is a partnership or limited liability company taxed as a partnership, the taxpayer must subtract the taxpayer's distributive share of the gain, subject to the percentage limitations provided in this paragraph.

This modification may not reduce Maine taxable income to less than zero. To the extent this modification results in Maine taxable income that is less than zero for the taxable year, the excess negative modification amount may be carried forward and applied as a subtraction modification for up to 10 taxable years. The entire amount of the excess negative modification must be carried to the earliest of the taxable years to which, by reason of this subsection, the negative modification may be carried and then to each of the other taxable years to the extent the unused negative modification is not used for a prior taxable year. Earlier carry-forward modifications must be used before newer modifications generated in later years; [2005, c. 622, §27 (AMD); 2005, c. 644, §5 (AMD); 2011, c. 657, Pt. W, §§5, 7 (REV); 2013, c. 405, Pt. A, §23 (REV).]

V. The taxpayer's pro rata share of an amount that was previously added back to federal taxable income pursuant to section 5200-A, subsection 1, paragraph H by an S corporation of which the taxpayer is a shareholder and by which, absent the S corporation election, the corporation could have reduced its federal taxable income for the taxable year pursuant to section 5200-A, subsection 2, paragraph H, except that the modification under this paragraph may not be claimed for any tax year beginning in 2009, 2010 or 2011. The amount not deducted as the result of the restriction with respect to tax years beginning in 2009, 2010 or 2011 may be deducted in any tax year beginning after December 31, 2011, but only to

the extent that the requirements of section 5200-A, subsection 2, paragraph H, subparagraphs (1) and (3) are met and the taxable year is within the allowable federal period for carry-over plus the number of years that the net operating loss carry-over adjustment was not deducted as a result of the restriction with respect to tax years beginning in 2009, 2010 or 2011; [2009, c. 213, Pt. ZZZ, §4 (AMD).]

W. The taxpayer's pro rata share of an amount that was previously added back to federal taxable income pursuant to section 5200-A, subsection 1, paragraph M by an S corporation of which the taxpayer is a shareholder and by which, absent the S corporation election, the corporation could have reduced its federal taxable income for the taxable year pursuant to section 5200-A, subsection 2, paragraph L; [2007, c. 466, Pt. A, §70 (AFF); 2007, c. 466, Pt. A, §66 (RPR).]

X. The taxpayer's pro rata share of an amount that was previously added back to federal taxable income pursuant to section 5200-A, subsection 1, paragraph N; section 5200-A, subsection 1, paragraph T; section 5200-A, subsection 1, paragraph Y, subparagraph (2); or section 5200-A, subsection 1, paragraph AA, subparagraph (2) by a corporation of which the taxpayer is a shareholder and by which, absent an S corporation election, the corporation could have reduced its federal taxable income for the taxable year pursuant to section 5200-A, subsection 2, paragraph M, R, V or Y; [2013, c. 546, §14 (AMD).]

Y. The portion of contributions to a qualified tuition program established under Section 529 of the Code up to $250 per designated beneficiary. This deduction may not be claimed on returns when federal adjusted gross income exceeds $100,000 for returns with a filing status of single or married filing separately or $200,000 for returns with a filing status of married joint or head of household; [2007, c. 539, Pt. CCC, §6 (AMD); 2007, c. 689, §1 (AMD); 2007, c. 689, §4 (AFF).]

Z. For income tax years beginning on or after January 1, 2006, to the extent included in federal adjusted gross income and not otherwise removed from Maine taxable income, an amount equal to the total of capital gains and ordinary income resulting from depreciation recapture determined in accordance with the Code, Sections 1245 and 1250 that is realized upon the sale of property certified as multifamily affordable housing property by the Maine State Housing Authority in accordance with Title 30-A, section 4722, subsection 1, paragraph AA; [2007, c. 2, §22 (COR).]

AA. For taxable years beginning on or after January 1, 2009, an amount equal to the net increase in the depreciation deductions allowable under Sections 167 and 168 of the Code that would have been applicable to that property had the depreciation deduction under the Code, Section 168(k) not been claimed with respect to such property placed in service on or after January 1, 2008 for which an addition was required under subsection 1, paragraph AA in a prior year.

Upon the taxable disposition of property to which this paragraph applies, the amount of any gain or loss includable in federal adjusted gross income must be adjusted for Maine income tax purposes by an amount equal to the difference between the addition modification for such property under subsection 1, paragraph AA and the subtraction modifications allowed pursuant to this paragraph.

The total amount of subtraction claimed for property under this paragraph for all tax years may not exceed the addition modification under subsection 1, paragraph AA for the same property; [2009, c. 2, §109 (COR).]

(Paragraph AA as enacted by PL 2007, c. 689, §3 is REALLOCATED TO TITLE 36, SECTION 5122, SUBSECTION 2, PARAGRAPH BB)

BB. (REALLOCATED FROM T. 36, §5122, sub-§2, ¶AA) The amount of pension benefits to the extent included in federal adjusted gross income under a military retirement plan as defined in paragraph M that exceed the amount of military retirement plan pension benefits deducted under paragraph M and that are received by a person who practices as a licensed dentist in this State for an average of at least 20 hours per week during the tax year and who accepts patients who receive benefits under the MaineCare program administered under Title 22, chapter 855; [2011, c. 240, §31 (AMD).]

CC. An amount equal to the value of any prior year addition modification under subsection 1, paragraph DD, but only to the extent that:

(1) Maine taxable income is not reduced below zero;

(2) The taxable year is within the allowable federal period for carry-over plus the number of years that the net operating loss carry-over adjustment was not deducted as a result of the restriction with respect to tax years beginning in 2009, 2010 or 2011;

(3) The amount has not been previously used as a modification pursuant to this subsection; and

(4) The modification under this paragraph is not claimed for any tax year beginning in 2009, 2010 or 2011; [2009, c. 1, §26 (COR).]

(Paragraph CC as enacted by PL 2009, c. 213, Pt. BBBB, §8 and affected by §17 is REALLOCATED TO TITLE 36, SECTION 5122, SUBSECTION 2, PARAGRAPH DD)

(Paragraph CC as enacted by PL 2009, c. 434, §69 and affected by §84 is REALLOCATED TO TITLE 36, SECTION 5122, SUBSECTION 2, PARAGRAPH EE)

DD. (REALLOCATED FROM T. 36, §5122, sub-§2, ¶CC) An amount equal to the gross income from the discharge of indebtedness previously deferred under the Code, Section 108(i) and included in federal adjusted gross income. The total subtraction for all years under this paragraph may not exceed the amount of the addition modification under subsection 1, paragraph CC for the same indebtedness; [2009, c. 2, §110 (COR).]

EE. (REALLOCATED FROM T. 36, §5122, sub-§2, ¶CC) To the extent included in federal adjusted gross income, an amount constituting benefits received under a municipal property tax assistance program established pursuant to section 6232, subsection 1-A; [2009, c. 2, §111 (COR).]

FF. To the extent included in federal adjusted gross income, student loan payments made by the taxpayer's employer directly to a lender on behalf of a qualified employee in accordance with section 5217-D, whether or not the employer claims, or could claim, the credit provided by section 5217-D, subsection 5; [2013, c. 525, §14 (AMD).]

(Paragraph FF as enacted by PL 2009, c. 625, §12 and affected by §15 is REALLOCATED TO TITLE 36, SECTION 5122, SUBSECTION 2, PARAGRAPH GG)

GG. (REALLOCATED FROM T. 36, §5122, sub-§2, ¶FF) To the extent included in the taxpayer's federal adjusted gross income, the recovery of a portion of a federal standard deduction claimed in a prior year for which the taxpayer was not allowed under this Part to reduce federal adjusted gross income or Maine adjusted gross income for that year; [2011, c. 380, Pt. O, §6 (AMD).]

HH. To the extent included in federal adjusted gross income, annuity payments made to the survivor of a deceased member of the military who died as the result of service in active or reserve components of the United States Army, Navy, Air Force, Marines or Coast Guard under a survivor benefit plan or reserve component survivor benefit plan pursuant to 10 United States Code, Chapter 73 reduced by any amount claimed as a modification under paragraph M or M-1; [2013, c. 331, Pt. C, §32 (AMD).]

(Paragraph HH as enacted by PL 2011, c. 454, §9 is REALLOCATED TO TITLE 36, SECTION 5122, SUBSECTION 2, PARAGRAPH JJ)

II. For taxable years beginning on or after January 1, 2012, an amount equal to the net increase in the depreciation deduction allowable under the Code, Sections 167 and 168 that would have been applicable to that property had the depreciation deduction under the Code, Section 168(k) not been claimed with respect to such property placed in service during the taxable year beginning in 2011 or 2012 for which an addition was required under subsection 1, paragraph FF, subparagraph (2) for the taxable year beginning in 2011 or 2012.

Upon the taxable disposition of property to which this paragraph applies, the amount of any gain or loss includable in federal adjusted gross income must be adjusted for Maine income tax purposes by an amount equal to the difference between the addition modification for such property under subsection 1, paragraph FF, subparagraph (2) related to property placed in service outside the State and the subtraction modifications allowed pursuant to this paragraph.

The total amount of the subtraction modification claimed under this paragraph for all tax years may not exceed the addition modification under subsection 1, paragraph FF, subparagraph (2) for the same property; [2013, c. 424, Pt. A, §26 (RPR).]

JJ. (REALLOCATED FROM T. 36, §5122, sub-§2, ¶HH) To the extent included in federal adjusted gross income, an amount equal to the distribution from a private venture capital fund of the refundable portion of the credit allowed under section 5216-B; [2013, c. 368, Pt. TT, §5 (AMD).]

KK. To the extent included in federal adjusted gross income, an amount equal to the refundable portion of the income tax credit under the Maine New Markets Capital Investment Program under Title 10, section 1100-Z; [2013, c. 368, Pt. TT, §6 (AMD).]

LL. To the extent included in federal adjusted gross income and to the extent otherwise subject to Maine income tax, an amount equal to military compensation earned during the taxable year for service performed outside of this State pursuant to written military orders:

(1) For active duty service in the active components of the United States Army, Navy, Air Force, Marines or Coast Guard by a service member whose permanent duty station during such service is located outside of this State; and

(2) For active duty service in the active or reserve components of the United States Army, Navy, Air Force, Marines or Coast Guard or in the Maine National Guard by a service member in support of a federal operational mission or a declared state or federal disaster response when the orders are either at federal direction or at the direction of the Governor of this State; and [2013, c. 588, Pt. A, §47 (AFF); 2013, c. 588, Pt. A, §46 (RPR).]

MM. For taxable years beginning on or after January 1, 2014, an amount equal to the net increase in the depreciation deduction allowable under the Code, Sections 167 and 168 that would have been applicable to that property had the depreciation deduction under the Code, Section 168(k) not been claimed with respect to such property placed in service during the taxable year beginning in 2013 for which an addition was required under subsection 1, paragraph HH, subparagraph (2) for the taxable year beginning in 2013.

Upon the taxable disposition of property to which this paragraph applies, the amount of any gain or loss includable in federal adjusted gross income must be adjusted for Maine income tax purposes by an amount equal to the difference between the addition modification for such property under subsection 1, paragraph HH, subparagraph (2) and the subtraction modifications allowed pursuant to this paragraph.

The total amount of subtraction claimed under this paragraph for all tax years may not exceed the addition modification under subsection 1, paragraph HH, subparagraph (2) for the same property. [2013, c. 368, Pt. TT, §8 (NEW).]

[2013, c. 525, §14 (AMD); 2013, c. 546, §§13, 14 (AMD); 2013, c. 588, Pt. A, §46 (AMD); 2013, c. 588, Pt. A, §47 (AFF) .]

3. **Fiduciary adjustment.** There shall be added to or subtracted from federal adjusted gross income, as the case may be, the taxpayer's share of the fiduciary adjustment determined under section 5164.

[1969, c. 154, §F1 (NEW) .]

4. **Cross reference.** For modifications required to be made by a partner relating to items of income, gain, loss or deductions of a partnership, see chapter 815.

[1969, c. 154, §F1 (NEW) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1977, c. 686, §9 (AMD). 1981, c. 463, §C2 (AMD). 1981, c. 706, §§33-35 (AMD). 1983, c. 519, §25 (AMD). 1983, c. 798, (AMD). 1983, c. 828, §22 (AMD). 1983, c. 855, §§15-17 (AMD). 1985, c. 344, §97 (AMD). 1985, c. 506, §A78 (AMD). 1985, c. 737, §A102 (AMD). 1987, c. 504, §§9,10 (AMD). 1987, c. 739, §§44-48 (AMD). 1987, c. 772, §36 (AMD). 1989, c. 502, §A136 (AMD). 1989, c. 508, §§16-18 (AMD). 1989, c. 556, §§B7,B10 (AMD). 1989, c. 880, §§G1-4 (AMD). RR 1991, c. 2, §§136-138 (COR). 1991, c. 528, §§N5,7 (AMD). 1991, c. 528, §§N6,8,RRR (AFF). 1991, c. 591, §§N5,7 (AMD). 1991, c. 591, §§N6,8 (AFF). 1995, c. 368, §§GGG1-3 (AMD). 1995, c. 639, §§15-17 (AMD). 1995, c. 641, §§1-3 (AMD). 1995, c. 641, §7 (AFF). RR 1997, c. 2, §61 (AFF). RR 1997, c. 2, §§58-60 (COR). 1997, c. 127, §2 (AMD). 1997, c. 557, §§B4-6 (AMD). 1997, c. 557, §G1 (AFF). 1997, c. 732, §§5-7 (AMD). 1997, c. 746, §§1-6 (AMD). 1997, c. 746, §24 (AFF). 1999, c. 414, §40 (AMD). 1999, c. 414, §57 (AFF). 1999, c. 520, §§2-4 (AMD). 1999, c. 520, §5 (AFF). 1999, c. 521, §§C3-6 (AMD). 1999, c. 521, §C9 (AFF). 1999, c. 708, §§34-36 (AMD). 1999, c. 731, §§S1-3,X1-3 (AMD). 1999, c. 731, §§S4,X4,5 (AFF). 1999, c. 790, §A49 (AMD). 2001, c. 177, §§1,2 (AMD). 2001, c. 358, §§CC1-3 (AMD). 2001, c. 358, §CC4 (AFF). 2001, c. 396, §34 (AMD). 2001, c. 396, §50 (AFF). 2001, c. 439, §KK1 (AMD). 2001, c. 439, §KK2 (AFF). 2001, c. 559, §§J1,2,GG8- 12 (AMD). 2001, c. 559, §GG26 (AFF). 2001, c. 583, §15 (AMD). 2001, c. 679, §§3,4 (AMD). 2001, c. 679, §6 (AFF). 2001, c. 700, §§3,4 (AMD). 2001, c. 700, §10 (AFF). 2001, c. 714, §§AA2-4 (AMD). RR 2003, c. 1, §§37,38 (COR). RR 2003, c. 2, §117 (COR). 2003, c. 20, §§EE1,2,II1, 2 (AMD). 2003, c. 390, §§27-33 (AMD). 2003, c. 390, §53 (AFF). 2003, c. 391, §5 (AMD). 2003, c. 451, §§E6,II1,2, KK1 (AMD). 2003, c. 479, §§2,3 (AMD). 2003, c. 588, §§14,15 (AMD). 2003, c. 688, §§A40,41 (AMD). 2003, c. 705, §§8-12 (AMD). 2003, c. 705, §14 (AFF). 2005, c. 12, §§L1,P2-4 (AMD). 2005, c. 12, §P10 (AFF). 2005, c. 218, §§51-53 (AMD). 2005, c. 416, §§1-3 (AMD). 2005, c. 519, §§CC1,LLL1-3 ,NN (AMD). 2005, c. 519, §§LLL4,NNN3 (AFF). 2005, c. 622, §§26-30 (AMD). 2005, c. 622, §33 (AFF). 2005, c. 644, §§5-7 (AMD). RR 2007, c. 2, §§22-24 (COR). 2007, c. 58, §3 (REV). 2007, c. 240, Pt. CCC, §2 (AMD). 2007, c. 240, Pt. CCC, §4 (AFF). 2007, c. 437, §§15-17 (AMD). 2007, c. 437, §22 (AFF). 2007, c. 466, Pt. A, §§65-69 (AMD). 2007, c. 466, Pt. A, §70 (AFF). 2007, c. 539, Pt. CCC, §§2-8 (AMD). 2007, c. 689, §§1-3 (AMD). 2007, c. 689, §4 (AFF). RR 2009, c. 1, §§26-28 (COR). RR 2009, c. 2, §§109-113 (COR). 2009, c. 213, Pt. BBBB, §§2-8 (AMD). 2009, c. 213, Pt. BBBB, §17 (AFF). 2009, c. 213, Pt. ZZZ, §§1-5 (AMD). 2009, c. 434, §§64-69 (AMD). 2009, c. 434, §84 (AFF). 2009, c. 496, §§21, 22 (AMD). 2009, c. 553, Pt. B, §1 (AMD). 2009, c. 553, Pt. B, §5 (AFF). 2009, c. 625, §12 (AMD). 2009, c. 625, §15 (AFF). RR 2011, c. 1, §§54-56 (COR). 2011, c. 90, Pt. H, §§1-3 (AMD). 2011, c. 90, Pt. H, §8 (AFF). 2011, c. 138, §§1-3 (AMD). 2011, c. 138, §4 (AFF). 2011, c. 240, §§30, 31 (AMD). 2011, c. 380, Pt. O, §§2-8 (AMD). 2011, c. 454, §9 (AMD). 2011, c. 548, §24 (AMD). 2011, c. 548, §36 (AFF). 2011, c. 644, §§13-19 (AMD). 2011, c. 644, §§32, 33 (AFF). 2011, c. 657, Pt. M, §1 (AMD). 2011, c.

657, Pt. M, §2 (AFF). 2011, c. 657, Pt. R, §§1, 2 (AMD). 2011, c. 657, Pt. R, §3 (AFF). 2011, c. 657, Pt. W, §§5, 7 (REV). RR 2013, c. 1, §52 (COR). 2013, c. 331, Pt. A, §4 (AMD). 2013, c. 331, Pt. A, §5 (AFF). 2013, c. 331, Pt. C, §§32, 33 (AMD). 2013, c. 331, Pt. C, §40 (AFF). 2013, c. 368, Pt. TT, §§2-8 (AMD). 2013, c. 405, Pt. A, §23 (REV). 2013, c. 424, Pt. A, §26 (AMD). 2013, c. 525, §14 (AMD). 2013, c. 546, §§13, 14 (AMD). 2013, c. 588, Pt. A, §46 (AMD). 2013, c. 588, Pt. A, §47 (AFF).

§5123. DEDUCTION

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1987, c. 819, §5 (RP).

§5124. STANDARD DEDUCTION; RESIDENT

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1975, c. 660, §7 (RPR). 1975, c. 765, §27 (AMD). 1977, c. 477, §16 (RP).

§5124-A. STANDARD DEDUCTION; RESIDENT

The standard deduction of a resident individual is equal to the standard deduction as determined in accordance with the Code, Section 63, except that, for tax years beginning in 2013, the standard deduction is $10,150 in the case of individuals filing a married joint return and surviving spouses permitted to file a joint return and $5,075 in the case of a married individual filing a separate return. [2013, c. 368, Pt. TT, §9 (AMD).]

1. Married persons; joint return.

[1989, c. 495, §2 (RP) .]

2. Unmarried or legally separated heads of households.

[1989, c. 495, §2 (RP) .]

3. Single individuals.

[1989, c. 495, §2 (RP) .]

4. Married persons; separate returns.

[1989, c. 495, §2 (RP) .]

5. Certain individuals; deduction limitation.

[1989, c. 495, §2 (RP) .]

SECTION HISTORY
1977, c. 477, §17 (NEW). IB 1983, c. 2, §2 (AMD). IB 1983, c. 3, §2 (AMD). 1985, c. 535, §15 (RPR). 1987, c. 497, §§48,49 (AMD). 1987, c. 819, §6 (RPR). 1989, c. 495, §§2,9 (RPR). 1989, c. 596, §J7 (AMD).

2003, c. 20, §HH1 (RPR). 2003, c. 479, §4 (AMD). 2005, c. 12, §P5 (AMD). 2009, c. 213, Pt. BBBB, §9 (AMD). 2009, c. 213, Pt. BBBB, §17 (AFF). 2011, c. 380, Pt. N, §7 (AMD). 2011, c. 380, Pt. N, §§19, 20 (AFF). 2013, c. 368, Pt. TT, §9 (AMD).

§5125. ITEMIZED DEDUCTIONS

1. **General.** An individual who has claimed itemized deductions from federal adjusted gross income in determining the individual's federal taxable income for the taxable year may claim itemized deductions from Maine adjusted gross income as provided in this section.

A. [1987, c. 819, §7 (RP).]

B. [1987, c. 819, §7 (RP).]

[2003, c. 390, §34 (AMD) .]

2. **Spouses.** Spouses, both of whom are required to file returns under this Part, are allowed to claim itemized deductions from Maine adjusted gross income only if both do so. Their total itemized deductions from federal adjusted gross income, as modified by subsection 3, may be taken by either spouse or divided between them, as they may elect, if their federal income tax is determined on a joint return but their tax under this Part is determined on separate returns. The total itemized deductions from Maine adjusted gross income claimed on a return may not exceed the limitation amount in subsection 4.

[2013, c. 368, Pt. TT, §10 (AMD); 2013, c. 368, Pt. TT, §20 (AFF) .]

3. **Amount.** The sum of an individual's itemized deductions from federal adjusted gross income must be:

A. Reduced by any amount attributable to income taxes or sales and use taxes imposed by this State or any other taxing jurisdiction; [2005, c. 12, Pt. P, §6 (AMD); 2005, c. 12, Pt. P, §10 (AFF).]

B. Increased by any amount of interest or expense incurred in the production of income taxable under this Part but exempt from federal income tax that was not deducted in determining the individual's federal taxable income; [2003, c. 390, §34 (AMD).]

C. Reduced by any amount of deduction attributable to income taxable to financial institutions under chapter 819; [2003, c. 390, §34 (AMD).]

D. Reduced by any amount attributable to interest or expenses incurred in the production of income exempt from tax under this Part; and [2011, c. 380, Pt. N, §8 (AMD); 2011, c. 380, Pt. N, §§19, 20 (AFF).]

E. Reduced by the amount attributable to any contribution that qualified for and was actually utilized as a credit under section 5216-C. [2011, c. 380, Pt. N, §9 (AMD); 2011, c. 380, Pt. N, §§19, 20 (AFF).]

F. [2011, c. 380, Pt. N, §§19, 20 (AFF); 2011, c. 380, Pt. N, §10 (RP).]

[2011, c. 380, Pt. N, §§8-10 (AMD); 2011, c. 380, Pt. N, §§19, 20 (AFF) .]

4. **Limitation.** The total itemized deductions from Maine adjusted gross income claimed on a return may not exceed $27,500, except the limitation does not apply to medical and dental expenses included in an individual's itemized deductions from federal adjusted gross income.

[2013, c. 595, Pt. T, §1 (AMD); 2013, c. 595, Pt. T, §2 (AFF) .]

5. **Charitable contributions.** The following amounts in excess of the limitation on itemized deductions under subsection 4 may be claimed:

A. For tax years beginning in 2016, charitable contributions included in federal itemized deductions up to $18,000; and [2013, c. 590, §1 (NEW).]

B. For tax years beginning on or after January 1, 2017, the amount of charitable contributions included in federal itemized deductions. [2013, c. 590, §1 (NEW).]

[2013, c. 590, §1 (NEW) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1987, c. 819, §7 (RPR). 1995, c. 281, §§27,28 (AMD). 1999, c. 708, §37 (AMD). 2003, c. 390, §34 (AMD). 2005, c. 12, §P6 (AMD). 2005, c. 12, §P10 (AFF). 2007, c. 539, Pt. CCC, §§9-11 (AMD). 2011, c. 380, Pt. N, §§8-10 (AMD). 2011, c. 380, Pt. N, §§19, 20 (AFF). 2013, c. 368, Pt. TT, §§10, 11 (AMD). 2013, c. 368, Pt. TT, §20 (AFF). 2013, c. 590, §1 (AMD). 2013, c. 595, Pt. T, §1 (AMD). 2013, c. 595, Pt. T, §2 (AFF).

§5126. PERSONAL EXEMPTIONS

For income tax years beginning on or after January 1, 1998 but before January 1, 1999, a resident individual is allowed $2,400 for each exemption that the individual properly claims for the taxable year for federal income tax purposes, unless the taxpayer is claimed as a dependent on another return. For income tax years beginning on or after January 1, 1999 but before January 1, 2000, a resident individual is allowed $2,750 for each exemption that the individual properly claims for the taxable year for federal income tax purposes, unless the taxpayer is claimed as a dependent on another return. For income tax years beginning on or after January 1, 2000 but before January 1, 2013, a resident individual is allowed $2,850 for each exemption that the individual properly claims for the taxable year for federal income tax purposes, unless the taxpayer is claimed as a dependent on another return. For income tax years beginning on or after January 1, 2013, a resident individual is allowed a deduction equal to the total amount of deductions allowed for personal exemptions in accordance with the Code, Section 151. [2011, c. 380, Pt. N, §11 (AMD); 2011, c. 380, Pt. N, §19 (AFF).]

1. **Single individuals and married persons filing separate returns.**

[1989, c. 878, Pt. D, §12 (RP) .]

2. **Heads of households.**

[1989, c. 878, Pt. D, §12 (RP) .]

3. **Individuals filing married joint return or surviving spouses.**

[1989, c. 878, Pt. D, §12 (RP) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1977, c. 686, §10 (AMD). 1979, c. 615, §4 (AMD). IB 1983, c. 2, §3 (AMD). 1987, c. 504, §§11,12 (AMD). 1987, c. 772, §37 (AMD). 1987, c. 819, §8 (RPR). 1987, c. 892, §2 (AMD). 1989, c. 495, §§3,9 (RPR). 1989, c. 596, §J7 (AMD). 1989, c. 878, §D12 (RPR). 1997, c. 24, §E2 (AMD). 1997, c. 643, §§HHH4,5 (AMD). 1997, c. 643, §HHH10 (AFF). 1999, c. 401, §QQQ1 (AMD). 2001, c. 583, §16 (AMD). 2011, c. 380, Pt. N, §11 (AMD). 2011, c. 380, Pt. N, §19 (AFF).

§5127. INCOME TAX CREDITS

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1977, c. 424, §1 (RPR). 1979, c. 557, §1 (AMD). 1981, c. 411, §2 (AMD). 1981, c. 705, §§R2,R3 (AMD). 1981, c. 706, §36 (AMD). 1983, c. 571, §§22,23 (AMD). 1983, c. 840, §1 (AMD). 1985, c. 766, §1 (AMD). 1985, c. 783, §21 (AMD). 1987, c. 343, §10 (AMD). 1987, c. 504, §13 (RP). 1987, c. 769, §A158 (AMD).

§5128. DUAL RESIDENCE; REDUCTION OF TAX

If the taxpayer is regarded as a resident of both this State and another jurisdiction for purposes of personal income taxation, the assessor shall reduce the tax on that portion of the taxpayer's income which is subjected to tax in both jurisdictions solely by virtue of dual residence, provided that the other taxing jurisdiction allows a similar reduction. The reduction shall be in an amount equal to that portion of the lower of the 2 taxes applicable to the income taxed twice which the tax imposed by this State bears to the combined taxes of the 2 jurisdictions on the income taxed twice. [1979, c. 541, Pt. A, §232 (AMD).]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 541, §A232 (AMD).

§5129. CREDIT FOR INVESTMENT IN THE MAINE CAPITAL CORPORATION

(REPEALED)

SECTION HISTORY
1977, c. 531, §2 (NEW). 1981, c. 364, §65 (RP).

§5130. RETIREMENT CREDIT

(REPEALED)

SECTION HISTORY
1977, c. 686, §11 (NEW). 1985, c. 691, §33 (AMD). 1987, c. 504, §14 (RP).

§5131. EXEMPTION CREDIT

(REPEALED)

SECTION HISTORY
1987, c. 504, §15 (NEW). 1987, c. 819, §9 (RP).

Chapter 807: COMPUTATION OF TAXABLE INCOME OF NONRESIDENT INDIVIDUALS

§5140. NONRESIDENT INDIVIDUALS -- TAXABLE INCOME

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1985, c. 783, §22 (RP).

§5141. HUSBAND AND WIFE

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1985, c. 783, §23 (RP).

§5142. ADJUSTED GROSS INCOME FROM SOURCES IN THIS STATE

1. **General.** The Maine adjusted gross income of a nonresident individual derived from or connected with sources in this State is the sum of the following amounts:

A. The net amount of items of income, gain, loss, and deduction entering into the nonresident individual's federal adjusted gross income that are derived from or connected with sources in this State including (i) the individual's distributive share of partnership or limited liability company income and deductions determined under section 5192, (ii) the individual's share of estate or trust income and deductions determined under section 5176, and (iii) the individual's pro rata share of the income of an S corporation derived from or connected with sources in this State; and [2005, c. 12, Pt. LLLL, §1 (AMD).]

B. The portion of the modifications described in section 5122, subsections 1 and 2 that relates to income derived from or connected with sources in this State, including any modifications attributable to the nonresident individual as a partner of a partnership, shareholder of an S corporation, member of a limited liability company or beneficiary of an estate or trust. [2005, c. 12, Pt. LLLL, §1 (AMD).]

C. [2005, c. 12, Pt. LLLL, §1 (RP).]

[2011, c. 240, §32 (AMD) .]

2. **Attribution.** Items of income, gain, loss, and deduction derived from or connected with sources within this State are those items attributable to:

A. The ownership or disposition of any interest in real or tangible personal property in this State; [2005, c. 12, Pt. LLLL, §2 (AMD).]

B. A business, trade, profession or occupation carried on in this State; and [2005, c. 12, Pt. LLLL, §2 (AMD).]

C. Proceeds from any gambling activity conducted in this State or lottery tickets purchased in this State, including payments received from a 3rd party for the transfer of the rights to future proceeds related to any gambling activity or lottery tickets. [2005, c. 332, §20 (AMD).]

[2005, c. 12, Pt. LLLL, §2 (AMD); 2005, c. 332, §20 (AMD) .]

3. **Intangibles.** Income from intangible personal property including annuities, dividends, interest and gains from the disposition of intangible personal property, shall constitute income derived from sources within this State only to the extent that such income is from property employed in a business, trade, profession, or occupation carried on in this State.

[1969, c. 154, §F (NEW) .]

3-A. **Gain or loss on sale of partnership interest.** Notwithstanding subsection 3, the gain or loss on the sale of a partnership interest is sourced to this State in an amount equal to the gain or loss multiplied by the ratio obtained by dividing the original cost of partnership tangible property located in Maine by the original cost of partnership tangible property everywhere, determined at the time of the sale. Tangible property includes property owned or rented and is valued in accordance with section 5211, subsection 10. If more than 50% of the value of the partnership's assets consist of intangible property, gain or loss from the sale of the partnership interest is sourced to this State in accordance with the sales factor of the partnership for its first

full tax period immediately preceding the tax period of the partnership during which the partnership interest was sold. For purposes of this subsection, the sales factor of a partnership is determined in accordance with section 5211, subsections 14, 15 and 16-A. This subsection does not apply to the sale of a limited partner's interest in an investment partnership where more than 80% of the value of the partnership's total assets consists of intangible personal property held for investment, except that such property cannot include an interest in a partnership unless that partnership is itself an investment partnership.

If the apportionment provisions of this section do not fairly represent the extent of the partnership's business activity in this State, the taxpayer may petition for, or the State Tax Assessor may require, in respect to all or any part of the partnership's business activity the employment of any other method to effectuate an equitable apportionment to this State of the partner's income from the sale of the partnership interest.

[2007, c. 627, §83 (AMD) .]

4. **Deductions for losses.** Deductions with respect to capital losses, net long-term capital gains, and net operating losses shall be based solely on income, gains, losses and deductions derived from or connected with sources in this State, under regulations to be prescribed by the assessor but otherwise shall be determined in the same manner as the corresponding federal deductions.

[1969, c. 154, §F (NEW) .]

5. **Small business corporation.**

[1981, c. 706, §38 (RP) .]

6. **Apportionment.** If a business, trade, profession or occupation is carried on partly within and partly without this State, the items of income and deduction derived from or connected with sources within this State shall be determined as apportioned to this State under chapter 821 or in the case of the rendering of purely personal services by an individual under regulations to be prescribed by the assessor.

[1987, c. 841, §3 (AMD) .]

7. **Service in Armed Forces.** Compensation paid by the United States for service in the Armed Forces of the United States performed by a nonresident shall not constitute income derived from sources within this State.

[1969, c. 154, §F (NEW) .]

8. **Minimum taxability threshold.**

[2005, c. 332, §30 (AFF); 2005, c. 332, §21 (RP) .]

8-A. **Minimum taxability threshold.**

[2011, c. 380, Pt. CCCC, §4 (AFF); 2011, c. 380, Pt. CCCC, §1 (RP) .]

8-B. **Minimum taxability threshold; exemptions.** Minimum taxability thresholds for nonresidents are governed by this subsection.

A. Except as provided by paragraph D, compensation for personal services performed in the State as an employee is Maine-source income subject to taxation under this Part if the nonresident taxpayer is present in the State performing personal services for more than 12 days during that taxable year and directly earns or derives more than $3,000 in gross income during the year in the State from all sources. [2011, c. 622, §5 (AMD); 2011, c. 622, §7 (AFF).]

B. Except as provided by paragraph D, a nonresident individual who is present for business in the State on other than a systematic or regular basis, either directly or through agents or employees, has Maine-source income derived from or effectively connected with a trade or business in the State and subject to taxation under this Part only if the nonresident individual was present in the State for business more than 12 days during the taxable year and earns or derives more than $3,000 of gross income during the taxable year from contractual or sales-related activities. [2011, c. 622, §5 (AMD); 2011, c. 622, §7 (AFF).]

C. Performance of the following personal services for 24 days during a taxable year may not be counted toward the 12-day threshold under paragraph A:

(1) Personal services performed in connection with presenting or receiving employment-related training or education;

(2) Personal services performed in connection with a site inspection, review, analysis of management or any other supervision of a facility, affiliate or subsidiary based in the State by a representative from a company, not headquartered in the State, that owns that facility or is the parent company of the affiliate or subsidiary;

(3) Personal services performed in connection with research and development at a facility based in the State or in connection with the installation of new or upgraded equipment or systems at that facility; or

(4) Personal services performed as part of a project team working on the attraction or implementation of new investment in a facility based in the State. [2011, c. 548, §25 (AMD); 2011, c. 548, §36 (AFF).]

D. Compensation for personal services performed in the State as an employee and income derived from or effectively connected with a trade or business in the State is not Maine-source income subject to taxation under this Part if the nonresident taxpayer is present in the State during the taxable year solely for the performance of services or the conducting of business during a disaster period and the compensation or income is directly related to a declared state disaster or emergency and the services were requested by the State, a county, city, town or political subdivision of the State or a registered business. [2011, c. 622, §5 (NEW); 2011, c. 622, §7 (AFF).]

[2011, c. 548, §25 (AMD); 2011, c. 548, §36 (AFF); 2011, c. 622, §5 (AMD); 2011, c. 622, §7 (AFF) .]

9. **Compensation for work under interlocal agreement.** Compensation received as an employee of a political subdivision of an adjoining state performing service in this State pursuant to an interlocal agreement under Title 30-A, chapter 115 is not considered income derived from sources within this State as long as the performance of the service under the interlocal agreement does not displace an employee currently performing the service who is a resident of this State.

[2011, c. 130, §1 (NEW); 2011, c. 130, §2 (AFF) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1981, c. 706, §§37,38 (AMD). 1987, c. 841, §3 (AMD). 1993, c. 478, §1 (AMD). 1999, c. 521, §B2 (AMD). 1999, c. 521, §B11 (AFF). 2003, c. 391, §6 (AMD). 2003, c. 673, §E1 (AMD). 2003, c. 673, §E3 (AFF). 2005, c. 12, §§LLLL1,2,MM MM1 (AMD). 2005, c. 12, §MMMM3 (AFF). 2005, c. 332, §§20-22 (AMD). 2005, c. 332, §30 (AFF). 2007, c. 240, Pt. V, §1 (AMD). 2007, c. 627, §83 (AMD). 2009, c. 434, §71 (AMD). 2009, c. 434, §85 (AFF). 2011, c. 130, §1 (AMD). 2011, c. 130, §2 (AFF). 2011, c. 240, §32 (AMD). 2011, c. 380, Pt. CCCC, §§1, 2 (AMD). 2011, c. 380, Pt. CCCC, §4 (AFF). 2011, c. 548, §25 (AMD). 2011, c. 548, §36 (AFF). 2011, c. 622, §5 (AMD). 2011, c. 622, §7 (AFF).

§5143. STANDARD DEDUCTION; NONRESIDENT

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1975, c. 660, §8 (RPR). 1975, c. 765, §28 (AMD). 1977, c. 477, §18 (RPR). 1979, c. 711, §H1 (RP).

§5143-A. STANDARD DEDUCTION; NONRESIDENT

(REPEALED)

SECTION HISTORY
1979, c. 711, §H2 (NEW). 1983, c. 3, §4 (AMD). 1985, c. 783, §24 (RP).

§5144. ITEMIZED DEDUCTIONS

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 711, §H3 (RP).

§5144-A. ITEMIZED DEDUCTIONS

(REPEALED)

SECTION HISTORY
1979, c. 711, §H4 (NEW). 1985, c. 783, §25 (RP).

§5145. PERSONAL EXEMPTIONS

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 711, §H5 (AMD). 1985, c. 783, §26 (RP).

§5146. CHILD CARE CREDIT

(REPEALED)

SECTION HISTORY
1977, c. 424, §2 (NEW). 1985, c. 766, §2 (AMD). 1985, c. 783, §27 (RP). 1987, c. 402, §A188 (RP). 1987, c. 504, §16 (RP).

Chapter 809: IMPOSITION OF TAX ON ESTATES AND TRUSTS

§5160. IMPOSITION OF TAX

The tax is imposed, at the rates provided by section 5111 for single individuals, upon the Maine taxable income of estates and trusts. The tax must be paid by the fiduciary. [2003, c. 390, §35 (AMD).]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1985, c. 783, §28 (RPR). 1993, c. 395, §19 (AMD). 2003, c. 390, §35 (AMD).

§5161. COMPUTATION AND PAYMENT

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1985, c. 783, §29 (RP).

§5162. TAX NOT APPLICABLE

1. **Associations taxable as corporations.** An association, trust or other unincorporated organization which is taxable as a corporation for federal income tax purposes shall not be subject to tax under this chapter.

[1969, c. 154, §F1 (NEW) .]

2. **Exempt associations, trusts and organizations.** An association, trust, or other unincorporated organization which by reason of its purposes or activities is exempt from federal income tax shall be exempt from the tax imposed by this Part except with respect to its unrelated business taxable income.

[1969, c. 154, §F1 (NEW) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW).

Chapter 811: COMPUTATION OF TAXABLE INCOME OF RESIDENT ESTATES AND TRUSTS

§5163. MAINE TAXABLE INCOME OF RESIDENT ESTATE OR TRUST

The Maine taxable income of a resident estate or trust is equal to its federal taxable income modified by the addition or subtraction of its share of the fiduciary adjustment determined under section 5164. [2003, c. 390, §36 (AMD).]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 2003, c. 390, §36 (AMD).

§5164. FIDUCIARY ADJUSTMENT

1. **Fiduciary adjustment defined.** The fiduciary adjustment is the net amount of the modifications described in section 5122, including subsection 3 if the estate or trust is a beneficiary of another estate or trust, that relates to items of income or deduction of an estate or trust. Income taxes imposed by this State or any other taxing jurisdiction and interest or expenses incurred in the production of income exempt from tax under this Part that were deducted in arriving at federal taxable income must be added back to the fiduciary adjustment. Interest or expenses incurred in the production of income taxable under this Part but exempt from federal income tax must be subtracted from the fiduciary adjustment.

[2011, c. 548, §26 (AMD); 2011, c. 548, §35 (AFF) .]

2. **Shares of fiduciary adjustment.** The respective shares of an estate or trust and its beneficiaries, including solely for the purpose of this allocation, nonresident beneficiaries, in the fiduciary adjustment shall be in proportion to their respective shares of federal distributable net income of the estate or trust. If the estate or trust has no federal distributable net income for the taxable year, the share of each beneficiary in the fiduciary adjustment shall be in proportion to his share of the estate or trust income for such year, under local

law or the terms of the instrument, which is required to be distributed currently and any other amounts of such income distributed in such year. Any balance of the fiduciary adjustment shall be allocated to to the estate or trust.

[1969, c. 154, §F1 (NEW) .]

3. **Alternate attribution of adjustment.** The assessor may authorize, upon the taxpayer's written request, the use of other methods of determining to whom the items comprising the fiduciary adjustment are attributed, as may be appropriate and equitable.

[1995, c. 639, §18 (AMD) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1995, c. 639, §18 (AMD). 1999, c. 708, §38 (AMD). 2007, c. 539, Pt. CCC, §12 (AMD). 2011, c. 548, §26 (AMD). 2011, c. 548, §35 (AFF).

§5165. CREDIT FOR INCOME TAX OF ANOTHER STATE

A resident estate or trust shall be allowed the credit provided by section 5217-A, except that the limitation shall be computed by reference to the taxable income of the estate or trust. [1989, c. 596, Pt. J, §4 (AMD).]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1987, c. 504, §17 (AMD). 1989, c. 596, §J4 (AMD).

§5166. CREDIT TO BENEFICIARY FOR ACCUMULATION DISTRIBUTION *(REPEALED)*

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1985, c. 783, §30 (RP).

§5167. CREDIT FOR INVESTMENT IN THE MAINE CAPITAL CORPORATION *(REPEALED)*

SECTION HISTORY
1977, c. 531, §3 (NEW). 1981, c. 364, §66 (RP).

Chapter 813: COMPUTATION OF TAXABLE INCOME OF NONRESIDENT TRUSTS AND ESTATES

§5175. MAINE TAXABLE INCOME OF A NONRESIDENT ESTATE OR TRUST *(REPEALED)*

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 2003, c. 390, §37 (AMD). 2009, c. 434, §70 (RP).

§5175-A. MAINE TAXABLE INCOME OF A NONRESIDENT ESTATE OR TRUST

The Maine taxable income of a nonresident estate or trust is equal to its share in that portion of the distributable net income of the estate or trust that is derived from or connected with sources in this State, including items of income, gain, loss and deduction from another estate or trust of which the first estate or trust is a beneficiary, increased or reduced by the amount of any items that are recognized for federal income tax purposes but excluded from the distributable net income of the estate or trust and modified by the addition or subtraction of its share of the fiduciary adjustment determined under section 5164, less the amount of the deduction for its federal exemption. The source of items of income, gain, loss or deduction must be determined in accordance with section 5142 as if the estate or trust were a nonresident individual. [2009, c. 434, §72 (NEW).]

SECTION HISTORY
2009, c. 434, §72 (NEW).

§5176. SHARE OF A NONRESIDENT ESTATE, TRUST OR BENEFICIARY IN INCOME FROM SOURCES IN THIS STATE

1. **General rule.** The share of a nonresident estate or trust in items of income, gain, loss and deduction derived from or connected with sources in this State that are included in the distributable net income of the nonresident estate or trust and the share for purposes of section 5142 of a nonresident beneficiary of an estate or trust in items of income, gain, loss and deduction of that estate or trust must be determined pursuant to this subsection. A modification may not be made under this section that has the effect of duplicating an item already included in the distributable net income of the estate or trust.

A. To the extent the modifications relate to items of income, gain, loss and deduction derived from or connected with sources in this State that are included in the distributable net income of a nonresident estate or trust, the modifications provided under section 5122 must be added to or subtracted from the amount of those items. [2009, c. 434, §73 (RPR).]

B. The amount determined under paragraph A must be allocated among the nonresident estate or trust and its beneficiaries, including, solely for the purpose of this allocation, resident beneficiaries, in proportion to their respective shares in the distributable net income of the estate or trust. The amounts so allocated have the same character as for federal income tax purposes. An item that is not characterized for federal income tax purposes is deemed to have been realized directly from the source from which it was realized by the estate or trust or incurred in the same manner as it was incurred by the estate or trust. [2009, c. 434, §73 (RPR).]

C. If the estate or trust has no distributable net income for the taxable year, the share of each beneficiary in the net amount determined under paragraph A must be in proportion to the beneficiary's share of the estate or trust income for the taxable year that is required to be distributed currently and any other income that is actually distributed in that taxable year. The balance of the net amount must be allocated to the estate or trust. [2009, c. 434, §73 (RPR).]

[2009, c. 434, §73 (RPR) .]

2. **Alternate methods.** The State Tax Assessor may authorize, upon the taxpayer's written request, the use of another method of determining the respective shares of the beneficiaries and of the estate or trust in its income derived from sources in this State, and in the modifications related to that income, that the assessor determines to be appropriate and equitable.

[2009, c. 434, §73 (RPR) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1995, c. 639, §19 (AMD). 2009, c. 434, §73 (RPR).

§5177. CREDIT TO BENEFICIARY FOR ACCUMULATION DISTRIBUTION *(REPEALED)*

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1985, c. 783, §31 (RP).

Chapter 814: LIMITED LIABILITY COMPANIES

§5180. TAXATION OF LIMITED LIABILITY COMPANIES

1. **Classified as partnership.** For purposes of taxation pursuant to this Part, a limited liability company formed under Title 31, former chapter 13 or chapter 21 or qualified to do business in this State as a foreign limited liability company is classified as a partnership, unless classified otherwise for federal income tax purposes, in which case the limited liability company is classified in the same manner as it is classified for federal income tax purposes.

[2009, c. 629, Pt. A, §3 (AFF); 2009, c. 629, Pt. B, §9 (AMD) .]

2. **Taxation.**

[2009, c. 629, Pt. A, §3 (AFF); 2009, c. 629, Pt. B, §10 (RP) .]

SECTION HISTORY
1999, c. 414, §41 (NEW). 2009, c. 629, Pt. A, §3 (AFF). 2009, c. 629, Pt. B, §§9, 10 (AMD).

Chapter 815: PARTNERS AND PARTNERSHIPS

§5190. ENTITY NOT TAXABLE

A partnership as such shall not be subject to the tax imposed by this Part. Persons carrying on business as partners shall be liable for the tax imposed by this Part only in their separate or individual capacities. [1969, c. 154, §F (NEW).]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW).

§5191. RESIDENT PARTNER -- ADJUSTED GROSS INCOME

1. **Modification in determining the adjusted gross income of a resident partner.** Any modification described in section 5122 which relates to an item of partnership income, gain, loss or deduction shall be made in accordance with the partner's distributive share, for federal income tax purposes, of the item to which the modification relates. Where a partner's distributive share of any item is not required to be taken into account separately for federal income tax purposes, the partner's distributive share of that item shall be determined in accordance with the partner's distributive share, for federal income tax purposes, of partnership taxable income or loss generally.

[1989, c. 508, §19 (AMD) .]

2. **Character of items.** Each item of partnership income, gain, loss or deduction shall have the same character for a partner under this Part as it has for federal income tax purposes. Where an item is not characterized for federal income tax purposes, it shall have the same character for a partner as if realized directly from the source from which realized by the partnership or incurred in the same manner as incurred by the partnership.

[1969, c. 154, §F1 (NEW) .]

3. **Tax avoidance or evasion.** If a partner's distributive share of an item of partnership income, gain, loss or deduction is determined for federal income tax purposes by a special provision in the partnership agreement, the principal purpose of which is the avoidance or evasion of tax under this Part, the partner's distributive share of that item and any modification required with respect to that item must be determined in accordance with the partner's distributive share of the taxable income or loss of the partnership generally, exclusive of items that must be separately computed under the Code, Section 702.

[2011, c. 548, §27 (AMD) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 541, §A233 (AMD). 1989, c. 508, §19 (AMD). 2011, c. 548, §27 (AMD).

§5192. NONRESIDENT PARTNER -- ADJUSTED GROSS INCOME FROM SOURCES IN THIS STATE

1. **General.** In determining the adjusted gross income of a nonresident partner of any partnership, there shall be included only that part derived from or connected with sources in this State of the partner's distributive share of items of partnership income, gain, loss and deduction entering into his federal adjusted gross income, as such part is determined under regulations prescribed by the assessor in accordance with the general rules in section 5142.

[1969, c. 154, §F1 (NEW) .]

2. **Itemized deductions.** If a nonresident partner of any partnership elects to itemize his deductions in determining his tax liability to this State, there shall be attributed to him his distributive share of partnership items of deduction from federal adjusted gross income.

[1985, c. 783, §32 (AMD) .]

3. **Special rules as to sources in this State.** In determining the sources of a nonresident partner's income, no effect shall be given to a provision in the partnership agreement which:

A. Characterizes payments to the partner as being for services or for the use of capital, or allocated to the partner, as income or gain from sources outside this State, a greater proportion of his distributive share of partnership income or gain than the ratio of partnership income or gain from sources outside this State to partnership income or gain from all sources except as authorized in subsection 5; or [1969, c. 154, §F1 (NEW).]

B. Allocates to the partner a greater proportion of a partnership item of loss or deduction connected with sources in this State than his proportionate share, for federal income tax purposes, of partnership loss or deduction generally, except as authorized in subsection 5. [1969, c. 154, §F1 (NEW).]

[1969, c. 154, §F1 (NEW) .]

4. **Partner's modifications.** Any modification described in section 5122, subsection 1 and 2, which relates to an item of partnership income, gain, loss or deduction, shall be made in accordance with the partner's distributive share, for federal income tax purposes of the item to which the modification relates, but limited to the portion of such item derived from or connected with sources in this State.

[1979, c. 541, Pt. A, §234 (AMD) .]

5. **Alternate methods.** The assessor may, on application, authorize or may require the use of such other methods of determining a nonresident partner's portion of partnership items derived from or connected with sources in this State, and the modifications related thereto, as may be appropriate and equitable, on such terms and conditions as he may require.

[1969, c. 154, §F1 (NEW) .]

6. **Application of rules for resident partners to nonresident partners.** A nonresident partner's distributive share of items of income, gain, loss or deduction shall be determined under section 5191, subsection 1. The character of partnership items for a nonresident partner shall be determined under section 5191, subsection 2. The effect of a special provision in a partnership agreement, other than a provision referred to in subsection 3, having as a principal purpose the avoidance or evasion of tax under this Part shall be determined under section 5191, subsection 3.

[1979, c. 541, Pt. A, §235 (AMD) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 541, §§A234,A235 (AMD). 1985, c. 783, §32 (AMD).

Chapter 817: IMPOSITION OF TAX ON CORPORATIONS

§5200. IMPOSITION AND RATE OF TAX

1. **Imposition and rate of tax.** A tax is imposed for each taxable year at the following rates on each taxable corporation and on each group of corporations that derives income from a unitary business carried on by 2 or more members of an affiliated group:

If the income is:	The tax is:
Not over $25,000	3.5% of the income
$25,000 but not over $75,000	$875 plus 7.93% of the excess over $25,000
$75,000 but not over $250,000	$4,840 plus 8.33% of the excess over $75,000
$250,000 or more	$19,418 plus 8.93% of the excess over $250,000

In the case of an affiliated group of corporations engaged in a unitary business with activity taxable only by Maine, the rates provided in this subsection are applied only to the first $250,000 of the Maine net income of the entire group and must be apportioned equally among the taxable corporations unless those taxable corporations jointly elect a different apportionment. The balance of the Maine net income of the entire group is taxed at 8.93%.

In the case of an affiliated group of corporations engaged in a unitary business with activity taxable both within and without this State, the rates provided in this subsection are applied only to the first $250,000 of the net income of the entire group and must be apportioned equally among the taxable corporations unless those taxable corporations jointly elect a different apportionment. The balance of the net income of the entire group is taxed at 8.93%.

[2005, c. 618, §6 (AMD); 2005, c. 618, §22 (AFF) .]

2. **Business activity only within Maine.** For purposes of subsection 1, with respect to a taxable corporation or group of corporations that derive income from a unitary business carried on by 2 or more members of an affiliated group with income from business activity that is taxable only by Maine, "income" means Maine net income.

[2005, c. 457, Pt. FFF, §1 (NEW); 2005, c. 457, Pt. FFF, §2 (AFF) .]

3. **Business activity within and outside Maine.** For purposes of subsection 1, with respect to a taxable corporation with income from business activity that is taxable both within and without this State, "income" means the corporation's net income. The tax amount computed under subsection 1 must then be apportioned under the provisions of chapter 821 to determine the amount of tax imposed on that corporation.

[2005, c. 457, Pt. FFF, §1 (NEW); 2005, c. 457, Pt. FFF, §2 (AFF) .]

4. **Business activity within and outside Maine; unitary business.** For purposes of subsection 1, with respect to taxable corporations that derive income from a unitary business carried on by 2 or more members of an affiliated group with business activity that is taxable both within and without this State, "income" means the net income of the entire group. The tax amount computed under subsection 1 must then be apportioned under the provisions of chapter 821 for the entire group to determine the amount of tax imposed on the taxable corporations.

[2005, c. 457, Pt. FFF, §1 (NEW); 2005, c. 457, Pt. FFF, §2 (AFF) .]

5. **Net income.** For purposes of this section, "net income" means, for any taxable year, the taxable income of the taxpayer for that taxable year under the laws of the United States as modified by section 5200-A.

[2005, c. 457, Pt. FFF, §1 (NEW); 2005, c. 457, Pt. FFF, §2 (AFF) .]

6. **Taxable in another state.** For purposes of this section, a taxpayer is taxable in another state if in that state the taxpayer is subject to a net income tax, a franchise tax measured by net income, a franchise tax for the privilege of doing business, or a corporate stock tax, or that state has jurisdiction to subject the taxpayer to a net income tax regardless of whether, in fact, the state does or does not.

[2005, c. 457, Pt. FFF, §1 (NEW); 2005, c. 457, Pt. FFF, §2 (AFF) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1973, c. 580, §2 (AMD). 1973, c. 592, §21 (RPR). 1973, c. 788, §193 (RPR). 1977, c. 686, §12 (RPR). 1981, c. 706, §39 (RPR). 1983, c. 477, Pt. F, Subpt. 3, §1 (RPR). 1985, c. 675, §§1,5 (AMD). 2001, c. 396, §35 (AMD). 2005, c. 457, §FFF2 (AFF). 2005, c. 457, §FFF1 (RPR). 2005, c. 618, §6 (AMD). 2005, c. 618, §22 (AFF).

§5200-A. MODIFICATIONS

1. **Additions.** The taxable income of the taxpayer under the laws of the United States shall be increased by:

A. The amount of any deduction for tax imposed by this Part or by the equivalent taxing statute of another state; [1981, c. 704, §4 (NEW).]

B. For income tax years beginning before January 1, 2002, the amount of any net operating loss in the taxable year that has been carried back to previous taxable years pursuant to the Code, Section 172; [2003, c. 390, §38 (AMD); 2003, c. 390, §53 (AFF).]

C. The amount of any deduction claimed for the taxable year under the Code, Section 172, which has previously been used to offset the modifications provided by this subsection; [1987, c. 504, §19 (AMD).]

D. [1987, c. 504, §20 (RP).]

E. [1981, c. 704, §9 (RP).]

F. [1987, c. 504, §21 (RP).]

G. [2001, c. 583, §17 (RP).]

H. The absolute value of the amount of any net operating loss arising from tax years beginning on or after January 1, 1989 but before January 1, 1993 and the absolute value of the amount of any net operating loss arising from tax years beginning on or after January 1, 2002 that, pursuant to the United States Internal Revenue Code, Section 172, are being carried back for federal income tax purposes to the taxable year by the taxpayer; [2001, c. 559, Pt. J, §3 (AMD).]

I. Interest or dividends on obligations or securities of any state other than this State, or of a political subdivision or authority of any state other than this State, to the extent that interest or those dividends are not included in the taxpayer's federal taxable income; [2003, c. 390, §39 (AMD).]

J. [1995, c. 641, §7 (AFF); 1995, c. 641, §6 (RP).]

K. The amount claimed as a deduction in determining federal taxable income that is included in the investment credit base for the high-technology investment tax credit; [2003, c. 390, §40 (AMD).]

L. For income tax years beginning on or after January 1, 1997, all items of loss, deduction and other expense of a financial institution subject to the tax imposed by section 5206, to the extent that those items are passed through to the taxpayer for federal income tax purposes, including, if the financial institution is an S corporation, the taxpayer's pro rata share and, if the financial institution is a partnership or limited liability company, the taxpayer's distributive share. An addition may not be made under this paragraph for any losses recognized on the disposition by a taxpayer of an ownership interest in a financial institution; [2001, c. 559, Pt. GG, §14 (AMD); 2001, c. 559, Pt. GG, §26 (AFF).]

M. The absolute value of the amount of any net operating loss arising from a tax year beginning or ending in 2001 that the taxpayer, pursuant to Section 102 of the federal Job Creation and Worker Assistance Act of 2002, Public Law 107-147, carries back more than 2 years to the taxable year for federal income tax purposes; [2001, c. 700, §5 (AMD).]

N. With respect to property placed in service during the taxable year, an amount equal to the net increase in depreciation or expensing attributable to:

(1) For taxable years beginning on or after January 1, 2002 but prior to January 1, 2006, a 30% bonus depreciation deduction claimed by the taxpayer pursuant to Section 101 of the federal Job Creation and Worker Assistance Act of 2002, Public Law 107-147 with respect to property placed in service during the taxable year;

(2) For taxable years beginning on or after January 1, 2002 but prior to January 1, 2006, a 50% bonus depreciation deduction claimed by the taxpayer pursuant to Section 201 of the federal Jobs and Growth Tax Relief Reconciliation Act of 2003, Public Law 108-27 with respect to property placed in service during the taxable year; and

(3) For taxable years beginning on or after January 1, 2003 but prior to January 1, 2011, the increase in aggregate cost under Section 179 of the Code arising from amendments to the Code applicable to tax years beginning on or after January 1, 2003; [2011, c. 380, Pt. O, §9 (AMD).]

O. [2009, c. 434, §74 (RP).]

P. [2009, c. 434, §75 (RP).]

Q. [2003, c. 451, Pt. E, §7 (RP).]

R. [2003, c. 451, Pt. E, §7 (RP).]

S. An amount equal to the taxpayer's federal deduction relating to income attributable to domestic production activities claimed in accordance with Section 102 of the federal American Jobs Creation Act of 2004, Public Law 108-357; [2007, c. 700, Pt. B, §1 (AMD).]

T. For taxable years beginning on or after January 1, 2008 but before January 1, 2011, an amount equal to the net increase in depreciation attributable to the depreciation deduction claimed by the taxpayer under the Code, Section 168(k) arising from amendments to the Code applicable to taxable years beginning on or after January 1, 2008; [2011, c. 380, Pt. O, §10 (AMD).]

U. For tax years beginning in 2008, 10% of the absolute value in excess of $100,000 of any net operating loss that, pursuant to the Code, Section 172, is being carried over for federal income tax purposes to the taxable year by the taxpayer; [2011, c. 240, §33 (AMD).]

V. For any taxable year beginning in 2009, 2010 or 2011, an amount equal to the absolute value of any net operating loss carry-forward claimed for purposes of the federal income tax; [2011, c. 90, Pt. H, §4 (AMD); 2011, c. 90, Pt. H, §8 (AFF).]

(Paragraph V as enacted by PL 2009, c. 213, Pt. BBBB, §12 is REALLOCATED TO TITLE 36, SECTION 5200-A, SUBSECTION 1, PARAGRAPH W)

W. (REALLOCATED FROM T. 36, §5200-A, sub-§1, ¶V) For tax years beginning on or after January 1, 2009 but before January 1, 2011, an amount equal to the gross income during the taxable year from the discharge of indebtedness deferred under the Code, Section 108(i); [2011, c. 380, Pt. O, §11 (AMD).]

X. The amount claimed as a deduction in determining federal taxable income that is included in the credit for wellness programs under section 5219-FF; [2011, c. 644, §20 (AMD).]

Y. For taxable years beginning in 2011 and 2012:

(1) An amount equal to the depreciation deduction claimed by the taxpayer under the Code, Section 168(k) with respect to property placed in service in the State during the taxable year for which a credit is claimed under section 5219-GG; and

(2) An amount equal to the net increase in depreciation attributable to the depreciation deduction claimed by the taxpayer under the Code, Section 168(k) with respect to property for which a credit is not claimed under section 5219-GG; [2013, c. 368, Pt. TT, §12 (AMD).]

Z. The amount claimed as a deduction in determining federal taxable income that is used to calculate the credit for Maine fishery infrastructure investment under section 5216-D; and [2013, c. 368, Pt. TT, §13 (AMD).]

AA. For taxable years beginning in 2013:

(1) An amount equal to the net increase in depreciation attributable to the depreciation deduction claimed by the taxpayer under the Code, Section 168(k) with respect to property placed in service in the State during the taxable year for which a credit is claimed under section 5219-JJ for that taxable year; and

(2) An amount equal to the net increase in depreciation attributable to the depreciation deduction claimed by the taxpayer under the Code, Section 168(k) with respect to property for which a credit is not claimed under section 5219-JJ. [2013, c. 1, §53 (COR).]

[2013, c. 1, §53 (COR) .]

2. Subtractions. The taxable income of the taxpayer under the laws of the United States shall be decreased by:

A. Income included in the taxpayer's federal taxable income that, under the laws of the United States, is exempt from taxation by states; [2003, c. 390, §41 (AMD).]

B. The amount, "foreign dividend gross-up," added to income under the Code, Section 78; [1987, c. 504, §22 (RPR).]

C. An amount equal to the reduction in salaries and wages expense for federal income tax purposes associated with the taxpayer's federal work opportunity credit as determined under the Code, Section 51 or empowerment zone employment credit as determined under the Code, Section 1396; [2005, c. 218, §55 (AMD).]

D. [1987, c. 504, §23 (RP).]

E. [2001, c. 177, §4 (RP).]

F. Income this State is prohibited from taxing under the Constitution of Maine or the United States Constitution to the extent that it is included in the taxpayer's federal taxable income. The amount subtracted must be decreased by any expenses incurred in production of that income that were deducted in determining federal taxable income; [2003, c. 390, §43 (AMD).]

G. Fifty percent of the apportionable dividend income the taxpayer received during the taxable year from an affiliated corporation that is not included with the taxpayer in a Maine combined report, except that this modification must be phased in over 5 years in accordance with the following schedule:

Taxable year beginning in:	Subtractable dividend income:
1989	10%
1990	20%
1991	30%
1992	40%
1993 or thereafter	50%;

[1997, c. 746, §10 (AMD); 1997, c. 746, §24 (AFF).]

H. For each taxable year subsequent to the year of the loss, an amount equal to the absolute value of the net operating loss arising from tax years beginning on or after January 1, 1989 but before January 1, 1993 and the absolute value of the amount of any net operating loss arising from tax years beginning on or after January 1, 2002, for which federal taxable income was increased under subsection 1, paragraph H and that, pursuant to the Code, Section 172, was carried back for federal income tax purposes, less the absolute value of loss used in the taxable year of loss to offset any addition modification required by subsection 1, but only to the extent that:

(1) Maine taxable income is not reduced below zero;

(2) The taxable year is within the allowable federal period for carry-over;

(3) The amount has not been previously used as a modification pursuant to this subsection;

(4) For taxable years beginning in 2008, the amount does not exceed $100,000. In the case of an affiliated group of corporations engaged in a unitary business, the $100,000 threshold applies with respect to the entire affiliated group of corporations; and

(5) The modification under this paragraph is not claimed for any tax year beginning in 2009, 2010 or 2011. The amount not deducted as the result of the restriction with respect to tax years beginning in 2009, 2010 or 2011 may be deducted in any tax year beginning after December 31, 2011, but only to the extent that the requirements of subparagraphs (1) and (3) are met and the taxable year is within the allowable federal period for carry-over plus the number of years that the net operating loss carry-over adjustment was not deducted as a result of the restriction with respect to tax years beginning in 2009, 2010 or 2011; [2011, c. 240, §34 (AMD).]

I. For income tax years beginning on or after January 1, 1997, all items of income, gain, interest, dividends, royalties and other income of a financial institution subject to the tax imposed by section 5206, to the extent that those items are passed through to the taxpayer for federal income tax purposes, including, if the financial institution is an S corporation, the taxpayer's pro rata share and, if the financial institution is a partnership or limited liability company, the taxpayer's distributive share. A subtraction may not be made under this paragraph for:

(1) Income of the taxpayer earned on interest-bearing or similar accounts of the taxpayer at a financial institution as a customer of that financial institution;

(2) Any dividends or other distributions with respect to a taxpayer's ownership interest in a financial institution; and

(3) Any gain recognized on the disposition by the taxpayer of an ownership interest in a financial institution; [1999, c. 708, §39 (AMD).]

J. An amount equal to an income tax refund to the taxpayer by this State or another state of the United States that is included in that taxpayer's federal taxable income for the taxable year under the Code, but only to the extent that:

(1) Maine net income is not reduced below zero; and

(2) The amount to be refunded from this State or another state of the United States has not been previously used as a modification pursuant to this subsection.

If this modification results in Maine net income that is less than zero for the taxable year, the excess negative modification amount may be carried forward in the same manner as a net operating loss deduction to a taxable year that is within the allowable federal period for carrying forward net operating losses, subject to the above limitations; [2003, c. 390, §45 (AMD); 2003, c. 390, §53 (AFF).]

K. Interest or dividends on obligations or securities of this State and its political subdivisions and authorities to the extent included in federal taxable income; [2001, c. 559, Pt. GG, §17 (AMD); 2001, c. 559, Pt. GG, §26 (AFF).]

L. An amount equal to the absolute value of any net operating loss arising from a tax year beginning or ending in 2001 for which federal taxable income was increased under subsection 1, paragraph M and that, pursuant to Section 102 of the federal Job Creation and Worker Assistance Act of 2002, Public Law 107-147, was carried back more than 2 years to the taxable year for federal income tax purposes, but only to the extent that:

(1) Maine taxable income is not reduced below zero;

(2) The taxable year is either within 2 years prior to the year in which the loss arose or within the allowable federal period for carry-over of net operating losses;

(3) The amount has not been previously used as a modification pursuant to this subsection;

(4) For taxable years beginning in 2008, the amount does not exceed $100,000. In the case of an affiliated group of corporations engaged in a unitary business, the $100,000 threshold applies with respect to the entire affiliated group of corporations; and

(5) The modification under this paragraph is not claimed for any tax year beginning in 2009, 2010 or 2011. The amount not deducted as the result of the restriction with respect to tax years beginning in 2009, 2010 or 2011 may be deducted in any tax year beginning after December 31, 2011, but only to the extent that the requirements of subparagraphs (1) and (3) are met and the taxable year is within the allowable federal period for carry-over plus the number of years that the net operating loss carry-over adjustment was not deducted as a result of the restriction with respect to tax years beginning in 2009, 2010 or 2011; [2009, c. 213, Pt. ZZZ, §10 (AMD).]

M. A fraction of any amount previously added back by the taxpayer to federal taxable income pursuant to subsection 1, paragraph N.

(1) With respect to property first placed in service during taxable years beginning in 2002, the adjustment under this paragraph is available for each year during the recovery period, beginning 2 years after the beginning of the taxable year during which the property was first placed in service. The fraction is equal to the amount added back under subsection 1, paragraph N with respect to the property, divided by the number of years in the recovery period minus 2.

(2) With respect to all other property, for the taxable year immediately following the taxable year during which the property was first placed in service, the fraction allowed by this paragraph is equal to 5% of the amount added back under subsection 1, paragraph N with respect to the property. For each subsequent taxable year during the recovery period, the fraction is equal to 95% of the amount added back under subsection 1, paragraph N with respect to the property, divided by the number of years in the recovery period minus 2.

In the case of property expensed pursuant to Section 179 of the Code, the term "recovery period" means the recovery period that would have been applicable to the property had Section 179 not been applied; [2005, c. 644, §8 (AMD).]

N. [2003, c. 20, Pt. EE, §5 (RP).]

O. [2003, c. 20, Pt. EE, §5 (RP).]

P. For income tax years beginning on or after January 1, 2015, the gain attributable to the sale of sustainably managed, eligible timberlands as calculated pursuant to this paragraph.

(1) As used in this paragraph, unless the context otherwise indicates, the following terms have the following meanings.

(a) "Commercial harvesting" or "commercially harvested" means the harvesting of forest products that have commercial value.

(b) "Eligible timberlands" means land of at least 10 acres located in the State and used primarily for the growth of trees to be commercially harvested. Land that would otherwise be included within this definition may not be excluded because of:

(i) Use of the land for multiple public recreation activities;

(ii) Statutory or governmental restrictions that prevent commercial harvesting of trees or require a primary use of the land other than commercial harvesting;

(iii) Deed restrictions, restrictive covenants or organizational charters that prevent commercial harvesting of trees or require a primary use of land other than commercial harvesting and that were effective prior to January 1, 1982; or

(iv) Past or present multiple use for mineral exploration.

(c) "Forest products that have commercial value" means logs, pulpwood, veneer, bolt wood, wood chips, stud wood, poles, pilings, biomass, fuel wood, Christmas trees, maple syrup, nursery products used for ornamental purposes, wreaths, bough material or cones or other seed products.

(d) "Sustainably managed" means:

(i) A forest management and harvest plan, as defined in section 573, subsection 3-A, has been prepared for the eligible timberlands and has been in effect for the entire time period used to compute the amount of the subtraction modification under this paragraph; and

(ii) The taxpayer has received a written statement from a licensed forester certifying that, as of the time of the sale, the eligible timberlands have been managed in accordance with the plan under subdivision (i) during that period.

(2) To the extent included in the taxpayer's taxable income under the laws of the United States, the taxable income of the taxpayer under the laws of the United States must be decreased by:

(a) For eligible timberlands held by the taxpayer for at least a 10-year period beginning on or after January 1, 2005 but less than an 11-year period beginning on or after January 1, 2005, 1/15 of the gain recognized on the sale of the eligible timberlands;

(b) For eligible timberlands held by the taxpayer for at least an 11-year period beginning on or after January 1, 2005 but less than a 12-year period beginning on or after January 1, 2005, 2/15 of the gain recognized on the sale of the eligible timberlands;

(c) For eligible timberlands held by the taxpayer for at least a 12-year period beginning on or after January 1, 2005 but less than a 13-year period beginning on or after January 1, 2005, 1/5 of the gain recognized on the sale of the eligible timberlands;

(d) For eligible timberlands held by the taxpayer for at least a 13-year period beginning on or after January 1, 2005 but less than a 14-year period beginning on or after January 1, 2005, 4/15 of the gain recognized on the sale of the eligible timberlands;

(e) For eligible timberlands held by the taxpayer for at least a 14-year period beginning on or after January 1, 2005 but less than a 15-year period beginning on or after January 1, 2005, 1/3 of the gain recognized on the sale of the eligible timberlands;

(f) For eligible timberlands held by the taxpayer for at least a 15-year period beginning on or after January 1, 2005 but less than a 16-year period beginning on or after January 1, 2005, 2/5 of the gain recognized on the sale of the eligible timberlands;

(g) For eligible timberlands held by the taxpayer for at least a 16-year period beginning on or after January 1, 2005 but less than a 17-year period beginning on or after January 1, 2005, 7/15 of the gain recognized on the sale of the eligible timberlands;

(h) For eligible timberlands held by the taxpayer for at least a 17-year period beginning on or after January 1, 2005 but less than an 18-year period beginning on or after January 1, 2005, 8/15 of the gain recognized on the sale of the eligible timberlands;

(i) For eligible timberlands held by the taxpayer for at least an 18-year period beginning on or after January 1, 2005 but less than a 19-year period beginning on or after January 1, 2005, 3/5 of the gain recognized on the sale of the eligible timberlands;

(j) For eligible timberlands held by the taxpayer for at least a 19-year period beginning on or after January 1, 2005 but less than a 20-year period beginning on or after January 1, 2005, 2/3 of the gain recognized on the sale of the eligible timberlands;

(k) For eligible timberlands held by the taxpayer for at least a 20-year period beginning on or after January 1, 2005 but less than a 21-year period beginning on or after January 1, 2005, 11/15 of the gain recognized on the sale of the eligible timberlands;

(l) For eligible timberlands held by the taxpayer for at least a 21-year period beginning on or after January 1, 2005 but less than a 22-year period beginning on or after January 1, 2005, 4/5 of the gain recognized on the sale of the eligible timberlands;

(m) For eligible timberlands held by the taxpayer for at least a 22-year period beginning on or after January 1, 2005 but less than a 23-year period beginning on or after January 1, 2005, 13/15 of the gain recognized on the sale of the eligible timberlands;

(n) For eligible timberlands held by the taxpayer for at least a 23-year period beginning on or after January 1, 2005 but less than a 24-year period beginning on or after January 1, 2005, 14/15 of the gain recognized on the sale of the eligible timberlands; or

(o) For eligible timberlands held by the taxpayer for at least a 24-year period beginning on or after January 1, 2005, all of the gain recognized on the sale of the eligible timberlands.

(3) Taxpayers claiming this credit must attach a sworn statement from a forester licensed pursuant to Title 32, chapter 76 that the timberlands for which the credit is claimed have been managed sustainably. For the purposes of this subparagraph, "sustainably" means that the timberlands for which the credit is claimed have been managed to protect soil productivity and to maintain or improve stand productivity and timber quality; known occurrences of threatened or endangered species and rare or exemplary natural communities; significant wildlife habitat and essential wildlife habitat; and water quality, wetlands and riparian zones.

Upon request of the State Tax Assessor, the Director of the Bureau of Forestry within the Department of Agriculture, Conservation and Forestry may provide assistance in determining whether timberlands for which the credit is claimed have been managed sustainably. When assistance is requested under this subparagraph, the director or the director's designee may enter and examine the timberlands for the purpose of determining whether the timberlands have been managed sustainably.

In the case of timberlands owned by an entity that is treated as a pass-through entity for income tax purposes, the land must be treated as eligible timberland if ownership and use of the land by the pass-through entity satisfies the requirements of this paragraph. If the owner of the eligible timberlands is an S corporation, the taxpayer must subtract the owner's pro rata share of the gain. If the owner of the timberlands is a partnership or limited liability company taxed as a partnership, the taxpayer must subtract the taxpayer's distributive share of the gain, subject to the percentage limitations provided in this paragraph.

This modification may not reduce Maine taxable income to less than zero. To the extent this modification results in Maine taxable income that is less than zero for the taxable year, the excess negative modification amount may be carried forward and applied as a subtraction modification for up to 10 taxable years. The entire amount of the excess negative modification must be carried to the earliest of the taxable years to which, by reason of this subsection, the negative modification may be carried and then to each of the other taxable years to the extent the unused negative modification is not used for a prior taxable year. Earlier carry-forward modifications must be used before newer modifications generated in later years; [2007, c. 539, Pt. CCC, §16 (AMD); 2011, c. 657, Pt. W, §§5, 7 (REV); 2013, c. 405, Pt. A, §23 (REV).]

Q. For income tax years beginning on or after January 1, 2006, to the extent included in federal taxable income and not otherwise removed from Maine taxable income, an amount equal to the total of capital gains and ordinary income resulting from depreciation recapture determined in accordance with the Code, Sections 1245 and 1250 that is realized upon the sale of property certified as multifamily affordable housing property by the Maine State Housing Authority in accordance with Title 30-A, section 4722, subsection 1, paragraph AA; [2007, c. 700, Pt. B, §4 (AMD).]

R. For taxable years beginning on or after January 1, 2009, an amount equal to the net increase in the depreciation deductions allowable under Sections 167 and 168 of the Code that would have been applicable to that property had the depreciation deduction under the Code, Section 168(k) not been claimed with respect to such property placed in service on or after January 1, 2008 for which an addition was required under subsection 1, paragraph T in a prior year.

Upon the taxable disposition of property to which this paragraph applies, the amount of any gain or loss includable in federal taxable income must be adjusted for Maine income tax purposes by an amount equal to the difference between the addition modification for such property under subsection 1, paragraph T and the subtraction modifications allowed pursuant to this paragraph.

The total amount of subtraction claimed for property under this paragraph for all tax years may not exceed the addition modification under subsection 1, paragraph T for the same property; [2009, c. 2, §114 (COR).]

S. An amount equal to the value of any prior year addition modification under subsection 1, paragraph U, but only to the extent that:

(1) Maine taxable income is not reduced below zero;

(2) The taxable year is within the allowable federal period for carryover of the net operating loss plus one year; and

(3) The amount has not been previously used as a modification pursuant to this subsection; [2011, c. 240, §35 (AMD); 2011, c. 454, §10 (AMD).]

T. An amount equal to the value of any prior year addition modification under subsection 1, paragraph V, but only to the extent that:

(1) Maine taxable income is not reduced below zero;

(2) The taxable year is within the allowable federal period for carry-over plus the number of years that the net operating loss carry-over adjustment was not deducted as a result of the restriction with respect to tax years beginning in 2009, 2010 and 2011;

(3) The amount has not been previously used as a modification pursuant to this subsection; and

(4) The modification under this paragraph is not claimed for any tax year beginning in 2009, 2010 or 2011; [2011, c. 380, Pt. O, §14 (AMD); 2011, c. 454, §11 (AMD).]

U. An amount equal to the gross income from discharge of indebtedness previously deferred under the Code, Section 108(i) and included in federal taxable income. The total subtraction for all years under this paragraph may not exceed the amount of the addition modification under subsection 1, paragraph W for the same indebtedness; [2011, c. 644, §23 (AMD).]

V. For taxable years beginning on or after January 1, 2012, an amount equal to the net increase in the depreciation deduction allowable under the Code, Sections 167 and 168 that would have been applicable to that property had the depreciation deduction under the Code, Section 168(k) not been claimed with respect to such property placed in service during the taxable year beginning in 2011 or 2012 for which an addition was required under subsection 1, paragraph Y, subparagraph (2) for the taxable year beginning in 2011 or 2012.

Upon the taxable disposition of property to which this paragraph applies, the amount of any gain or loss includable in federal taxable income must be adjusted for Maine income tax purposes by an amount equal to the difference between the addition modification for such property under subsection 1, paragraph Y, subparagraph (2) related to property placed in service outside the State and the subtraction modifications allowed pursuant to this paragraph.

The total amount of the subtraction modification claimed under this paragraph for all tax years may not exceed the addition modification under subsection 1, paragraph Y, subparagraph (2) for the same property; [2013, c. 424, Pt. A, §27 (RPR).]

(Paragraph V as enacted by PL 2011, c. 454, §13 is REALLOCATED TO TITLE 36, SECTION 5200-A, SUBSECTION 2, PARAGRAPH W)

W. (REALLOCATED FROM T. 36, §5200-A, sub-§2, ¶V) To the extent included in federal taxable income, an amount equal to the refundable portion of the credit allowed under section 5216-B and an amount equal to the distribution from a private venture capital fund of the refundable portion of the credit allowed under section 5216-B; [2013, c. 368, Pt. TT, §15 (AMD).]

X. To the extent included in federal taxable income, an amount equal to the refundable portion of the income tax credit under the Maine New Markets Capital Investment Program under Title 10, section 1100-Z; and [2013, c. 368, Pt. TT, §16 (AMD).]

Y. For taxable years beginning on or after January 1, 2014, an amount equal to the net increase in the depreciation deduction allowable under the Code, Sections 167 and 168 that would have been applicable to that property had the depreciation deduction under the Code, Section 168(k) not been claimed with respect to such property placed in service during the taxable year beginning in 2013 for which an addition was required under subsection 1, paragraph AA, subparagraph (2) for the taxable year beginning in 2013.

Upon the taxable disposition of property to which this paragraph applies, the amount of any gain or loss includable in federal taxable income must be adjusted for Maine income tax purposes by an amount equal to the difference between the addition modification for such property under subsection 1, paragraph AA, subparagraph (2) and the subtraction modifications allowed pursuant to this paragraph.

The total amount of subtraction claimed under this paragraph for all tax years may not exceed the addition modification under subsection 1, paragraph AA, subparagraph (2) for the same property. [2013, c. 368, Pt. TT, §17 (NEW).]

[2013, c. 368, Pt. TT, §§15-17 (AMD); 2013, c. 405, Pt. A, §23 (REV); 2013, c. 424, Pt. A, §27 (AMD) .]

SECTION HISTORY
1981, c. 704, §4 (NEW). 1981, c. 704, §9 (AMD). 1983, c. 590, §2 (AMD). 1983, c. 855, §§18-22 (AMD). 1987, c. 504, §§18-23 (AMD). 1987, c. 841, §§4,5 (AMD). 1989, c. 880, §§G5-9,J1-2 (AMD). 1991, c. 528, §§N9,11,12 (AMD). 1991, c. 528, §§N10,13,RRR (AFF). 1991, c. 548, §§A26-29 (AMD). 1991, c. 591, §§N9,11,12 (AMD). 1991, c. 591, §§N10,13 (AFF). 1991, c. 824, §D6 (AMD). 1993, c. 349, §70 (AMD). 1995, c. 368, §§GGG4-6 (AMD). 1995, c. 639, §20 (AMD). 1995, c. 641, §§4-6 (AMD). 1995, c. 641, §7 (AFF). 1997, c. 557, §§B7-9 (AMD). 1997, c. 557, §G1 (AFF). 1997, c. 746, §§7-12 (AMD). 1997, c. 746, §24 (AFF). 1999, c. 521, §§B3-5 (AMD). 1999, c. 521, §B11 (AFF). 1999, c. 708, §§39-41 (AMD). 2001, c. 177, §§3,4 (AMD). 2001, c. 559, §§J3,4,GG-13 -18 (AMD). 2001, c. 559, §GG26 (AFF). 2001, c. 583, §17 (AMD). 2001, c. 700, §§5,6 (AMD). 2001, c. 700, §10 (AFF). 2001, c. 714, §§AA5-7 (AMD). 2003, c. 20, §§EE3-5 (AMD). 2003, c. 20, §§II3,4 (AMD). 2003, c. 390, §§38-45 (AMD). 2003, c. 390, §53 (AFF). 2003, c. 451, §E7 (AMD). 2003, c. 479, §§5,6 (AMD). 2003, c. 588, §16 (AMD). 2003, c. 705, §13 (AMD). 2003, c. 705, §14 (AFF). 2005, c. 12, §§P7-9 (AMD). 2005, c. 12, §P10 (AFF). 2005, c. 218, §§54-56 (AMD). 2005, c. 416, §§4-6 (AMD). 2005, c. 644, §§8-10 (AMD). 2007, c. 240, Pt. CCC, §3 (AMD). 2007, c. 240, Pt. CCC, §4 (AFF). 2007, c. 539, Pt. AAAA, §1, 2 (AMD). 2007, c. 539, Pt. CCC, §§13-18 (AMD). 2007, c. 700, Pt. B, §§1-6 (AMD). RR 2009, c. 2, §114 (COR). 2009, c. 213, Pt. BBBB, §§10-15 (AMD). 2009, c. 213, Pt. BBBB, §17 (AFF). 2009, c. 213, Pt. ZZZ, §§6-13 (AMD). 2009, c. 434, §§74, 75 (AMD). 2009, c. 496, §23 (AMD). 2009, c. 652, Pt. A, §§53-57 (AMD). 2009, c. 652, Pt. A, §58 (AFF). RR 2011, c. 1, §§57, 58 (COR). 2011,

c. 90, Pt. H, §§4-6 (AMD). 2011, c. 90, Pt. H, §8 (AFF). 2011, c. 240, §§33-35 (AMD). 2011, c. 380, Pt. O, §§9-16 (AMD). 2011, c. 454, §§10-13 (AMD). 2011, c. 548, §28 (AMD). 2011, c. 548, §36 (AFF). 2011, c. 644, §§20-26 (AMD). 2011, c. 644, §§32, 33 (AFF). 2011, c. 657, Pt. W, §§5, 7 (REV). RR 2013, c. 1, §53 (COR). 2013, c. 368, Pt. TT, §§12-17 (AMD). 2013, c. 405, Pt. A, §23 (REV). 2013, c. 424, Pt. A, §27 (AMD).

§5201. ALTERNATIVE TAX COMPUTATION

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1973, c. 12, §5 (RP). 1973, c. 592, §22 (RP).

§5202. CREDIT FOR INVESTMENT IN THE MAINE CAPITAL CORPORATION

(REPEALED)

SECTION HISTORY
1977, c. 531, §4 (NEW). 1981, c. 364, §67 (RP).

§5202-A. SMALL BUSINESS INVESTMENT COMPANIES EXEMPT

Corporate small business investment companies, licensed under the United States Small Business Investment Act of 1958, as amended, and commercially domiciled in Maine and doing business primarily in Maine, shall be exempt from taxation under this Part. [1977, c. 640, §2 (NEW).]

SECTION HISTORY
1977, c. 640, §2 (NEW).

§5202-B. DEPRECIATION OPTION

(REPEALED)

SECTION HISTORY
1981, c. 704, §5 (NEW). 1983, c. 480, §A67 (AMD). 1987, c. 504, §24 (RP).

§5202-C. SEPARATE ACCOUNTING REQUIRED IN CERTAIN CASES

A corporation that is subject to tax under chapter 357 or that would be subject to tax under chapter 357 if the insurance business conducted by such corporation were conducted in this State shall separately account to the State Tax Assessor for income received from a health maintenance organization to the extent operated under authority of a certificate issued by the Superintendent of Insurance pursuant to Title 24-A, section 4204, except income from a health maintenance organization that is separately organized and subject to income taxation. The assessor may distribute, apportion or allocate gross income, deductions, credits, allowances or assets between or among related entities and operating divisions if the assessor determines such action to be necessary in order to prevent evasion of taxes or to properly reflect earned income. [2001, c. 439, Pt. D, §2 (NEW); 2001, c. 439, Pt. D, §9 (AFF).]

SECTION HISTORY
2001, c. 439, §D2 (NEW). 2001, c. 439, §D9 (AFF).

Chapter 818: ADDITIONAL TAXES

§5203. MINIMUM TAX FOR TAX PREFERENCES

(REPEALED)

SECTION HISTORY
1977, c. 424, §3 (NEW). 1979, c. 615, §5 (AMD). 1985, c. 691, §§34,48 (RPR). 1987, c. 504, §§25,26 (AMD). 1989, c. 508, §20 (AMD). 1989, c. 871, §18 (AMD). 1991, c. 528, §RRR (AFF). 1991, c. 528, §N14 (RP). 1991, c. 591, §N14 (RP).

§5203-A. STATE MINIMUM TAX

(REPEALED)

SECTION HISTORY
1991, c. 528, §N15 (NEW). 1991, c. 528, §§N17,RRR (AFF). 1991, c. 591, §N15 (NEW). 1991, c. 591, §N17 (AFF). 1997, c. 746, §13 (AMD). 1997, c. 746, §24 (AFF). 2001, c. 559, §GG19 (AMD). 2001, c. 559, §GG26 (AFF). 2003, c. 479, §7 (AMD). 2003, c. 673, §JJ6 (AFF). 2003, c. 673, §JJ1 (RP).

§5203-B. CORPORATE INCOME TAX SURCHARGE

(REPEALED)

SECTION HISTORY
1991, c. 528, §AAA1 (NEW). 1991, c. 528, §§AAA2,RRR (AFF). 1991, c. 591, §AAA1 (NEW). 1991, c. 591, §AAA2 (AFF). 1995, c. 281, §29 (AMD). 2003, c. 673, §JJ2 (AMD). 2003, c. 673, §JJ6 (AFF). 2009, c. 434, §76 (RP).

§5203-C. STATE MINIMUM TAX

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Adjusted alternative minimum tax," for individuals, estates and trusts, means the excess, if any, of the alternative minimum tax over the amount that would have been the alternative minimum tax had only the adjustments and items of preference specified in the Code, Section 53(d)(1)(B)(ii) been taken into account in determining alternative minimum tax. For corporations subject to the tax imposed by this section, "adjusted alternative minimum tax" means alternative minimum tax. [2003, c. 673, Pt. JJ, §3 (NEW); 2003, c. 673, Pt. JJ, §6 (AFF).]

B. "Alternative minimum tax" means any excess of tentative minimum tax over the regular income tax. [2003, c. 673, Pt. JJ, §3 (NEW); 2003, c. 673, Pt. JJ, §6 (AFF).]

C. "Alternative minimum taxable income" means tentative alternative minimum taxable income less the applicable exemption amount, except that:

(1) For taxable corporations with income from business activity that is taxable both within and without this State, "alternative minimum taxable income" means tentative alternative minimum taxable income less the applicable exemption amount, the result of which is multiplied by the fraction described in section 5211, subsection 8; or

(2) For nonresident estates and trusts with income derived from Maine sources, "alternative minimum taxable income" means tentative alternative minimum taxable income less the applicable exemption amount, the result of which is multiplied by a fraction, the numerator of which is the

taxpayer's tentative alternative minimum taxable income from Maine sources and the denominator of which is the taxpayer's total tentative alternative minimum taxable income from all sources. [2003, c. 673, Pt. JJ, §3 (NEW); 2003, c. 673, Pt. JJ, §6 (AFF).]

D. "Exemption amount" means the applicable exemption as provided by the Code, Section 55(d) as of December 31, 2002, except that tentative alternative minimum taxable income as determined under paragraph G must be substituted in the computation of the phase-out under the Code, Section 55(d)(3). [2005, c. 618, §7 (AMD); 2005, c. 618, §22 (AFF).]

E. "Federal alternative minimum taxable income" means alternative minimum taxable income determined in accordance with the Code, Sections 55(b)(2) and 59(c). [2003, c. 673, Pt. JJ, §3 (NEW); 2003, c. 673, Pt. JJ, §6 (AFF).]

F. "Regular income tax" means:

(1) For resident individuals, estates and trusts, the amount derived by multiplying the applicable tax rate or rates by taxable income under section 5121 or 5163;

(2) For nonresident individuals, estates and trusts, the amount derived by multiplying the applicable tax rate or rates by taxable income under section 5121 or 5175-A, the result of which is adjusted for nonresident individuals in accordance with section 5111, subsection 4; or

(3) For taxable corporations, the amount derived by multiplying the applicable tax rate or rates against Maine net income under section 5102, subsection 8. [2009, c. 434, §77 (AMD).]

G. "Tentative alternative minimum taxable income" means federal alternative minimum taxable income:

(1) Reduced by income that states are prohibited under federal law from subjecting to income tax to the extent included in federal alternative minimum taxable income;

(2) Reduced by income, loss or deductions by which the State decreases federal adjusted gross income in the case of individuals or federal taxable income in the case of corporations, estates and trusts under section 5122, section 5125, subsection 3 or section 5164, 5176 or 5200-A or as otherwise indicated by law to the extent included in federal alternative minimum taxable income; and

(3) Increased by income, loss or deductions by which the State increases federal adjusted gross income in the case of individuals or federal taxable income in the case of corporations, estates and trusts under section 5122, section 5125, subsection 3 or section 5164, 5176 or 5200-A or as otherwise indicated by law to the extent not included in federal alternative minimum taxable income. [2003, c. 673, Pt. JJ, §3 (NEW); 2003, c. 673, Pt. JJ, §6 (AFF).]

H. "Tentative minimum tax" means:

(1) Except as provided in subparagraph (2), in the case of a taxpayer other than a taxable corporation, the sum of:

(a) An amount equal to 7% of so much of the alternative minimum taxable income as does not exceed $175,000; plus

(b) An amount equal to 7.6% percent of so much of the alternative minimum taxable income as exceeds $175,000.

For a nonresident individual, the tentative minimum tax must be adjusted in accordance with section 5111, subsection 4.

(2) In the case of a married individual filing a separate return, the sum of:

(a) An amount equal to 7% of so much of the alternative minimum taxable income as does not exceed $87,500; plus

(b) An amount equal to 7.6% percent of so much of the alternative minimum taxable income as exceeds $87,500.

For a nonresident individual, the tentative minimum tax must be adjusted in accordance with section 5111, subsection 4.

(3) In the case of a taxable corporation, the tentative minimum tax for the taxable year is 5.4% of the alternative minimum taxable income. [2003, c. 673, Pt. JJ, §3 (NEW); 2003, c. 673, Pt. JJ, §6 (AFF).]

[2009, c. 434, §77 (AMD) .]

2. **Tax imposed.** In addition to all other taxes contained in this Part, a tax in an amount equal to the alternative minimum tax is imposed for each taxable year on the following taxpayers:

A. Resident individuals, trusts and estates. The tax imposed by this subsection does not apply to resident individuals, trusts and estates for tax years beginning on or after January 1, 2012; [2011, c. 380, Pt. N, §12 (AMD); 2011, c. 380, Pt. N, §19 (AFF).]

B. Nonresident individuals, trusts and estates with Maine-source income. The tax imposed by this subsection does not apply to nonresident individuals, trusts and estates for tax years beginning on or after January 1, 2012; and [2011, c. 380, Pt. N, §13 (AMD); 2011, c. 380, Pt. N, §19 (AFF).]

C. Taxable corporations required to file an income tax return under this Part, excluding financial institutions subject to the tax imposed by chapter 819 and persons not subject to the federal alternative minimum tax under the Code, Section 55(e). [2003, c. 673, Pt. JJ, §3 (NEW); 2003, c. 673, Pt. JJ, §6 (AFF).]

[2011, c. 380, Pt. N, §§12, 13 (AMD); 2011, c. 380, Pt. N, §19 (AFF) .]

3. **Credit for tax paid to other taxing jurisdiction.** A resident individual, estate or trust is allowed a credit against the tax otherwise due under this section for the amount of alternative minimum tax imposed on that individual, estate or trust for the taxable year by another state of the United States, a political subdivision of any such state, the District of Columbia or any political subdivision of a foreign country that is analogous to a state of the United States with respect to income derived from sources in that taxing jurisdiction also subject to tax under this section. The credit for any of the specified taxing jurisdictions may not exceed the proportion of the tax otherwise due under this section that the amount of the taxpayer's tentative alternative minimum taxable income derived from sources in that taxing jurisdiction bears to the taxpayer's entire tentative alternative minimum taxable income. When a credit is claimed for alternative minimum taxes paid to both a state and a political subdivision of that state, the total credit allowable for those taxes in the aggregate may not exceed the proportion of the tax otherwise due under this section that the amount of the taxpayer's tentative alternative minimum taxable income derived from sources in the other state bears to the taxpayer's entire tentative alternative minimum taxable income.

[2003, c. 673, Pt. JJ, §3 (NEW); 2003, c. 673, Pt. JJ, §6 (AFF) .]

4. **Minimum tax credit.** A minimum tax credit is allowed as follows.

A. A minimum tax credit is allowed against the liability arising under this Part for any taxable year other than withholding tax liability. The minimum tax credit equals the excess, if any, of the adjusted alternative minimum tax, reduced by the credit for tax paid to other jurisdictions determined under subsection 3 and the Pine Tree Development Zone tax credit provided by section 5219-W that was imposed for all prior taxable years beginning after 2003 over the amount allowable as a credit under this subsection for those prior taxable years, plus unused minimum tax credits from years beginning after 1990. [2013, c. 331, Pt. C, §34 (AMD); 2013, c. 331, Pt. C, §41 (AFF).]

B. The credit allowable for a taxable year under this subsection is limited to the amount, if any, by which the regular income tax after application of all other credits arising under this Part exceeds the tentative minimum tax. In any year when the tax under this section does not apply, the tentative minimum tax is disregarded for purposes of calculating the credit limitation. [2011, c. 380, Pt. N, §14 (AMD); 2011, c. 380, Pt. N, §§19, 20 (AFF).]

[2013, c. 331, Pt. C, §34 (AMD); 2013, c. 331, Pt. C, §41 (AFF) .]

SECTION HISTORY
2003, c. 673, §JJ3 (NEW). 2003, c. 673, §JJ6 (AFF). 2005, c. 618, §§7,8 (AMD). 2005, c. 618, §22 (AFF). 2009, c. 434, §77 (AMD). 2011, c. 380, Pt. N, §§12-14 (AMD). 2011, c. 380, Pt. N, §§19, 20 (AFF). 2011, c. 644, §27 (AMD). 2011, c. 644, §32 (AFF). 2013, c. 331, Pt. C, §34 (AMD). 2013, c. 331, Pt. C, §41 (AFF).

§5204. LUMP-SUM RETIREMENT PLAN DISTRIBUTIONS

In addition to any other tax imposed by this Part, a tax is hereby imposed for each taxable year on every taxpayer who elects to compute a separate federal tax on a lump-sum distribution from a retirement plan at the rate of 15% of the separate federal tax imposed on the distribution, except that, for tax years beginning in 2012, the rate is 7.5%. The tax under this section does not apply to tax years beginning on or after January 1, 2013. [2011, c. 548, §29 (AMD).]

SECTION HISTORY
1977, c. 424, §3 (NEW). 1987, c. 504, §27 (AMD). 1987, c. 772, §38 (AMD). 2011, c. 380, Pt. N, §15 (AMD). 2011, c. 380, Pt. N, §19 (AFF). 2011, c. 548, §29 (AMD).

§5204-A. EARLY DISTRIBUTION FROM QUALIFIED RETIREMENT PLANS

The tax imposed under this Part on any individual whose federal income tax for any taxable year is increased pursuant to the Code as a result of an early distribution from a qualified retirement plan must be increased by an amount equal to 15% of the amount by which the individual's federal income tax was increased pursuant to Section 72(t) of the Code as a result of the early distribution, except that, for tax years beginning in 2012, the rate is 7.5%. The tax under this section does not apply to tax years beginning on or after January 1, 2013. [2011, c. 380, Pt. N, §16 (AMD); 2011, c. 380, Pt. N, §19 (AFF).]

SECTION HISTORY
1985, c. 670, (NEW). 1987, c. 504, §28 (RPR). 1993, c. 395, §20 (AMD). 2011, c. 380, Pt. N, §16 (AMD). 2011, c. 380, Pt. N, §19 (AFF).

§5204-B. CERTAIN CAPITAL GAINS OF TRUSTS

(REPEALED)

SECTION HISTORY
1995, c. 281, §30 (NEW). 1997, c. 668, §43 (AFF). 1997, c. 668, §30 (RP).

Chapter 819: FRANCHISE TAX

§5205. FRANCHISE TAX ON BANKING CORPORATIONS AND LOAN ASSOCIATIONS

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1973, c. 580, §3 (AMD). 1973, c. 592, §22A (AMD). 1973, c. 788, §194 (RPR). 1977, c. 686, §13 (AMD). 1981, c. 698, §186 (RP).

§5206. FRANCHISE TAX ON FINANCIAL INSTITUTIONS

A tax is imposed for each calendar year or fiscal year ending during that calendar year upon the franchise or privilege of doing business in this State of every financial institution that has Maine net income or Maine assets and that has a substantial physical presence in this State sufficient to satisfy the requirements of the due process and commerce clauses of the United States Constitution. A financial institution is subject to tax under this section even if it is treated as a partnership, S corporation or entity disregarded as separate from its owner for federal income tax purposes under the Code. Each financial institution shall determine the tax due using one of the following methods: [2005, c. 608, §5 (AFF); 2005, c. 608, §1 (RPR).]

1. **Franchise tax on Maine net income and Maine assets.** The sum of:

A. One percent of the financial institution's Maine net income; and [2005, c. 608, §1 (NEW); 2005, c. 608, §5 (AFF).]

B. Eight cents per $1,000 of the financial institution's Maine assets; or [2005, c. 608, §1 (NEW); 2005, c. 608, §5 (AFF).]

[2005, c. 608, §5 (AFF); 2005, c. 608, §1 (RPR) .]

2. **Franchise tax on Maine assets only.** Thirty-nine cents per $1,000 of the financial institution's Maine assets.

[2005, c. 608, §5 (AFF); 2005, c. 608, §1 (RPR) .]

3. **Credit against tax.**

[2005, c. 608, §5 (AFF); 2005, c. 608, §1 (RP) .]

4. **Increase in franchise tax.**

[1985, c. 783, §34 (RP) .]

Each financial institution subject to the tax under this chapter shall elect to calculate and pay tax under the method in subsection 1 or 2. The financial institution shall make the election on its annual state tax return and the election cannot be revoked with respect to that tax year. If a financial institution fails to make an election, the method established in subsection 1 must be used and is deemed an election for purposes of this section. [2005, c. 608, §1 (NEW); 2005, c. 608, §5 (AFF).]

In each taxable year in which a financial institution sustains a book net operating loss, a credit must be allowed against the franchise tax on assets under subsection 1. The credit must be computed by multiplying the book net operating loss by the applicable franchise tax rate imposed by subsection 1, paragraph A. The total amount of any credit allowed may not exceed the franchise tax on assets due under subsection 1,

paragraph B. In any tax year in which there is excess credit, the excess credit must be carried forward for no more than the next 5 tax years and may be applied against the tax computed under subsection 1. [2005, c. 608, §1 (NEW); 2005, c. 608, §5 (AFF).]

SECTION HISTORY
1977, c. 686, §14 (NEW). 1979, c. 587, §5 (AMD). 1981, c. 704, §§6,7,10 (AMD). 1983, c. 477, Pt. F, Subpt. 3, §2 (AMD). 1983, c. 590, §3 (AMD). 1983, c. 842, §2 (RPR). 1983, c. 855, §§23,24 (AMD). 1983, c. 862, §§89,90 (AMD). 1985, c. 783, §§33,34 (AMD). 1997, c. 404, §2 (AMD). 1997, c. 404, §10 (AFF). 1997, c. 746, §14 (AMD). 1997, c. 746, §24 (AFF). 2005, c. 608, §5 (AFF). 2005, c. 608, §1 (RPR).

§5206-A. UTILIZATION OF NET OPERATING LOSS CARRY FORWARD

(REPEALED)

SECTION HISTORY
1981, c. 704, §8 (NEW). 1983, c. 480, §A66 (AMD). 1983, c. 842, §3 (RPR). 1997, c. 404, §10 (AFF). 1997, c. 404, §3 (RP).

§5206-B. DEFINITIONS

(REPEALED)

SECTION HISTORY
1983, c. 842, §4 (NEW). 1985, c. 783, §35 (AMD). 1987, c. 497, §50 (AMD). 1987, c. 841, §§6,7 (AMD). 1995, c. 628, §§36,37 (AMD). 1995, c. 628, §39 (AFF). 1997, c. 404, §10 (AFF). 1997, c. 404, §4 (RP).

§5206-C. REFUNDS

(REPEALED)

SECTION HISTORY
1983, c. 842, §5 (NEW). 1987, c. 504, §29 (RP).

§5206-D. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

1. **Affiliated group.** "Affiliated group" means a group of 2 or more financial institutions in which more than 50% of the voting interest of each member financial institution is directly or indirectly owned by a common owner or owners, either corporate or noncorporate, or by one or more of the member financial institutions.

[1997, c. 746, §15 (AMD); 1997, c. 746, §24 (AFF) .]

2. **Billing address.** "Billing address" means the location indicated in the books and records of the taxpayer on the first day of the taxable year or on a later date in the taxable year when the customer relationship began as the address where any notice, statement or bill relating to a customer's account is mailed.

[1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF) .]

3. **Borrower or credit card holder located in this State.** "Borrower or credit card holder located in this State" means:

A. A borrower, other than a credit card holder, that is engaged in a trade or business that maintains commercial domicile in this State; or [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

B. A borrower that is not engaged in a trade or business or a credit card holder whose billing address is in this State. [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

[1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF) .]

4. **Commercial domicile.** "Commercial domicile" means the place from which trade or business is principally managed and directed.

[1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF) .]

5. **Compensation.** "Compensation" means wages, salaries, commissions and any other form of remuneration paid to employees for personal services. "Compensation" includes amounts paid to an employee-leasing company for leased employees and amounts paid to a temporary services company for temporary employees, pursuant to a contract between the taxpayer and an employee-leasing company or temporary services company.

[2001, c. 439, Pt. D, §3 (AMD); 2001, c. 439, Pt. D, §9 (AFF) .]

6. **Credit card.** "Credit card" means a credit, travel or entertainment card.

[1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF) .]

7. **Credit card issuer's reimbursement fee.** "Credit card issuer's reimbursement fee" means the fee a taxpayer receives from a merchant's bank because one of the persons to whom the taxpayer has issued a credit card has charged merchandise or services to the credit card.

[1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF) .]

7-A. **Employee-leasing company.** "Employee-leasing company" means a business that contracts with client companies to supply workers to perform services for client companies, except that the term "employee-leasing company" does not include private employment agencies that provide workers to client companies on a temporary help basis.

[2001, c. 439, Pt. D, §4 (NEW); 2001, c. 439, Pt. D, §9 (AFF) .]

8. **Financial institution.** "Financial institution" means:

A. A financial institution authorized to do business in this State as defined in Title 9-B, section 131, subsection 17-A, including, without limitation, a trust company; [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

B. A bank, savings bank, industrial bank, savings and loan association or any other entity, excluding a credit union authorized to do business in this State as defined in Title 9-B, section 131, subsection 12-A, that accepts deposits that are insured by an agency of the Federal Government; [1999, c. 414, §42 (AMD).]

C. A bank holding company, as defined in the federal Bank Holding Company Act of 1956, 12 United States Code, Section 1841, or a savings and loan holding company, as defined in 12 United States Code, Section 1467a(a)(1)(D); or [1999, c. 708, §42 (AMD).]

D. A corporation or other entity more than 50% of the voting interest of which is owned, directly or indirectly, by any one or more of the organizations defined in this subsection or by a credit union authorized to do business in this State as defined in Title 9-B, section 131, subsection 12-A. [1997, c. 746, §16 (AMD); 1997, c. 746, §24 (AFF).]

[1999, c. 708, §42 (AMD) .]

8-A. **Leased employee.** "Leased employee" means an individual who performs services for a client company pursuant to a contract between the client company and an employee-leasing company.

[2001, c. 439, Pt. D, §4 (NEW); 2001, c. 439, Pt. D, §9 (AFF) .]

9. **Loan.** "Loan" means any extension of credit resulting from direct negotiations between the taxpayer and its customer, or the purchase, in whole or in part, of the extension of credit from another. "Loan" includes participations, syndications and leases treated as loans for federal income tax purposes. "Loan" does not include properties treated as loans under the Code, Section 595 as of December 31, 1995; futures or forward contracts; options; notional principal contracts such as swaps; credit card receivables, including purchased credit card relationships; noninterest-bearing balances due from depository institutions; cash items in the process of collection; federal funds sold; securities purchased under agreements to resell; assets held in a trading account; securities; interests in a REMIC or other mortgage-backed or asset-backed security; and other similar items.

[2005, c. 618, §9 (AMD) .]

10. **Loan secured by real property.** "Loan secured by real property" means that 50% or more of the aggregate value of the collateral used to secure a loan or other obligation, when valued at fair market value as of the time the original loan or obligation was incurred, was real property.

[1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF) .]

11. **Located in the State.** For purposes of the receipts factor in section 5206-E, subsection 2, "located in the State":

A. In reference to a loan that is secured by real property, means that more than 50% of the fair market value of the real property is located within this State or, if more than 50% of the fair market value of the real property is not located within any one state, that the borrower is located in this State; [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

B. In reference to a loan that is not secured by real property, means that the borrower is located in this State; [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

C. In reference to a credit card receivable, means that the credit card holder is located in this State; or [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

D. In reference to real and tangible personal property, means that it is physically present in this State, except that transportation property is located within this State to the extent that the property is used in this State. The extent an aircraft is considered to be used in the State is determined by computing a fraction, the numerator of which is the number of landings of the aircraft in this State and the denominator of which is the total number of landings of the aircraft within and outside of the State. If the extent of the use of any transportation property within this State can not be determined, the property is considered to be used wholly in the state in which the property has its principal base of operations. A motor vehicle is considered to be used wholly in the state in which it is registered. [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

[1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF) .]

12. **Maine assets.** "Maine assets" means a financial institution's total end-of-year assets required to be reported pursuant to the laws of the United States on Internal Revenue Service Form 1120, 1120S, 1065 or any other Internal Revenue Service form used to report end-of-year assets or, in the case of an entity with a single owner that may be disregarded as an entity separate from its owner pursuant to Internal Revenue Service regulations, the financial institution's total end-of-year assets determined as if the entity were required to file Internal Revenue Service Form 1065, multiplied by the fraction obtained pursuant to section 5206-E. In the case of a financial institution that is a qualified subchapter S subsidiary as defined by the Code, Section 1361, the financial institution's "Maine assets" means total end-of-year assets determined as if the entity were required to file Internal Revenue Service Form 1120S, multiplied by the fraction obtained pursuant to section 5206-E.

[1999, c. 414, §43 (AMD); 1999, c. 414, §57 (AFF) .]

13. **Maine net income.** "Maine net income" means, for any taxable year, a financial institution's net income or loss per books required to be reported pursuant to the laws of the United States on Internal Revenue Service Form 1120, 1120S, 1065 or any other Internal Revenue Service form used to report net income or loss per books or, in the case of an entity with a single owner that may be disregarded as an entity separate from its owner pursuant to Internal Revenue Service regulations, the financial institution's net income or loss per books determined as if the entity were required to file Internal Revenue Service Form 1065, and apportioned to this State under section 5206-E. In the case of a financial institution that is a qualified subchapter S subsidiary as defined by the Code, Section 1361, the financial institution's "Maine net income" means a financial institution's net income or loss per books determined as if the entity were required to file Internal Revenue Service Form 1120S and apportioned to this State under section 5206-E.

To the extent that a financial institution derives income from a unitary business carried on by 2 or more members of an affiliated group, "Maine net income" is determined by apportioning, in accordance with section 5206-E, that part of the net income of the entire group that derives from the unitary business.

[1999, c. 414, §43 (AMD); 1999, c. 414, §57 (AFF) .]

14. **Merchant discount.** "Merchant discount" means the fee or negotiated discount charged to a merchant by the taxpayer for privilege of participating in a program when a credit card is accepted in payment for merchandise or services sold to the card holder.

[1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF) .]

15. **Participation.** "Participation" means an extension of credit in which an undivided ownership interest is held on a pro rata basis in a single loan or pool of loans and related collateral. In a loan participation, the credit originator initially makes the loan and then subsequently resells all or a portion of it to other lenders. The participation may or may not be known to the borrower.

[1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF) .]

16. **Principal base of operations.** With respect to transportation property, "principal base of operations" means the place of more or less permanent nature from which the property is regulated, directed or controlled. With respect to an employee, the "principal base of operations" means the place of more or less permanent nature from which the employee regularly starts the employee's work and to which the employee customarily returns in order to receive instructions from an employer, communicates with the employer's customers or other persons or performs any other functions necessary to the exercise of the employee's trade or profession.

[1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF) .]

17. **Regular place of business.** "Regular place of business" means an office at which the taxpayer carries on its business in a regular and systematic manner and that is continuously maintained, occupied and used by employees of the taxpayer.

[1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF) .]

18. **State.** "State" means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States or any foreign country.

[1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF) .]

19. **Syndication.** "Syndication" means an extension of credit in which 2 or more persons fund that credit and each person is at risk only up to a specified percentage of the total extension of credit or up to a specified dollar amount.

[1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF) .]

20. **Taxpayer.** "Taxpayer" means a financial institution as defined in subsection 8.

[1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF) .]

20-A. **Temporary help.** "Temporary help" means employee services provided to client companies for a contractual period of less than 12 months.

[2001, c. 439, Pt. D, §4 (NEW); 2001, c. 439, Pt. D, §9 (AFF) .]

20-B. **Temporary services company.** "Temporary services company" means a private employment agency, other than an employee-leasing company, that provides workers to client companies on a temporary help basis.

[2001, c. 439, Pt. D, §4 (NEW); 2001, c. 439, Pt. D, §9 (AFF) .]

21. **Transportation property.** "Transportation property" means vehicles and vessels capable of moving under their own power, such as aircraft, trains, water vessels and motor vehicles, as well as any equipment or containers attached to those vehicles and vessels, such as rolling stock, barges or trailers.

[1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF) .]

22. **Unitary business.** "Unitary business" means a business activity that is characterized by unity of ownership, functional integration, centralization of management and economies of scale.

[1999, c. 414, §44 (AMD) .]

SECTION HISTORY
1997, c. 404, §5 (NEW). 1997, c. 404, §10 (AFF). 1997, c. 746, §§15-17 (AMD). 1997, c. 746, §24 (AFF). 1999, c. 414, §§42-44 (AMD). 1999, c. 414, §57 (AFF). 1999, c. 708, §42 (AMD). 2001, c. 439, §§D3,4 (AMD). 2001, c. 439, §D9 (AFF). 2005, c. 618, §9 (AMD).

§5206-E. APPORTIONMENT

Except as otherwise specifically provided, a financial institution that is taxable both in and outside this State shall apportion its net income and end-of-year assets as provided in this section. A financial institution is considered taxable in a state if in that state the financial institution is subject to a net income tax, a franchise tax measured by net income, a franchise tax for the privilege of doing business or a corporate stock tax or that

state has jurisdiction to subject the financial institution to a net income tax regardless of whether, in fact, the state does or does not tax the financial institution. [2005, c. 608, §2 (AMD); 2005, c. 608, §5 (AFF).]

1. **Formula applicable.** All of a financial institution's net income and end-of-year assets are apportioned to this State by multiplying the income and the assets by a fraction, the numerator of which is the property factor plus the payroll factor plus 2 times the receipts factor and the denominator of which is 4.

[2005, c. 608, §3 (AMD); 2005, c. 608, §5 (AFF) .]

2. **Receipts factor.** The receipts factor is a fraction, the numerator of which is the receipts of the taxpayer in this State during the taxable year and the denominator of which is the receipts of the taxpayer in and outside this State during the taxable year. The method of calculating receipts for purposes of the denominator is the same as the method used in determining receipts for purposes of the numerator. The receipts factor includes only those receipts described in this subsection that are included in the computation of the apportionable income base for the taxable year.

A. The numerator of the receipts factor includes receipts from the lease, sublease or rental of real property if the property is located in the State. [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

B. Except as described in this paragraph, the numerator of the receipts factor includes receipts from the lease or rental of tangible personal property owned by the taxpayer if the property is located in this State when it is first placed in service by the lessee.

Receipts from the lease or rental of transportation property owned by the taxpayer are included in the numerator of the receipts factor to the extent that the property is located in the State. [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

C. The numerator of the receipts factor includes interest and fees or penalties in the nature of interest from loans located in the State.

The determination of whether the real property securing a loan is located in the State must be made at the time the original agreement was made and any and all subsequent substitutions of collateral are disregarded. [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

D. The numerator of the receipts factor includes net gains from the sale of loans. Net gains from the sale of loans includes income recorded under the stripped coupon rules of the Code, Section 1286.

The amount of net gains greater than zero from the sale of loans is determined by multiplying the net gains by a fraction, the numerator of which is the amount included in the numerator of the receipts factor pursuant to paragraph C and the denominator of which is the total amount of interest and fees or penalties in the nature of interest from loans. [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

E. The numerator of the receipts factor includes interest and fees or penalties in the nature of interest from credit card receivables and receipts from fees charged to credit card holders, such as annual fees, if the billing address of the credit card holder is in this State. [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

F. The numerator of the receipts factor includes net gains greater than zero from the sale of credit card receivables multiplied by a fraction, the numerator of which is the amount included in the numerator of the receipts factor pursuant to paragraph E and the denominator of which is the taxpayer's total amount of interest and fees or penalties in the nature of interest from credit card receivables and fees charged to credit card holders. [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

G. The numerator of the receipts factor includes all credit card issuer's reimbursement fees multiplied by a fraction, the numerator of which is the amount included in the numerator of the receipts factor pursuant to paragraph E and the denominator of which is the taxpayer's total amount of interest and fees or penalties in the nature of interest from credit card receivables and fees charged to credit card holders. [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

H. The numerator of the receipts factor includes receipts from merchant discount if the commercial domicile of the merchant is in this State. The receipts are computed net of any credit card holder charge-backs, but are not reduced by any interchange transaction fees or by any issuer's reimbursement fees paid to another for charges made by its credit card holders. [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

I. The numerator of the receipts factor includes loan servicing fees derived from loans multiplied by a fraction, the numerator of which is the amount included in the numerator of the receipts factor pursuant to paragraph C and the denominator of which is the total amount of interest and fees or penalties in the nature of interest from loans.

In circumstances in which the taxpayer receives loan servicing fees for servicing either the secured or the unsecured loans of another, the numerator of the receipts factor includes the fees if the borrower is located in this State. [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

J. The numerator of the receipts factor includes receipts from services not otherwise apportioned under this section if the service is performed in this State. If the service is performed both in and outside this State and a greater proportion of the income or producing activity is performed in this State than in any other state based on cost of performance, then the numerator of the receipts factor includes receipts from services not otherwise apportioned under this section. [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

K. Interest, dividends, net gains greater than zero and other income from investment assets and activities and from trading assets and activities must be included in the receipts factor. Investment assets and activities and trading assets and activities include but are not limited to investment securities; trading account assets; federal funds; securities purchased and sold under agreements to resell or repurchase; options, futures contracts; forward contracts; notional principal contracts such as swaps; equities; and foreign currency transactions. With respect to federal funds, the receipts factor includes only the amount by which interest from federal funds sold and securities purchased under resale agreements exceeds interest expense on federal funds purchased and securities sold under repurchase agreements. With respect to trading assets and securities, the receipts factor includes only the amount by which interest, dividends, gains and other income from trading assets and activities, including, but not limited to, assets and activities in the matched books, in the arbitrage book or in foreign currency transactions, exceed amounts paid in lieu of interest, amounts paid in lieu of dividends and losses from the assets and activities.

The numerator of the receipts factor includes receipts from investment assets and activities and from trading assets and activities described in this paragraph that are attributable to this State. Receipts attributable to this State and included in the numerator are determined by multiplying all the receipts from the assets and activities by a fraction, the numerator of which is the gross income from the assets and activities that are properly assigned to a regular place of business of the taxpayer in this State and the denominator of which is the gross income from all the assets and activities.

Assets are properly assigned to a regular place of business in the State if the day-to-day decisions regarding the asset or activity occurred at a regular place of business in this State. When the day-to-day decisions regarding an investment asset or activity or trading asset or activity occur at more than one regular place of business, the asset or activity is considered to be located at the regular place of business of the taxpayer where the investment or trading policies or guidelines with respect to the asset or activity

are established. Unless the taxpayer demonstrates to the contrary, those policies and guidelines are presumed to be established at the commercial domicile of the taxpayer. [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

[1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF) .]

3. **Property factor.** The property factor is a fraction, the numerator of which is the average value of real property and tangible personal property rented to the taxpayer that is located in the State during the taxable year, the average value of the taxpayer's real and tangible personal property owned that is located in the State during the taxable year and the average value of the taxpayer's loans and credit card receivables that are located in the State during the taxable year, and the denominator of which is the average value of all such property located in and outside this State during the taxable year.

A. Real and tangible personal property owned by the taxpayer is valued at its original cost. Property rented by the taxpayer is valued at 8 times the net annual rental rate. Net annual rental rate is the annual rental rate paid by the taxpayer less any annual rental rate received by the taxpayer from subrentals.

(1) The average value of property is determined by averaging the values at the beginning and ending of the tax period, but the State Tax Assessor may require the averaging of monthly values during the tax period if reasonably required to reflect properly the average value of the taxpayer's property.

(2) Loans are valued at their outstanding principal balance without regard to any reserve for bad debts. If a loan is charged off in whole or in part for federal income tax purposes, the portion of the loan charged off is not outstanding. A specifically allocated reserve established pursuant to regulatory or financial accounting guidelines that is treated as charged off for federal income tax purposes is treated as charged off for purposes of this section.

(3) Credit card receivables are valued at their outstanding principal balance without regard to any reserve for bad debts. If a credit card receivable is charged off in whole or in part for federal income tax purposes, the portion of the receivable charged off is not outstanding. [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

B. A loan is considered to be located within this State if it is properly assigned to a regular place of business of the taxpayer in this State. A loan is properly assigned to the regular place of business with which it has a preponderance of substantive contacts. A loan assigned by the taxpayer to a regular place of business outside the State is presumed to have been properly assigned if:

(1) The taxpayer has assigned, in the regular course of its business, the loan on its records to a regular place of business consistent with federal or state requirements;

(2) The assignment on its records is based upon substantive contacts of the loan to a regular place of business; and

(3) The taxpayer uses the records reflecting assignment of loans for the filing of all state and local tax returns for which an assignment of loans to a regular place of business is required.

The presumption of proper assignment of a loan provided in this paragraph may be rebutted upon a showing by the State Tax Assessor, supported by a preponderance of the evidence, that the preponderance of substantive contacts regarding the loan did not occur at the regular place of business to which it was assigned on the taxpayer's records. When the presumption has been rebutted, the loan is then located within this State if the taxpayer had a regular place of business in this State at the time the loan was made and the taxpayer fails to show, by a preponderance of the evidence, that the preponderance of substantive contacts regarding the loan did not occur in this State. [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

C. In the case of a loan that is assigned by the taxpayer to a place outside this State that is not a regular place of business, it is presumed, subject to rebuttal by the taxpayer on a showing supported by the preponderance of evidence, that the preponderance of substantive contacts regarding the loan occurred in this State if, at the time the loan was made, the taxpayer's commercial domicile was in this State. [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

D. To determine the state in which the preponderance of substantive contacts relating to the loan has occurred, the facts and circumstances regarding the loan at issue are reviewed on a case-by-case basis and consideration is given to activities as the solicitation, investigation, negotiation, approval and administration of the loan. For purposes of the paragraph, the following terms have the following meanings.

(1) "Solicitation" is either active or passive. Active solicitation occurs when an employee of the taxpayer initiates the contact with the customer. The activity is located at the regular place of business with which the taxpayer's employee is regularly connected or out of which the employee is working, regardless of the where the services of the employee are actually performed. Passive solicitation occurs when the customer initiates the contact with the taxpayer. If the customer's initial contact was not at a regular place of business of the taxpayer, the regular place of business, if any, where the passive solicitation occurred is determined by the facts in each case.

(2) "Investigation" is the procedure by which employees of the taxpayer determine the creditworthiness of the customer as well as the degree of risk involved in making a particular agreement. The activity is located at the regular place of business with which the taxpayer's employees are regularly connected or out of which the employees are working, regardless of where the services of the employees are actually performed.

(3) "Negotiation" is the procedure by which employees of the taxpayer and its customer determine the terms of the agreement, such as the amount, duration, interest rate, frequency of repayment, currency denomination and security required. The activity is located at the regular place of business at which the employees are working, regardless of where the services of the employees are actually performed.

(4) "Approval" is the procedure by which employees or the board of directors of the taxpayer make the final determination of whether to enter into an agreement. The activity is located at the regular place of business with which the taxpayer's employees are regularly connected or out of which the employees are working, regardless of where the services of the employees are actually performed. If the board of directors makes the final determination, the activity is located at the commercial domicile of the taxpayer.

(5) "Administration" is the process of managing the account. This process includes bookkeeping, collecting payments, corresponding with the customer, reporting to management regarding the status of the agreement and proceeding against the borrower or the security interest if the borrower is in default. The activity is located at the regular place of business that oversees this activity. [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

E. For purposes of determining the location of credit card receivables, those receivables are treated as loans and are subject to the provisions of paragraph C. [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

F. A loan that has been properly assigned to a state, absent any change of material fact, remains assigned to that state for the length of the original term of the loan. After the length of time of the original term of the loan has expired, the loan may be properly assigned to another state if the loan has a preponderance of substantive contact with a regular place of business in that state. [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

G. Real and tangible personal property is located in this State as provided in section 5206-D, subsection 11, paragraph D. [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

[1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF) .]

4. **Payroll factor.** The payroll factor is a fraction, the numerator of which is the total amount paid in this State during the taxable year by the taxpayer for compensation and the denominator of which is the total compensation paid both in and outside this State during the taxable year. The payroll factor includes only that compensation that is included in the computation of the apportionable income tax base for the taxable year. Eighty-five percent of any amounts paid pursuant to a contract by the taxpayer to an employee-leasing company for leased employees, and 100% of the amount paid pursuant to a contract to a temporary services company for temporary employees, must be included in the taxpayer's payroll factor. The payroll factor of an employee-leasing company or a temporary services company must exclude compensation paid to leased or temporary employees who are providing personal services to client companies.

A. The compensation of any employee for services or activities that are connected with the production of income that is not includable in the apportionable income base and payments made to any independent contractor or any other person not properly classifiable as an employee are excluded from both the numerator and denominator of the factor. [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

B. Compensation is paid in this State if any one of the following tests, applied consecutively, is met.

(1) The employee's services are performed entirely in this State.

(2) The employee's services are performed both in and outside the State, but the service performed outside the State is incidental to the employee's service in the State. For the purposes of this subsection, "incidental" means any service that is temporary to transitory in nature or that is rendered in connection with an isolated transaction.

(3) If the employee's services are performed both in and outside the State, the employee's compensation is attributed to this State:

(a) If the employee's principal base of operations is in this State;

(b) If there is no principal base of operations in any state in which some part of the services are performed, but the place from which the services are directed or controlled is in this State; or

(c) If the principal base of operations and the place from which the services are directed or controlled are not in any state in which some part of the service is performed, but the employee's residence is in this State. [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

[2001, c. 439, Pt. D, §5 (AMD); 2001, c. 439, Pt. D, §9 (AFF) .]

5. **Variations.** If the apportionment provisions of this section do not fairly represent the extent of the taxpayer's business activity in this State, the taxpayer may petition for, or the State Tax Assessor may require, in respect to all or any part of the taxpayer's business activity:

A. Separate accounting; [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

B. The exclusion of any one or more of the factors; [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

C. The inclusion of one or more additional factors that will fairly represent the taxpayer's business activity in this State; or [1997, c. 404, §5 (NEW); 1997, c. 404, §10 (AFF).]

D. The employment of any other method to effectuate an equitable apportionment of the taxpayer's income or assets. [2005, c. 608, §4 (AMD); 2005, c. 608, §5 (AFF).]

[2005, c. 608, §4 (AMD); 2005, c. 608, §5 (AFF) .]

SECTION HISTORY
1997, c. 404, §5 (NEW). 1997, c. 404, §10 (AFF). 1997, c. 746, §18 (AMD). 1997, c. 746, §24 (AFF). 2001, c. 439, §D5 (AMD). 2001, c. 439, §D9 (AFF). 2005, c. 608, §§2-4 (AMD). 2005, c. 608, §5 (AFF).

§5206-F. TIME FOR FILING RETURNS

The franchise tax return required by section 5220, subsection 6 must be filed on or before the 15th day of the 3rd month following the end of the financial institution's fiscal year. [2003, c. 588, §17 (AMD).]

SECTION HISTORY
1997, c. 746, §19 (NEW). 1997, c. 746, §24 (AFF). 2003, c. 588, §17 (AMD).

§5206-G. COMBINED REPORTS

The combined report required by section 5220, subsection 6 must include, both in the aggregate and by entity, a list of the net income or loss per books, the property, payroll and receipts in Maine and everywhere as defined in this chapter and the Maine net income of the unitary business. Neither the income nor the property, payroll and receipts of an entity that is not required to file a federal income tax return or whose income is not subject to federal income tax as income to its direct or indirect owners may be included in the combined report. [1997, c. 746, §19 (NEW); 1997, c. 746, §24 (AFF).]

In determining Maine assets or Maine net income for purposes of filing a combined report, intercompany eliminations must be made as necessary to avoid the duplication of income or assets. [1997, c. 746, §19 (NEW); 1997, c. 746, §24 (AFF).]

SECTION HISTORY
1997, c. 746, §19 (NEW). 1997, c. 746, §24 (AFF).

Chapter 821: APPORTIONMENT OF INCOME

§5210. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [1981, c. 698, §187 (RPR).]

1. **Business income.**

[1987, c. 841, §9 (RP) .]

2. **Commercial domicile.**

[1987, c. 841, §9 (RP) .]

3. **Compensation.** "Compensation" means wages, salaries, commissions and any other form of remuneration paid to employees for personal services. "Compensation" includes amounts paid to an employee-leasing company for leased employees and amounts paid to a temporary services company for temporary employees, pursuant to a contract between the taxpayer and an employee-leasing company or temporary services company.

[2001, c. 439, Pt. D, §6 (AMD); 2001, c. 439, Pt. D, §9 (AFF) .]

3-A. **Employee-leasing company.** "Employee-leasing company" means a business that contracts with client companies to supply workers to perform services for the client companies, except that the term "employee-leasing company" does not include private employment agencies that provide workers to client companies on a temporary help basis.

[2001, c. 439, Pt. D, §7 (NEW); 2001, c. 439, Pt. D, §9 (AFF) .]

3-B. **Leased employee.** "Leased employee" means an individual who performs services for a client company pursuant to a contract between the client company and an employee-leasing company.

[2001, c. 439, Pt. D, §7 (NEW); 2001, c. 439, Pt. D, §9 (AFF) .]

4. **Nonbusiness income.**

[1987, c. 841, §9 (RP) .]

5. **Sales.** "Sales" means all gross receipts of the taxpayer.

[1993, c. 670, §8 (AMD) .]

6. **State.** "State" means any state of the United States, District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, and any foreign country or political subdivision thereof.

[1981, c. 698, §187 (NEW) .]

7. **Temporary help.** "Temporary help" means employee services provided to client companies for a contractual period of less than 12 months.

[2001, c. 439, Pt. D, §7 (NEW); 2001, c. 439, Pt. D, §9 (AFF) .]

8. **Temporary services company.** "Temporary services company" means a private employment agency, other than an employee-leasing company, that provides workers to client companies on a temporary help basis.

[2001, c. 439, Pt. D, §7 (NEW); 2001, c. 439, Pt. D, §9 (AFF) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 541, §A236 (AMD). 1981, c. 698, §187 (RPR). 1987, c. 841, §9 (AMD). 1993, c. 670, §8 (AMD). 2001, c. 439, §§D6,7 (AMD). 2001, c. 439, §D9 (AFF).

§5211. GENERAL

1. **Apportionment.** Any taxpayer, other than a resident individual, estate, or trust, having income from business activity which is taxable both within and without this State, other than the rendering of purely personal services by an individual, shall apportion his net income as provided in this section. Any taxpayer having income solely from business activity taxable within this State shall apportion his entire net income to this State.

[1987, c. 841, §10 (AMD) .]

2. **Taxpayer taxable in another state.** For purposes of apportionment of income under this section, a taxpayer is taxable in another state if in that state he is subject to a net income tax, a franchise tax measured by net income, a franchise tax for the privilege of doing business, or a corporate stock tax, or that state has jurisdiction to subject the taxpayer to a net income tax regardless of whether in fact, the state does or does not.

[1987, c. 841, §10 (AMD) .]

3. **Allocation of certain nonbusiness income.**

[1987, c. 841, §11 (RP) .]

4. **Rents and royalties:**

[1987, c. 841, §11 (RP) .]

5. **Capital gains and losses:**

[1987, c. 841, §11 (RP) .]

6. **Commercial domicile in this State.**

[1987, c. 841, §11 (RP) .]

7. **Patent and copyright royalties:**

[1987, c. 841, §11 (RP) .]

8. **Formula for apportionment of income to State.** All income shall be apportioned to this State by multiplying the income by the sales factor.

[2007, c. 240, Pt. V, §2 (AMD); 2007, c. 240, Pt. V, §15 (AFF) .]

9. **Property factor.** The property factor is a fraction, the numerator of which is the average value of the taxpayer's real and tangible personal property owned or rented and used in this State during the tax period and the denominator of which is the average value of all the taxpayer's real and tangible personal property owned or rented and used during the tax period.

[2007, c. 627, §96 (AFF); 2007, c. 627, §84 (REEN) .]

10. **Property valuation at original cost.** Property owned by the taxpayer is valued at its original cost. Property rented by the taxpayer is valued at 8 times the net annual rental rate. Net annual rental rate is the annual rental rate paid by the taxpayer.

[2007, c. 627, §96 (AFF); 2007, c. 627, §85 (REEN) .]

11. **Determination of average value of property.** The average value of property shall be determined by averaging the values at the beginning and ending of the tax period but the Tax Assessor may require the averaging of monthly values during the tax period if reasonably required to reflect properly the average value of the taxpayer's property.

[2007, c. 627, §96 (AFF); 2007, c. 627, §86 (REEN) .]

12. **Payroll factor.** The payroll factor is a fraction, the numerator of which is the total amount paid in this State during the tax period by the taxpayer for compensation, and the denominator of which is the total compensation paid everywhere during the tax period. Eighty-five percent of any amounts paid pursuant to a contract by the taxpayer to an employee-leasing company for leased employees, and 100% of the amount paid pursuant to a contract to a temporary services company for temporary employees, must be included in the taxpayer's payroll factor. The payroll factor of an employee-leasing company or a temporary services company must exclude compensation paid to leased or temporary employees who are providing personal services to client companies.

[2007, c. 627, §96 (AFF); 2007, c. 627, §87 (REEN) .]

13. **When compensation paid in this State.** Compensation is paid in this State, if:

A. The individual's service is performed entirely within the State; or [2007, c. 627, §96 (AFF); 2007, c. 627, §88 (REEN).]

B. The individual's service is performed both within and without the State, but the service performed without the state is incidental to the individual's service within the State; or [2007, c. 627, §96 (AFF); 2007, c. 627, §88 (REEN).]

C. Some of the service is performed in the State and the base of operations or, if there is no base of operations, the place from which the service is directed or controlled is in the State, or the base of operations or the place from which the service is directed or controlled is not in any state in which some part of the service is performed, but the individual's residence is in this State. [2007, c. 627, §96 (AFF); 2007, c. 627, §88 (REEN).]

[2007, c. 627, §96 (AFF); 2007, c. 627, §88 (REEN) .]

14. **Sales factor formula.** The sales factor is a fraction, the numerator of which is the total sales of the taxpayer in this State during the tax period, and the denominator of which is the total sales of the taxpayer everywhere during the tax period. For purposes of calculating the sales factor, "total sales of the taxpayer" includes sales of the taxpayer and of any member of an affiliated group with which the taxpayer conducts a unitary business. The formula must exclude from both the numerator and the denominator sales of tangible personal property delivered or shipped by the taxpayer, regardless of F.O.B. point or other conditions of the sale, to a purchaser within a state in which the taxpayer is not taxable within the meaning of subsection 2, unless any member of an affiliated group with which the taxpayer conducts a unitary business is taxable in that state in the same manner as a taxpayer is taxable under subsection 2.

[2009, c. 571, Pt. GG, §1 (AMD); 2009, c. 571, Pt. GG, §2 (AFF) .]

15. **When sales of tangible personal property are in this State.** Sales of tangible personal property are in this State if:

A. The property is delivered or shipped to a purchaser, other than the United States Government, within this State regardless of the F.O.B. point or other conditions of the sale; or [1969, c. 154, §F (NEW).]

B. The property is shipped from an office, store, warehouse, factory or other place of storage in this State and the purchaser is the United States Government. [2009, c. 213, Pt. NN, §2 (AMD); 2009, c. 213, Pt. NN, §5 (AFF).]

[2009, c. 213, Pt. NN, §2 (AMD); 2009, c. 213, Pt. NN, §5 (AFF) .]

16. **When sales other than tangible personal property are in State.**

[2007, c. 240, Pt. V, §15 (AFF); 2007, c. 240, Pt. V, §8 (RP) .]

16-A. **Other sales.** Sales other than sales of tangible personal property are sourced as follows.

A. Except as otherwise provided by this subsection, receipts from the performance of services must be attributed to the state where the services are received. If the state where the services are received is not readily determinable, the services are deemed to be received at the home of the customer or, in the case of a business, the office of the customer from which the services were ordered in the regular course of the customer's trade or business. If the ordering location cannot be determined, the services are deemed to be received at the home or office of the customer to which the services are billed. In instances in which the purchaser of the service is the Federal Government, the receipts are attributable to this State if a greater proportion of the income-producing activity is performed in this State than in any other state based on costs of performance. [2009, c. 213, Pt. NN, §3 (AMD); 2009, c. 213, Pt. NN, §5 (AFF).]

B. Gross receipts from the license, sale or other disposition of patents, copyrights, trademarks or similar items of intangible personal property must be attributed to this State if the intangible property is used in this State by the licensee. If the intangible personal property is used by the licensee in more

than one state, the income must be apportioned to this State according to the portion of use in this State. In instances in which the purchaser or licensee of the intangible personal property is the Federal Government, the receipts are attributable to this State if a greater proportion of the income-producing activity is performed in this State than in any other state based on costs of performance. [2009, c. 213, Pt. NN, §4 (AMD); 2009, c. 213, Pt. NN, §5 (AFF).]

C. Receipts from the sale, lease, rental or other use of real property is sourced to this State if the real property is located in this State. [2007, c. 240, Pt. V, §9 (NEW); 2007, c. 240, Pt. V, §15 (AFF).]

D. Receipts from the lease or rental of tangible personal property must be attributed to this State if the property is located in this State. [2007, c. 240, Pt. V, §9 (NEW); 2007, c. 240, Pt. V, §15 (AFF).]

E. Receipts from items of income described in section 5206-E, subsection 2, paragraphs C to I must be sourced to this State as provided in those paragraphs. For purposes of this paragraph, section 5206-E, subsection 2, paragraphs G and H must include the related payment processing fees. [2007, c. 240, Pt. V, §9 (NEW); 2007, c. 240, Pt. V, §15 (AFF).]

F. A sale of a partnership interest must be sourced in accordance with the provisions of section 5142, subsection 3-A. [2007, c. 240, Pt. V, §9 (NEW); 2007, c. 240, Pt. V, §15 (AFF).]

[2009, c. 213, Pt. NN, §§3, 4 (AMD); 2009, c. 213, Pt. NN, §5 (AFF) .]

16-B. **Sales factor formula for certain disaster period receipts.** The sales factor must exclude from the numerator sales receipts of a person whose only business activity in the State during the taxable year is the performance of services during a disaster period that are solely and directly related to a declared state disaster or emergency that were requested by the State, a county, city, town or political subdivision of the State or a registered business.

[2011, c. 2, §42 (COR) .]

17. **Variations.** If the apportionment provisions of this section do not fairly represent the extent of the taxpayer's business activity in this State, the taxpayer may petition for, or the tax assessor may require, in respect to all or any part of the taxpayer's business activity, if reasonable:

A. Separate accounting; or [2007, c. 240, Pt. V, §10 (AMD); 2007, c. 240, Pt. V, §15 (AFF).]

B. [2007, c. 240, Pt. V, §15 (AFF); 2007, c. 240, Pt. V, §11 (RP).]

C. [2007, c. 240, Pt. V, §15 (AFF); 2007, c. 240, Pt. V, §12 (RP).]

D. The employment of any other method to effectuate an equitable apportionment of the taxpayer's income. [1987, c. 841, §13 (AMD).]

[2007, c. 240, Pt. V, §§10-12 (AMD); 2007, c. 240, Pt. V, §15 (AFF) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1987, c. 841, §§10-13 (AMD). 1991, c. 502, §1 (AMD). 1991, c. 502, §2 (AFF). 1999, c. 708, §43 (AMD). 2001, c. 439, §D8 (AMD). 2001, c. 439, §D9 (AFF). 2005, c. 12, §MMMM2 (AMD). 2005, c. 12, §MMMM3 (AFF). 2007, c. 240, Pt. V, §§2-12 (AMD). 2007, c. 240, Pt. V, §15 (AFF). 2007, c. 627, §§84-88 (AMD). 2007, c. 627, §96 (AFF). 2009, c. 213, Pt. NN, §§1-4 (AMD). 2009, c. 213, Pt. NN, §5 (AFF). 2009, c. 571, Pt. GG, §1 (AMD). 2009, c. 571, Pt. GG, §2 (AFF). RR 2011, c. 2, §42 (COR). 2011, c. 622, §6 (AMD). 2011, c. 622, §7 (AFF).

§5212. APPORTIONMENT OF INCOME OF MUTUAL FUND SERVICE PROVIDERS

1. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Administration services" includes, but is not limited to, clerical, fund or shareholder accounting; participant record-keeping; transfer agency; bookkeeping; data processing; custodial; internal auditing; legal; and tax services performed for a regulated investment company. Services qualify as administration services only if the provider of such service or services during the taxable year also provides, or is affiliated with a person that provides, management or distribution services to the same regulated investment company during the same taxable year. [1999, c. 754, §1 (NEW); 1999, c. 754, §2 (AFF).]

B. "Distribution services" includes, but is not limited to, the services of advertising, servicing, marketing or selling shares of a regulated investment company. The services of advertising, servicing or marketing shares qualify as distribution services only when the service is performed by a person who is or, in the case of a closed-end company, was either engaged in the services of selling regulated investment company shares or affiliated with a person that is engaged in the service of selling regulated investment company shares. In the case of an open-end company, such service of selling shares must be performed pursuant to a contract entered into pursuant to 15 United States Code, Section 80a-15(b), as amended. [1999, c. 754, §1 (NEW); 1999, c. 754, §2 (AFF).]

C. "Domicile" of a shareholder of a regulated investment company is presumed to be the shareholder's mailing address on the records of the regulated investment company or the mutual fund service provider. If the regulated investment company or the mutual fund service provider has actual knowledge that the shareholder's primary residence or principal place of business is different than the shareholder's mailing address, the presumption does not control. If the shareholder of record is a person that holds the shares of a regulated investment company as depositor for the benefit of a separate account, then the shareholder of record is the contract owner or policyholder of the contracts or policies supported by the separate account, and it is presumed that the domicile of that shareholder of record is the contract owner's or policyholder's mailing address to the extent that the regulated investment company maintains such mailing addresses in the regular course of business. If the shareholder's principal place of business is different than the shareholder's mailing address, the presumption does not control. [1999, c. 754, §1 (NEW); 1999, c. 754, §2 (AFF).]

D. "Management services" includes, but is not limited to, the rendering of investment advice directly or indirectly to a regulated investment company, making determination as to when sales and purchases of securities are to be made on behalf of the regulated investment company or the selling or purchasing of securities constituting assets of a regulated investment company and related activities. Services qualify as management services only when such activity or activities are performed pursuant to a contract with the regulated investment company entered into pursuant to 15 United States Code, Section 80a-15(a), as amended, for a person that has entered into such contract with the regulated investment company or for a person that is affiliated with a person that has entered into such contract with a regulated investment company. [1999, c. 754, §1 (NEW); 1999, c. 754, §2 (AFF).]

E. "Mutual fund service provider" means any taxpayer subject to tax under this Part, other than a financial institution as defined in section 5206-D, subsection 8, that derives more than 50% of its gross income from the direct or indirect provision of management, distribution or administration services to or on behalf of a regulated investment company or from trustees, sponsors and participants of employee benefit plans that have accounts in a regulated investment company. [1999, c. 754, §1 (NEW); 1999, c. 754, §2 (AFF).]

F. "Regulated investment company" means a regulated investment company as defined in the Code, Section 851. [1999, c. 754, §1 (NEW); 1999, c. 754, §2 (AFF).]

[1999, c. 754, §1 (NEW); 1999, c. 754, §2 (AFF) .]

2. **Election of special apportionment of formula for mutual fund service providers.** Notwithstanding any other provision of this Title, a mutual fund service provider may elect to apportion its net income by the method provided for in this section. The election, if made, is irrevocable for successive periods of 5 years. The net income of an electing mutual fund service provider may be apportioned to this State as follows.

A. Net income is multiplied by a fraction, the numerator of which is the Maine receipts during the taxable year and the denominator of which is the total receipts everywhere for the same taxable year. [1999, c. 754, §1 (NEW); 1999, c. 754, §2 (AFF).]

B. For purposes of this subsection, Maine receipts from the direct or indirect provision of management, distribution or administration services to or on behalf of a regulated investment company or from trustees, sponsors and participants of employee benefit plans that have accounts in a regulated investment company are determined by multiplying total receipts for the taxable year from each separate regulated investment company for which the mutual fund service provider performs management, distribution or administration services by a fraction. The numerator of the fraction is the average of the number of shares owned by the regulated investment company's shareholders domiciled in this State at the beginning of and at the end of the regulated investment company's taxable year, and the denominator of the fraction is the average of the number of the shares owned by the regulated investment company's shareholders everywhere at the beginning of and at the end of the regulated investment company's taxable year. [1999, c. 754, §1 (NEW); 1999, c. 754, §2 (AFF).]

C. Receipts other than from the provision of services described in paragraph B are Maine receipts if they would qualify as Maine sales under section 5211, subsection 15 or 16-A. [2007, c. 240, Pt. V, §13 (AMD).]

[1999, c. 754, §1 (NEW); 1999, c. 754, §2 (AFF); 2007, c. 240, Pt. V, §13 (AMD) .]

3. **Combined reporting not applicable.** Notwithstanding any other provision of this Title, a mutual fund service provider that has elected the apportionment method provided for in this section is not required to file a combined report, and neither the income nor the property, payroll or sales of a mutual fund service provider that has elected the apportionment method provided for in this section may be included in a combined report of another taxpayer.

[1999, c. 754, §1 (NEW); 1999, c. 754, §2 (AFF) .]

SECTION HISTORY
1999, c. 754, §1 (NEW). 1999, c. 754, §2 (AFF). 2007, c. 240, Pt. V, §13 (AMD).

Chapter 822: TAX CREDITS

§5213. NEW JOBS CREDIT

(REPEALED)

SECTION HISTORY
1977, c. 686, §15 (NEW).

§5214. LEGISLATIVE FINDINGS AND PURPOSE

(REPEALED)

SECTION HISTORY
1977, c. 722, (NEW). 1981, c. 364, §68 (RP).

§5214-A. CREDIT TO BENEFICIARY FOR ACCUMULATION DISTRIBUTION

1. **General.** A beneficiary of a trust whose adjusted gross income includes all or part of an accumulation distribution by that trust, as defined in the Code, Section 665, or its equivalent, shall be allowed a credit against the tax otherwise due under this Part for all or a proportionate part of any tax paid by the trust under this Part for any preceding taxable year which would not have been payable if the trust had in fact made distribution to its beneficiaries at the times and in the amounts specified in the Code, Section 666, or its equivalent.

[1987, c. 504, §30 (AMD) .]

2. **Limitation on credit.** The credit under this section shall not reduce the tax otherwise due from the beneficiary under this Part to an amount less than would have been due if the accumulation distribution or his part of the accumulation distribution were excluded from his adjusted gross income.

[1985, c. 783, §36 (NEW) .]

SECTION HISTORY
1985, c. 783, §36 (NEW). 1987, c. 504, §30 (AMD).

§5215. JOBS AND INVESTMENT TAX CREDIT

1. **Credit allowed.** A taxpayer, other than a public utility as defined by Title 35-A, section 102, is allowed a credit to be computed as provided in this section against the tax imposed by this Part, subject to the limitations contained in subsection 3. The amount of the credit equals the qualified federal credit, as defined in subsection 2, for taxable years beginning on or after January 1, 1979, except that a credit may be taken with respect to used property, and may not be allowed with respect to an excluded investment.

[1997, c. 504, §14 (AMD) .]

2. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Qualified federal credit" means, with respect to any taxable year, that portion of the credit allowed by the Internal Revenue Code of 1954, Section 38(b)(1), as of December 31, 1985, that is directly and solely attributable to qualified investment with a location in this State. [1997, c. 504, §15 (AMD).]

A-1. "Excluded investment" means an investment related to a retail facility, unless the taxpayer can demonstrate to the satisfaction of the State Tax Assessor that the commercial result of the project or projects to which the credit relates has not or will not result in a substantial detriment to existing businesses in the State. [1993, c. 672, §1 (NEW); 1993, c. 672, §2 (AFF).]

A-2. "Retail facility" does not include a facility primarily engaged in warehousing, order taking, manufacturing, storage or distribution, even when a portion of the facility is used to make retail sales of tangible personal property directly from the facility. [1993, c. 672, §1 (NEW); 1993, c. 672, §2 (AFF).]

B. The term "new jobs credit base" means the excess of Bureau of Unemployment Compensation wages for the taxable year of the qualified investment or either of the next 2 calendar years over the Bureau of Unemployment Compensation wages for the highest of the 3 calendar years preceding the year of the qualified investment. In computing its new jobs credit base, a successor-taxpayer shall add to its own Bureau of Unemployment Compensation wages the Bureau of Unemployment Compensation wages of its predecessor. [1995, c. 560, Pt. G, §19 (AMD).]

C. The term "Bureau of Unemployment Compensation wages" means the total amount of wages paid by an employer subject to tax under Title 26, section 1221, less any excesses attributable to statutory increases. [1995, c. 560, Pt. G, §20 (AMD).]

D. "Successor-taxpayer" means a taxpayer that has acquired, within 4 years of its taxable year-end, the organization, trade or business, or 50% or more of the assets of the organization, trade or business, of another taxpayer that, at the time of the acquisition, was an employing unit. [1993, c. 672, §1 (AMD); 1993, c. 672, §2 (AFF).]

E. "Used property" means property that is originally placed in service by the taxpayer outside of this State. The cost of property used by the taxpayer outside of this State and then placed into service in this State on or after January 1, 1997 is the original cost of the property to the taxpayer, minus the straight-line depreciation allowable for the tax years or portions of the tax years during which the taxpayer used the property outside of this State. The cost of property used by the taxpayer outside of this State and then placed into service in this State before to January 1, 1997 is the original cost of the property. [1997, c. 504, §16 (NEW).]

[1997, c. 504, §§15,16 (AMD) .]

3. **Limitations.** The tax credit for any taxable year is applicable only to those taxpayers:

A. With property considered to be qualified investment of at least $5,000,000 for that taxable year with a situs in the State and placed in service by the taxpayer after January 1, 1979; and [2003, c. 391, §7 (AMD).]

B. With payroll records and reports substantiating that at least 100 new jobs attributable to the operation of property considered to be qualified investment were created in the 24-month period following the date the property was placed in service. To assess the continuing nature of the jobs, the taxpayer must demonstrate that the new jobs credit base is at least $700,000 for the taxable year of the qualified federal credit or for either of the next 2 calendar years. The $700,000 must be adjusted proportionally for any change in Title 26, section 1043, subsection 2 wages from $7,000. With respect to new jobs created after August 1, 1998, but before October 1, 2001, the employer must also demonstrate that the qualifying jobs are covered by a retirement program subject to the Employee Retirement Income Security Act of 1974, 29 United States Code, Sections 101 to 1461, as amended; that group health insurance is provided for employees in those positions; and that the wages for those positions, calculated on a calendar year basis, are greater than the most recent average annual wage in the labor market area in which the employee is employed. [2003, c. 391, §8 (AMD).]

C. [1999, c. 414, §56 (AFF); 1999, c. 414, §46 (RP).]

[2003, c. 391, §§7, 8 (AMD) .]

4. **Carry-over.** The amount of credit that may be used by a taxpayer for any taxable year may not exceed either $500,000 or the amount of tax otherwise due, whichever is less. Any unused credit may be carried over to the following year or years for a period not to exceed 7 years, including the year the credit was first taken, and may be deducted from the taxpayer's tax for that year or those years, subject to the same limitations provided in this subsection.

[1993, c. 672, §1 (AMD); 1993, c. 672, §2 (AFF) .]

5. **Carry-back.** There may be no carry-back to prior years of the amount of credit allowable under this section.

[1993, c. 672, §1 (AMD); 1993, c. 672, §2 (AFF) .]

6. **Recapture.** If, during any taxable year, any qualified investment property is disposed of, or otherwise ceases to be property covered by subsection 3, paragraph A with respect to the taxpayer, before the end of the useful life that was taken into account in computing the credit under subsection 1, then the tax under this Part for that taxable year must be increased by an amount equal to the aggregate decrease in the credit allowed under subsection 1 for all prior taxable years that would have resulted solely from substituting for the useful life, in determining qualified investment under the Internal Revenue Code of 1954 as of December 31, 1985, the period beginning with the time the property was placed in service by the taxpayer and ending with the time the property ceased to be property covered by subsection 3.

[2007, c. 627, §89 (AMD) .]

6-A. **Affiliated groups; tax years prior to January 1, 1995.** This subsection applies retroactively to all tax years beginning before the effective date of this subsection as well as prospectively to all tax years beginning on or after the effective date of this subsection but prior to January 1, 1995 and for which the taxpayer's right to file an original or amended return had not or has not expired at the time of the taxpayer's filing of the return. In the case of corporations that are members of an affiliated group engaged in a unitary business, the credit provided for in this section applies as follows.

A. The credit provided for in this section, in an amount equal to the aggregate qualified federal credit for all taxable corporations that are members of an affiliated group engaged in a unitary business, must be allowed against the total tax liability of all the taxable corporations that are members of the affiliated group engaged in a unitary business if the taxable corporations that are members of the affiliated group have, in the aggregate:

(1) Property considered to be qualified investment of at least $5,000,000 for that taxable year with a situs in the State and placed in service by the taxable corporations after January 1, 1979;

(2) Payroll records and reports substantiating that at least 200 new jobs attributable to the operation of property considered to be qualified investment were created in the 12-month period following the date the property was placed in service; and

(3) A new jobs credit base of at least $1,400,000 for the taxable year of the qualified federal credit or the next calendar year. The $1,400,000 must be adjusted proportionally for any change in Title 26, section 1043, subsection 2 wages from $7,000. [1993, c. 672, §1 (NEW); 1993, c. 672, §2 (AFF).]

B. The amount of the credit that may be used in any taxable year may not exceed the lesser of $300,000 or the total amount of tax liability otherwise due of all taxable corporations that are members of an affiliated group engaged in a unitary business. Any unused credit may be carried over to the following year or years for a period not to exceed 7 years, including the year the credit was first taken, and may be deducted from the tax imposed by this Part for that year or those years, subject to the same limitations provided in this subsection. [1993, c. 672, §1 (NEW); 1993, c. 672, §2 (AFF).]

The credit must be apportioned among the taxable corporations in the affiliated group in the same proportion that the tax liability of each taxable corporation in the affiliated group bears to the total tax liability of all the taxable corporations in the affiliated group.

[1993, c. 672, §1 (NEW); 1993, c. 672, §2 (AFF) .]

6-B. **Affiliated groups; tax years beginning on or after January 1, 1995.** This subsection applies to tax years beginning on or after January 1, 1995. In the case of corporations that are members of an affiliated group engaged in a unitary business, the credit provided for in this section applies as follows.

A. The credit provided for in this section, in an amount equal to the aggregate qualified federal credit for all taxable corporations that are members of an affiliated group engaged in a unitary business, must be allowed against the total tax liability of all the taxable corporations that are members of the affiliated group engaged in a unitary business if the taxable corporations that are members of the affiliated group have, in the aggregate:

(1) Property considered to be qualified investment of at least $5,000,000 for that taxable year with a situs in the State and placed in service by the taxable corporations after January 1, 1979;

(2) Payroll records and reports substantiating that at least 100 new jobs attributable to the operation of property considered to be qualified investment were created in the 24-month period following the date the property was placed in service; and

(3) A new jobs credit base of at least $700,000 for the taxable year of the qualified federal credit or either of the next 2 calendar years. The $700,000 must be adjusted proportionally for any change in Title 26, section 1043, subsection 2 wages from $7,000. [1993, c. 672, §1 (NEW); 1993, c. 672, §2 (AFF).]

B. The amount of the credit that may be used in any taxable year may not exceed the lesser of $500,000 or the total amount of tax liability otherwise due of all taxable corporations that are members of an affiliated group engaged in a unitary business. Any unused credit may be carried over to the following year or years for a period not to exceed 7 years, including the year the credit was first taken, and may be deducted from the tax imposed by this Part for that year or those years, subject to the same limitations provided in this subsection. [1993, c. 672, §1 (NEW); 1993, c. 672, §2 (AFF).]

The credit must be apportioned among the taxable corporations in the affiliated group in the same proportion that the tax liability of each taxable corporation in the affiliated group bears to the total tax liability of all the taxable corporations in the affiliated group.

[1993, c. 672, §1 (NEW); 1993, c. 672, §2 (AFF) .]

7. **Legislative findings.** The Legislature finds that encouragement of the growth of major industry in the State is in the public interest and promotes the general welfare of the people of the State; that the use of investment tax credits to encourage industry to make substantial capital investments in the State is necessary to promote the purpose of the Legislature of encouraging the growth of industry; and that the requirements of at least $5,000,000 in qualified investment in the State and an increase of at least 100 new jobs following the investment are reasonable qualifying criteria for the application of an investment tax credit and will best promote substantial capital investment in the State.

[1993, c. 672, §1 (AMD); 1993, c. 672, §2 (AFF) .]

8. **Report on jobs and investment tax credit.**

[2001, c. 652, §10 (RP) .]

SECTION HISTORY
1977, c. 722, (NEW). 1979, c. 541, §A237 (AMD). 1981, c. 364, §69 (AMD). 1985, c. 535, §§16-18 (AMD). 1987, c. 504, §31 (AMD). 1987, c. 772, §39 (AMD). 1987, c. 880, §§1-3 (AMD). 1993, c. 395, §21 (AMD). 1993, c. 672, §1 (AMD). 1993, c. 672, §2 (AFF). 1995, c. 560, §§G19,20 (AMD). 1997, c. 504, §§14-16 (AMD). 1997, c. 761, §§3,4 (AMD). 1999, c. 414, §§45,46 (AMD). 1999, c. 414, §56 (AFF). 1999, c. 708, §44 (AMD). 2001, c. 652, §10 (AMD). 2003, c. 391, §§7,8 (AMD). 2007, c. 627, §89 (AMD).

§5216. CREDIT FOR INVESTMENT IN THE MAINE CAPITAL CORPORATION OR THE MAINE NATURAL RESOURCE CAPITAL COMPANY

(REPEALED)

SECTION HISTORY
1981, c. 364, §70 (NEW). 1983, c. 519, §§26,27 (AMD). 1983, c. 700, §§5,6 (AMD). 1985, c. 344, §98 (AMD). 1985, c. 714, §§41-43 (AMD).

§5216-A. CREDIT FOR INVESTMENT IN THE MAINE NATURAL RESOURCE CAPITAL COMPANY

(REPEALED)

SECTION HISTORY
1985, c. 714, §44 (NEW). 1987, c. 854, §§3,5 (RP).

§5216-B. SEED CAPITAL INVESTMENT TAX CREDIT

1. **Definitions.** As used in this section, unless the context indicates otherwise, the following terms have the following meanings.

A. "Certificate" means a tax credit certificate issued by the Finance Authority of Maine pursuant to Title 10, chapter 110, subchapter IX. [1987, c. 854, §§4, 5 (NEW).]

B. "Investment" means an investment for which a certificate has been received. [1987, c. 854, §§4, 5 (NEW).]

C. "Investor" means a taxpayer or private venture capital fund that has received a certificate. [2011, c. 454, §14 (AMD).]

D. "Private venture capital fund" has the same meaning as under Title 10, section 1100-T, subsection 1-A. [2011, c. 454, §15 (NEW).]

[2011, c. 454, §§14, 15 (AMD) .]

2. **Credit.** An investor is entitled to a credit against the tax otherwise due under this Part equal to the amount of the tax credit certificate issued by the Finance Authority of Maine in accordance with Title 10, section 1100-T and as limited by this section. Except with respect to tax credit certificates issued under Title 10, section 1100-T, subsection 2-C, in the case of partnerships, limited liability companies, S corporations, nontaxable trusts and any other entities that are treated as flow-through entities for tax purposes under the Code, the individual partners, members, stockholders, beneficiaries or equity owners of such entities must be treated as the investors under this section and are allowed a credit against the tax otherwise due from them under this Part in proportion to their respective interests in those partnerships, limited liability companies, S corporations, trusts or other flow-through entities. Except as limited or authorized by subsection 3 or 4, 25% of the credit must be taken in the taxable year in which the investment is made and 25% per year must be taken in each of the next 3 taxable years. With respect to tax credit certificates issued under Title 10, section 1100-T, subsection 2-C, the credits are fully refundable and the investor may file a return requesting a refund for an investment for which it has received a tax credit certificate on or after January 1st of the calendar year after the calendar year in which the investment was made.

[2013, c. 438, §6 (AMD) .]

3. **Limitation.** With respect to tax credit certificates issued under Title 10, section 1100-T, subsection 2 or 2-A, the amount of the credit allowed under this section for any one taxable year may not exceed 50% of the tax imposed by this Part on the investor for the taxable year before application of the credit.

[2011, c. 454, §17 (AMD) .]

4. **Carry forward.** Credits not taken because of the limitation in subsection 3 shall be taken in the next taxable year in which the credit may be taken, provided that the limitation of subsection 3 shall also apply to the carry-forward years. In no case may this carry-forward period exceed 15 years.

[1987, c. 854, §§4, 5 (NEW) .]

5. **Recapture.** In the event that the Finance Authority of Maine revokes a certificate, there must be added to the tax imposed on the investor under this Part for the taxable year in which the revocation occurs an amount equal to the total amount of credit authorized and revoked minus the amount of credit not yet taken.

[2011, c. 454, §18 (AMD) .]

SECTION HISTORY
1987, c. 854, §§4,5 (NEW). 1999, c. 752, §4 (AMD). 2001, c. 446, §4 (AMD). 2001, c. 446, §6 (AFF). 2001, c. 642, §11 (AMD). 2001, c. 642, §12 (AFF). 2003, c. 20, §X6 (AMD). 2003, c. 451, §E8 (AMD). 2011, c. 454, §§14-18 (AMD). 2013, c. 438, §6 (AMD).

§5216-C. CONTRIBUTIONS TO FAMILY DEVELOPMENT ACCOUNT RESERVE FUNDS

1. **Credit allowed.** A taxpayer who contributes to a family development account reserve fund as defined in Title 10, section 1075 is allowed a credit against the tax imposed by this Part equal to the lower of:

A. Twenty-five thousand dollars; or [1999, c. 475, §6 (NEW); 1999, c. 475, §7 (AFF).]

B. Fifty percent of the amount contributed by the taxpayer. [1999, c. 475, §6 (NEW); 1999, c. 475, §7 (AFF).]

Only one credit may be claimed on each annual income tax return regardless of filing status. The credit allowed under this section may not reduce the tax to less than 0 and must be applied after allowance for all other eligible credits. A taxpayer who claims a credit under this section may not claim an itemized charitable deduction under section 5125 for the amount of the contribution that qualified for the credit.

[1999, c. 475, §6 (NEW); 1999, c. 475, §7 (AFF) .]

2. **Aggregate limitation.** The total amount of contributions that may be claimed as credits under this section in a state fiscal year is limited to $200,000.

[1999, c. 475, §6 (NEW); 1999, c. 475, §7 (AFF) .]

3. **Verification of eligibility.** The Finance Authority of Maine, referred to in this section as the "authority," shall verify all claims for a credit under this section and shall provide the assessor with a list of all eligible claimants. The list must be prioritized based upon the date of the eligible contribution. The authority may establish procedures requiring submission of information necessary to verify eligibility by family development account reserve fund administrators.

[1999, c. 475, §6 (NEW); 1999, c. 475, §7 (AFF) .]

SECTION HISTORY
1999, c. 475, §6 (NEW). 1999, c. 475, §7 (AFF).

§5216-D. MAINE FISHERY INFRASTRUCTURE INVESTMENT TAX CREDIT PROGRAM

1. **Definitions.** As used in this section, unless the context indicates otherwise, the following terms have the following meanings.

A. "Certificate" means a tax credit certificate issued by the Department of Inland Fisheries and Wildlife pursuant to Title 12, chapter 903, subchapter 8. [2011, c. 380, Pt. HHHH, §3 (NEW).]

B. "Investment" means an investment or contribution for which a certificate has been received. [2011, c. 380, Pt. HHHH, §3 (NEW).]

C. "Investor" means a taxpayer that has received a certificate. [2011, c. 380, Pt. HHHH, §3 (NEW).]

[2011, c. 380, Pt. HHHH, §3 (NEW) .]

2. **Credit.** An investor is entitled to a credit against the tax otherwise due under this Part equal to the amount of the tax credit certificate issued by the Department of Inland Fisheries and Wildlife in accordance with Title 12, section 10331 and as limited by subsection 3. In the case of partnerships, limited liability companies, S corporations, nontaxable trusts and any other entities that are treated as pass-through entities for tax purposes under the Code, but not including pass-through entities taxed under chapter 819, the individual partners, members, stockholders, beneficiaries or equity owners of such entities must be treated as the investors under this section and are allowed a credit against the tax otherwise due from them under this Part in proportion to their respective interests in those partnerships, limited liability companies, S corporations, nontaxable trusts or other pass-through entities. Except as limited or authorized by subsection 3 or 4, 25% of the credit must be taken in the taxable year the investment is made and 25% per year must be taken in each of the next 3 taxable years.

[2011, c. 380, Pt. HHHH, §3 (NEW) .]

3. **Limitation.** The amount of the credit allowed under this section for any one taxable year may not exceed 50% of the tax imposed by this Part on the investor for the taxable year before application of the credit. The credit allowed under this section may not reduce the tax otherwise due under this Part to less than zero.

[2011, c. 548, §30 (AMD); 2011, c. 548, §36 (AFF) .]

4. **Carry-forward.** A credit under this section not taken because of the limitations in subsection 3 must be taken in the next taxable year in which the credit may be taken, and the limitations of subsection 3 also apply to the carry-forward years. In no case may this carry-forward period exceed 15 years.

[2011, c. 548, §30 (AMD); 2011, c. 548, §36 (AFF) .]

5. **Recapture.** If the Department of Inland Fisheries and Wildlife revokes a certificate, there must be added to the tax imposed on the investor under this Part for the taxable year in which the revocation occurs an amount equal to the excess of the amount of credit revoked over the amount of credit not yet taken.

[2011, c. 380, Pt. HHHH, §3 (NEW) .]

6. **Effect of other tax benefits.**

[2011, c. 644, §33 (AFF); 2011, c. 644, §28 (RP) .]

SECTION HISTORY
2011, c. 380, Pt. HHHH, §3 (NEW). 2011, c. 548, §30 (AMD). 2011, c. 548, §36 (AFF). 2011, c. 644, §28 (AMD). 2011, c. 644, §33 (AFF).

§5217. EMPLOYER-ASSISTED DAY CARE

1. **Credit allowed.** A taxpayer constituting an employing unit is allowed a credit against the tax imposed by this Part for each taxable year equal to the lowest of:

A. Five thousand dollars; [1987, c. 769, Pt. A, §159 (RPR).]

B. Twenty percent of the costs incurred by the taxpayer in providing day care service for children of employees of the taxpayer; or [1987, c. 769, Pt. A, §159 (RPR).]

C. One hundred dollars for each child of an employee of the taxpayer enrolled on a full-time basis, or each full-time equivalent, throughout the taxable year in day care service provided by the taxpayer or in the first year that the taxpayer provides day care services, for each child enrolled on a full-time basis, or each full-time equivalent, on the last day of the year. [1987, c. 769, Pt. A, §159 (RPR).]

[1987, c. 769, Pt. A, §159 (RPR) .]

2. **Definitions.** As used in this section, unless the context indicates otherwise, the following terms have the following meanings.

A. "Employing unit" has the same meaning as in Title 26, section 1043. [1987, c. 769, Pt. A, §159 (RPR).]

B. "Providing day care services" means expending funds to build, furnish, license, staff, operate or subsidize a day care center licensed by the Department of Health and Human Services to provide day care services to children of employees of the taxpayer at no profit to the taxpayer or to contract with a day care facility licensed by or registered with the department to provide day care services to children of the employees of the taxpayer. "Providing day care services" also includes the provision of day care resource and referral services to employees and the provision of vouchers by an employer to an employee for purposes of paying for day care services for children of the employee. [1987, c. 769, Pt. A, §159 (RPR); 2003, c. 689, Pt. B, §6 (REV).]

C. "Quality child care services" has the meaning set forth in section 5219-Q, subsection 1. [2001, c. 396, §36 (AMD).]

[2001, c. 396, §36 (AMD); 2003, c. 689, Pt. B, §6 (REV) .]

3. **Carryover; carry back.** The amount of the credit that may be used by a taxpayer for a taxable year may not exceed the amount of tax otherwise due under this Part. Any unused credit may be carried over to the following year or years for a period not to exceed 15 years or it may be carried back for a period not to exceed 3 years.

[1999, c. 708, §45 (AMD) .]

4. **Quality child care services.** The credit allowed under subsection 1 doubles in amount if the day care service provided by the taxpayer constitutes quality child care services.

[2001, c. 396, §37 (AMD) .]

SECTION HISTORY
1987, c. 343, §11 (NEW). 1987, c. 504, §32 (NEW). 1987, c. 769, §A159 (RPR). 1999, c. 401, §§NNN3,4 (AMD). 1999, c. 401, §§NNN8,9 (AFF). 1999, c. 708, §45 (AMD). 2001, c. 358, §D1 (AFF). 2001, c. 396, §§36,37 (AMD). 2003, c. 689, §B6 (REV).

§5217-A. INCOME TAX PAID TO OTHER TAXING JURISDICTION

A resident individual is allowed a credit against the tax otherwise due under this Part, excluding the tax imposed by section 5203-C, for the amount of income tax imposed on that individual for the taxable year by another state of the United States, a political subdivision of any such state, the District of Columbia or any political subdivision of a foreign country that is analogous to a state of the United States with respect to income subject to tax under this Part that is derived from sources in that taxing jurisdiction. In determining whether income is derived from sources in another jurisdiction, the assessor may not employ the law of the other jurisdiction but shall instead assume that a statute equivalent to section 5142 applies in that jurisdiction.

The credit, for any of the specified taxing jurisdictions, may not exceed the proportion of the tax otherwise due under this Part, excluding the tax imposed by section 5203-C, that the amount of the taxpayer's Maine adjusted gross income derived from sources in that taxing jurisdiction bears to the taxpayer's entire Maine adjusted gross income; except that, when a credit is claimed for taxes paid to both a state and a political subdivision of a state, the total credit allowable for those taxes does not exceed the proportion of the tax otherwise due under this Part, excluding the tax imposed by section 5203-C, that the amount of the taxpayer's Maine adjusted gross income derived from sources in the other state bears to the taxpayer's entire Maine adjusted gross income. [2003, c. 673, Pt. JJ, §4 (AMD); 2003, c. 673, Pt. JJ, §6 (AFF).]

SECTION HISTORY
1987, c. 769, §A160 (NEW). 1991, c. 528, §N16 (AMD). 1991, c. 528, §§N17,RRR (AFF). 1991, c. 591, §N16 (AMD). 1991, c. 591, §N17 (AFF). 2003, c. 391, §9 (AMD). 2003, c. 673, §JJ4 (AMD). 2003, c. 673, §JJ6 (AFF).

§5217-B. EMPLOYER-PROVIDED LONG-TERM CARE BENEFITS

1. **Credit.** A taxpayer constituting an employing unit is allowed a credit against the tax imposed by this Part for each taxable year that begins on or after July 10, 1989 and before January 1, 2000 equal to the lowest of the following:

A. Five thousand dollars; [1989, c. 556, Pt. B, §11 (NEW).]

B. Twenty percent of the costs incurred by the taxpayer in providing long-term care policy coverage as part of a benefit package; or [1989, c. 556, Pt. B, §11 (NEW).]

C. One hundred dollars for each employee covered by an employer-provided long-term care policy. [1989, c. 556, Pt. B, §11 (NEW).]

[1999, c. 521, Pt. C, §7 (AMD); 1999, c. 521, Pt. C, §9 (AFF) .]

2. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings:

A. "Long-term care policy" has the same meaning as in Title 24-A, section 5051. [1989, c. 556, Pt. B, §11 (NEW).]

B. "Employing unit" has the same meaning as in Title 26, section 1043. [1989, c. 556, Pt. B, §11 (NEW).]

[1989, c. 556, Pt. B, §11 (NEW) .]

3. **Limitation.** The amount of the credit that may be used by a taxpayer for a taxable year may not exceed the amount of tax otherwise due under this Part. Any unused credit may be carried over to the following year or years for a period not to exceed 15 years.

[1989, c. 556, Pt. B, §11 (NEW) .]

SECTION HISTORY
1989, c. 556, §B11 (NEW). 1999, c. 521, §C7 (AMD). 1999, c. 521, §C9 (AFF).

§5217-C. EMPLOYER-PROVIDED LONG-TERM CARE BENEFITS ON AND AFTER JANUARY 1, 2000

1. **Credit.** A taxpayer constituting an employing unit is allowed a credit against the tax imposed by this Part for each taxable year equal to the lowest of the following:

A. Five thousand dollars; [1999, c. 521, Pt. C, §8 (NEW); 1999, c. 521, Pt. C, §9 (AFF).]

B. Twenty percent of the costs incurred by the taxpayer in providing eligible long-term care insurance as part of a benefit package; or [2001, c. 679, §5 (AMD); 2001, c. 679, §6 (AFF).]

C. One hundred dollars for each employee covered by employer-provided eligible long-term care insurance. [2001, c. 679, §5 (AMD); 2001, c. 679, §6 (AFF).]

[2001, c. 679, §5 (AMD); 2001, c. 679, §6 (AFF) .]

2. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Employing unit" has the same meaning as in Title 26, section 1043. [1999, c. 521, Pt. C, §8 (NEW); 1999, c. 521, Pt. C, §9 (AFF).]

B. [2001, c. 679, §6 (AFF); 2001, c. 679, §5 (RP).]

C. "Eligible long-term care insurance" means:

(1) For tax years beginning on or after January 1, 2000, a qualified long-term care insurance contract as defined in the Code, Section 7702B(b); and

(2) For tax years beginning on or after January 1, 2002, a contract specified in subparagraph (1) or a long-term care insurance policy certified by the Superintendent of Insurance under Title 24-A, section 5075-A. [2001, c. 679, §5 (NEW); 2001, c. 679, §6 (AFF).]

[2001, c. 679, §5 (AMD); 2001, c. 679, §6 (AFF) .]

3. **Limitation.** The amount of the credit that may be used by a taxpayer for a taxable year may not exceed the amount of tax otherwise due under this Part. Any unused credit may be carried over to the following year or years for a period not to exceed 15 years.

[1999, c. 521, Pt. C, §8 (NEW); 1999, c. 521, Pt. C, §9 (AFF) .]

SECTION HISTORY
1999, c. 521, §C8 (NEW). 1999, c. 521, §C9 (AFF). 2001, c. 679, §5 (AMD). 2001, c. 679, §6 (AFF).

§5217-D. CREDIT FOR EDUCATIONAL OPPORTUNITY

1. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Benchmark loan payment" means the monthly loan payment for the amount of the principal cap paid over 10 years at the interest rate for federally subsidized Stafford loans under 20 United States Code, Section 1077a applicable during the individual's last year of enrollment at an accredited Maine community college, college or university. [2013, c. 525, §15 (AMD).]

A-1. "Accredited non-Maine community college, college or university" means an institution located outside the State that is accredited by a regional accrediting association or by one of the specialized accrediting agencies recognized by the United States Secretary of Education. [2011, c. 665, §7 (NEW); 2011, c. 665, §13 (AFF).]

A-2. "Accredited Maine community college, college or university" has the same meaning as in Title 20-A, section 12541, subsection 1. [2013, c. 525, §15 (NEW).]

B. "Employer" has the same meaning as the term "employing unit," as defined in Title 26, section 1043, subsection 10. [2007, c. 469, Pt. B, §1 (NEW).]

B-1. "Financial aid package" means financial aid obtained by a student after December 31, 2007 for attendance at an accredited Maine community college, college or university after December 31, 2007. For purposes of a qualified individual claiming a credit under this section for tax years beginning on or after January 1, 2013, the financial aid package may include financial aid obtained for up to 30 credit hours of course work at an accredited non-Maine community college, college or university earned prior to transfer to an accredited Maine community college, college or university, if the 30 credit hours were earned after December 31, 2007 and the transfer occurred after December 31, 2012. For purposes of an employer claiming a credit under this section for tax years beginning on or after January 1, 2013, the financial aid package may include financial aid obtained by a qualified employee after December 31, 2007 for attendance at an accredited non-Maine community college, college or university after December 31, 2007. The financial aid package may include private loans or less than the full amount of loans under federal programs, depending on the practices of the accredited Maine or non-Maine community college, college or university. Loans are includable in the financial aid package only if entered into prior to July 1, 2023. [2013, c. 525, §15 (NEW).]

C. "Full time" employment means employment with a normal workweek of 32 hours or more. [2007, c. 469, Pt. B, §1 (NEW).]

D. “Part time” employment means employment with a normal workweek of between 16 and 32 hours. [2007, c. 469, Pt. B, §1 (NEW).]

D-1. "Principal cap" means:

(1) For an individual graduating from an accredited Maine community college, college or university before January 1, 2015, the amount calculated by the State Tax Assessor under Title 20-A, section 12542, former subsection 2-A;

(2) For an individual obtaining a bachelor's degree and graduating from an accredited Maine community college, college or university on or after January 1, 2015, the average in-state tuition and mandatory fees for attendance at the University of Maine System for the academic year ending during the calendar year prior to the year of graduation multiplied by 4; and

(3) For an individual obtaining an associate degree and graduating from an accredited Maine community college, college or university on or after January 1, 2015, the average in-state tuition and mandatory fees for attendance at the Maine Community College System for the academic year ending during the calendar year prior to the year of graduation multiplied by 2. [2013, c. 525, §15 (NEW).]

E. "Qualified employee" means an employee who is employed at least part time and who is a qualified individual or who would be a qualified individual except that the employee's associate or bachelor's degree was awarded by an accredited non-Maine community college, college or university. [2013, c. 525, §15 (AMD).]

F. [2009, c. 553, Pt. B, §5 (AFF); 2009, c. 553, Pt. B, §2 (RP).]

G. "Qualified individual" means an individual, including the spouse filing a joint return with the individual under section 5221, who is eligible for the credit provided in this section. An individual is eligible for the credit if the individual:

(1) Attended, and obtained an associate or a bachelor's degree from, an accredited Maine community college, college or university after December 31, 2007. The individual need not obtain the degree from the institution in which that individual originally enrolled, as long as all course work toward the degree is performed at an accredited Maine community college, college or university, except that an individual who transfers to an accredited Maine community college, college or university after December 31, 2012 from outside the State and earned no more than 30

credit hours of course work toward the degree at an accredited non-Maine community college, college or university after December 31, 2007 and prior to the transfer is eligible for the credit if all other eligibility criteria are met. Program eligibility for such an individual must be determined as if the commencement of course work at the relevant accredited Maine community college, college or university was the commencement of course work for the degree program as a whole;

(2) Was a Maine resident while in attendance at the accredited Maine community college, college or university. For purposes of this subparagraph, "Maine resident" has the same meaning as in Title 20-A, section 12541, subsection 5;

(3) Lived in Maine while pursuing the degree, excepting periods when it was reasonably necessary for the individual to live elsewhere as part of the relevant institution's academic programs or while pursuing course work at an accredited non-Maine community college, college or university as provided in subparagraph (1);

(4) During the taxable year, was a resident individual; and

(5) Worked during the taxable year:

(a) For tax years beginning prior to January 1, 2015, at least part time for an employer located in this State or, for tax years beginning on or after January 1, 2013, was, during the taxable year, deployed for military service in the United States Armed Forces, including the National Guard and the Reserves of the United States Armed Forces; or

(b) For tax years beginning on or after January 1, 2015, at least part time in this State for an employer or as a self-employed individual or was, during the taxable year, deployed for military service in the United States Armed Forces, including the National Guard and the Reserves of the United States Armed Forces.

As used in this subparagraph, "deployed for military service" has the same meaning as in Title 26, section 814, subsection 1, paragraph A. [2013, c. 525, §15 (AMD).]

H. "Resident individual" means someone:

(1) Who is domiciled in this State; or

(2) Who is not domiciled in this State, but maintains a permanent place of abode in this State and spends in the aggregate more than 183 days of the taxable year in this State, unless the individual is a member of the Armed Forces of the United States. [2011, c. 665, §13 (AFF); 2011, c. 665, §9 (RPR).]

I. "Seasonal employment" has the same meaning as in Title 26, section 1251 and in regulations promulgated thereunder. [2007, c. 469, Pt. B, §1 (NEW).]

J. "Term of employment" includes all months when the individual is actually employed. It includes time periods when an individual is on leave or vacation. It extends to the full year for individuals working for employers who customarily operate only during a regularly recurring period of 9 months or more in a calendar year. For individuals working for employers who customarily operate only during regularly recurring periods of less than 9 months in a calendar year, including seasonal employment, the term of employment extends only to months during which the individual is actually working. [2013, c. 525, §15 (AMD).]

[2013, c. 525, §15 (AMD) .]

2. Credit allowed. A qualified individual or an employer of a qualified employee is allowed a credit against the tax imposed by this Part in accordance with the provisions of this section. The credit is created to implement the Job Creation Through Educational Opportunity Program established under Title 20-A, chapter 428-C.

A. A taxpayer entitled to the credit for any taxable year may carry over and apply to the tax liability for any one or more of the next succeeding 10 years the portion, as reduced from year to year, of any unused credits. [2011, c. 665, §10 (NEW); 2011, c. 665, §13 (AFF).]

B. A taxpayer may claim a credit based on loan payments actually made to a relevant lender or lenders under this section only with respect to loans that are part of the qualified individual's financial aid package and, for tax years beginning on or after January 1, 2015, only with respect to loan payment amounts paid by the taxpayer during that part of the taxable year that the qualified individual worked in this State. Payment of loan amounts in excess of the amounts due during the taxable year does not qualify for the credit. Refinanced loans that are part of the qualified individual's financial aid package are eligible for the credit under this section if the refinanced loans remain separate from other debt, including debt incurred in an educational program other than the degree program for which a credit is claimed under this section. Forbearance or deferment of loan payments does not affect eligibility for the credit under this section. For tax years beginning on or after January 1, 2015, an individual who worked in this State for any part of a month during the Maine residency period of the taxable year is considered to have worked in this State for the entire month. For tax years beginning on or after January 1, 2015, an individual who worked outside this State for an entire month during the Maine residency period is considered to have worked in this State during that month, except that in no case may this exception exceed 3 months during the Maine residency period of the taxable year. [2013, c. 525, §15 (AMD).]

C. Except as provided in subsection 3, the credit under this section may not reduce the tax otherwise due under this Part to less than zero. [2013, c. 525, §15 (AMD).]

D. [2013, c. 525, §15 (RP).]

[2013, c. 525, §15 (AMD) .]

3. **Calculation of the credit; qualified individuals.** Subject to subsection 2 and except as provided in this subsection, the credit with respect to a qualified individual is equal to the amount determined under paragraph A or paragraph B, whichever is less, multiplied by the proration factor:

A. The benchmark loan payment multiplied by the number of months during the taxable year in which the taxpayer made loan payments; or [2013, c. 525, §15 (AMD).]

B. The monthly loan payment amount multiplied by the number of months during the taxable year in which the taxpayer made loan payments . [2013, c. 525, §15 (AMD).]

C. [2009, c. 553, Pt. B, §5 (AFF); 2009, c. 553, Pt. B, §4 (RP).]

The credit under this subsection for an individual who transferred to an accredited Maine community college, college or university from an accredited non-Maine community college, college or university after December 31, 2012 and who earned no more than 30 credit hours of course work toward the degree at an accredited non-Maine community college, college or university is equal to 50% of the amount otherwise determined under this section in the case of an associate degree and equal to 75% of the amount otherwise determined under this section in the case of a bachelor's degree.

Notwithstanding subsection 2, paragraph C, the credit under this subsection is refundable to the extent the credit is based on loans included in the financial aid package acquired to obtain a bachelor's degree or associate degree in science, technology, engineering or mathematics.

For purposes of this subsection, the proration factor is the amount derived by dividing the total number of academic credit hours earned for a bachelor's or associate degree after December 31, 2007 by the total number of academic credit hours earned for the bachelor's or associate degree.

[2013, c. 525, §15 (AMD) .]

4. **Conditions for an opportunity program participant claiming the credit.**

[2013, c. 525, §15 (RP) .]

5. **Calculation of the credit; employers.** Subject to subsection 2, a taxpayer constituting an employer making loan payments directly to a lender during the taxable year on loans included in a qualified employee's financial aid package may claim a credit equal to the benchmark loan payment or the actual monthly loan payment made by the employer on the loans, whichever is less, multiplied by the number of months during the taxable year the employer made loan payments on behalf of the qualified employee during the term of employment. The credit under this subsection may not be claimed with respect to months of the taxable year during which the employee was not a qualified employee.

If the qualified employee is employed on a part-time basis during the taxable year, the credit with respect to that employee is limited to 50% of the credit otherwise determined under this subsection.

[2013, c. 525, §15 (AMD) .]

SECTION HISTORY
2007, c. 469, Pt. B, §1 (NEW). 2009, c. 434, §78 (AMD). 2009, c. 553, Pt. B, §§2-4 (AMD). 2009, c. 553, Pt. B, §5 (AFF). 2011, c. 665, §§7-12 (AMD). 2011, c. 665, §13 (AFF). 2013, c. 525, §15 (AMD).

§5218. INCOME TAX CREDIT FOR CHILD CARE EXPENSES

1. **Resident taxpayer.** A resident individual is allowed a credit against the tax otherwise due under this Part in the amount of 25% of the federal tax credit allowable for child and dependent care expenses in the same tax year, except that for tax years beginning in 2003, 2004 and 2005, the applicable percentage is 21.5% instead of 25%.

[2005, c. 519, Pt. DD, §1 (AMD) .]

2. **Nonresident taxpayer.** A nonresident individual is allowed a credit against the tax otherwise due under this Part in the amount of 25% of the federal tax credit allowable for child and dependent care expenses multiplied by the ratio of the individual's Maine adjusted gross income, as defined in section 5102, subsection 1-C, paragraph B, to the individual's entire federal adjusted gross income, as modified by section 5122, except that for tax years beginning in 2003, 2004 and 2005, the applicable percentage is 21.5% instead of 25%.

[2005, c. 519, Pt. DD, §2 (AMD) .]

2-A. **Part-year resident taxpayer.** An individual who files a return as a part-year resident in accordance with section 5224-A is allowed a credit against the tax otherwise due under this Part in the amount of 25%, except that for tax years beginning in 2003, 2004 and 2005 the applicable percentage is 21.5%, instead of 25%, of the federal tax credit allowable for child and dependent care expenses multiplied by a ratio, the numerator of which is the individual's Maine adjusted gross income as defined in section 5102, subsection 1-C, paragraph A for that portion of the taxable year during which the individual was a resident plus the individual's Maine adjusted gross income as defined in section 5102, subsection 1-C, paragraph B for that portion of the taxable year during which the individual was a nonresident and the denominator of which is the individual's entire federal adjusted gross income, as modified by section 5122.

[2005, c. 519, Pt. DD, §3 (AMD) .]

3. **Quality child care services.** The credit provided by subsections 1, 2 and 2-A doubles in amount if the child care expenses were incurred through the use of quality child care services as defined in section 5219-Q, subsection 1.

[2003, c. 391, §10 (AMD) .]

4. **Refund.** The credit allowed by this section may result in a refund of up to $500. In the case of a nonresident individual, the refundable portion of the credit may not exceed $500 multiplied by the ratio of the individual's Maine adjusted gross income, as defined in section 5102, subsection 1-C, paragraph B, to the individual's entire federal adjusted gross income, as modified by section 5122. In the case of an individual who files a return as a part-year resident in accordance with section 5224-A, the refundable portion of the credit may not exceed $500 multiplied by a ratio, the numerator of which is the individual's Maine adjusted gross income as defined in section 5102, subsection 1-C, paragraph A for that portion of the taxable year during which the individual was a resident plus the individual's Maine adjusted gross income as defined in section 5102, subsection 1-C, paragraph B for that portion of the taxable year during which the individual was a nonresident and the denominator of which is the individual's entire federal adjusted gross income, as modified by section 5122.

[2003, c. 391, §10 (AMD) .]

SECTION HISTORY
1987, c. 504, §32 (NEW). 1987, c. 772, §40 (AMD). 1999, c. 401, §NNN5 (AMD). 1999, c. 401, §§NNN8,9 (AFF). 1999, c. 521, §B11 (AFF). 1999, c. 521, §B6 (RPR). 2001, c. 358, §D1 (AFF). 2001, c. 396, §38 (RPR). 2003, c. 20, §FF1 (AMD). 2003, c. 391, §10 (AMD). 2005, c. 12, §§L2-4 (AMD). 2005, c. 519, §§DD1-3 (AMD).

§5219. INCOME TAX CREDIT FOR INSTALLATION OF RENEWABLE ENERGY SYSTEMS

(REPEALED)

SECTION HISTORY
1987, c. 504, §32 (NEW). 1989, c. 502, §B61 (RPR).

§5219-A. RETIREMENT AND DISABILITY CREDIT

1. **Resident taxpayer.** A resident individual is allowed a credit against the tax otherwise due under this Part equal to 20% of any credit the taxpayer received for the same taxable year under the Code, Section 22. In no case may this credit reduce the Maine income tax to less than zero.

[1999, c. 521, Pt. B, §7 (NEW); 1999, c. 521, Pt. B, §11 (AFF) .]

2. **Nonresident taxpayer.** A nonresident individual is allowed a credit against the tax otherwise due under this Part equal to 20% of any credit the individual received for the same taxable year under the Code, Section 22 multiplied by the ratio of the individual's Maine adjusted gross income, as defined in section 5102, subsection 1-C, paragraph B, to the individual's entire federal adjusted gross income, as modified by section 5122. In no case may this credit reduce the Maine income tax to less than zero.

[2003, c. 390, §46 (AMD) .]

3. **Part-year resident taxpayer.** An individual who files a return as a part-year resident in accordance with section 5224-A is allowed a credit against the tax otherwise due under this Part equal to 20% of any credit the individual received for the same taxable year under the Code, Section 22 multiplied by a ratio, the

numerator of which is the individual's Maine adjusted gross income as defined in section 5102, subsection 1-C, paragraph A for that portion of the taxable year during which the individual was a resident plus the individual's Maine adjusted gross income as defined in section 5102, subsection 1-C, paragraph B for that portion of the taxable year during which the individual was a nonresident, and the denominator of which is the individual's entire federal adjusted gross income, as modified by section 5122. In no case may this credit reduce the Maine income tax to less than zero.

[2003, c. 390, §47 (NEW) .]

SECTION HISTORY
1987, c. 504, §32 (NEW). 1999, c. 521, §B11 (AFF). 1999, c. 521, §B7 (RPR). 2003, c. 390, §§46,47 (AMD).

§5219-B. CONFORMITY CREDIT

(REPEALED)

SECTION HISTORY
1987, c. 504, §32 (NEW). 2001, c. 177, §5 (RP).

§5219-C. FOREST MANAGEMENT PLANNING INCOME CREDITS

Once every 10 years, an individual is allowed a credit against the tax otherwise due under this Part for the lesser of $200 or the individual's cost for having a forest management and harvest plan developed by a licensed professional forester for a parcel of forest land in this State greater than 10 acres. The licensed professional forester may not be in the regular employ of the individual. This credit may not reduce the tax otherwise due under this Part to less than zero. An individual claiming this credit must attach a statement from the forester supporting the claim and swear that the credit has not been claimed by the individual in the previous 10 years. An individual claiming this credit who deducts the cost of the forest management and harvest plan as an expense under the Code must increase federal adjusted gross income by the amount of that expense for purposes of the tax imposed by this Part. [2007, c. 627, §90 (AMD).]

SECTION HISTORY
1989, c. 501, §P32 (NEW). 1989, c. 530, §2 (NEW). 1989, c. 585, §C17 (NEW). 1989, c. 702, §E14 (AMD). 1991, c. 377, §20 (RPR). 2007, c. 437, §18 (AMD). 2007, c. 437, §22 (AFF). 2007, c. 627, §90 (AMD).

§5219-D. SOLID WASTE REDUCTION INVESTMENT TAX CREDIT

(REPEALED)

SECTION HISTORY
1989, c. 927, §6 (NEW). RR 1991, c. 2, §139 (COR). 1991, c. 528, §§R10,11 (AMD). 1991, c. 528, §§R19,RRR (AFF). 1991, c. 591, §§R10,11 (AMD). 1991, c. 591, §R19 (AFF). 1991, c. 846, §§36,37 (AMD). 1993, c. 433, §2 (AMD). 1995, c. 368, §NN3 (AMD). 1995, c. 656, §§A16,17 (AMD). 1997, c. 504, §17 (AMD). 2005, c. 618, §10 (RP).

§5219-E. INVESTMENT TAX CREDIT

(REPEALED)

SECTION HISTORY

1991, c. 377, §21 (NEW). 1991, c. 528, §§N18,BBB1 (AMD). 1991, c. 528, §§N19,RRR (AFF). 1991, c. 591, §§N18,BBB1 (AMD). 1991, c. 591, §N19 (AFF). 1993, c. 671, §3 (AMD). 1995, c. 368, §FFF1 (AMD). 1995, c. 368, §FFF3 (AFF). 1997, c. 24, §C11 (AMD). 2009, c. 496, §24 (RP).

§5219-F. RECLAIMED WOOD WASTE AND CEDAR WASTE CREDIT

(REPEALED)

SECTION HISTORY
1989, c. 935, §2 (NEW). 1991, c. 528, §N20 (AMD). 1991, c. 528, §§N21,RRR (AFF). 1991, c. 591, §N20 (AMD). 1991, c. 591, §N21 (AFF). MRSA T.36 ., §5219F/7 (RP).

§5219-G. TAX CREDITS FOR PARTNERS, S CORPORATION SHAREHOLDERS AND BENEFICIARIES OF ESTATES AND TRUSTS

1. **Tax credits for partners and S corporation shareholders.** Each partner of a partnership or shareholder of an S corporation is allowed a credit against the tax imposed by this Part in an amount equal to the partner's or shareholder's pro rata share of the tax credits described in this chapter, except that in the case of credits attributable to a financial institution subject to tax under chapter 819, the credits are allowable only against the tax imposed by that chapter. A partner's pro rata share must equal the partner's percentage interest in the taxable income or loss of the partnership for federal income tax purposes for the taxable year. The pro rata share of a shareholder of an S corporation must equal the shareholder's percentage share of stock of the S corporation as of the end of the taxable year.

[1999, c. 708, §46 (AMD) .]

2. **Tax credits for beneficiaries of estates and trusts.** Each beneficiary of an estate or trust is allowed a credit against the tax imposed by this Part in an amount equal to the beneficiary's pro rata share of the tax credits described in this chapter. A beneficiary's pro rata share must equal the beneficiary's share of federal distributable net income of the estate or trust. If the estate or trust has no federal distributable net income for the taxable year, the share of each beneficiary in the applicable tax credits is in proportion to that beneficiary's share of the estate or trust income for that year, under local law or the terms of the instrument, which is required to be distributed currently, and any other amounts of income distributed in that year. Any balance of the applicable credits is allocated to the estate or trust.

[1999, c. 521, Pt. B, §8 (NEW); 1999, c. 521, Pt. B, §11 (AFF) .]

SECTION HISTORY
1991, c. 546, §34 (NEW). 1997, c. 746, §20 (AMD). 1997, c. 746, §24 (AFF). 1999, c. 521, §B11 (AFF). 1999, c. 521, §B8 (RPR). 1999, c. 708, §46 (AMD).

§5219-H. APPLICATION OF CREDITS AGAINST TAXES

1. **Meaning of tax.** Whenever a credit provision in this chapter, other than section 5216-B, section 5219-W, section 5219-BB and the income tax credit under the Maine New Markets Capital Investment Program under Title 10, section 1100-Z, allows for a credit "against the tax otherwise due under this Part," "against the tax imposed by this Part" or similar language, "tax" means all taxes imposed under this Part, except the minimum tax imposed by section 5203-C and the taxes imposed by chapter 827.

A. [2003, c. 673, Pt. F, §2 (AFF); 2003, c. 673, Pt. F, §1 (RP).]

B. [2003, c. 673, Pt. F, §2 (AFF); 2003, c. 673, Pt. F, §1 (RP).]

[2011, c. 644, §29 (AMD); 2011, c. 644, §32 (AFF) .]

2. **Meaning of tax liability.** Whenever a credit provided for in this chapter is limited by reference to tax liability, "tax liability" means the taxpayer's liability for all taxes imposed under this Part, except the minimum tax imposed by section 5203-C and the taxes imposed by chapter 827.

A. [2003, c. 673, Pt. F, §2 (AFF); 2003, c. 673, Pt. F, §1 (RP).]

B. [2003, c. 673, Pt. F, §2 (AFF); 2003, c. 673, Pt. F, §1 (RP).]

[2011, c. 240, §36 (AMD) .]

SECTION HISTORY
1991, c. 528, §BBB2 (NEW). 1991, c. 528, §RRR (AFF). 1991, c. 591, §BBB2 (NEW). 2003, c. 673, §F2 (AFF). 2003, c. 673, §F1 (RPR). 2011, c. 240, §36 (AMD). 2011, c. 644, §29 (AMD). 2011, c. 644, §32 (AFF).

§5219-I. NURSING HOME CARE CREDIT

(REPEALED)

SECTION HISTORY
1993, c. 410, §YY3 (NEW). 1993, c. 410, §YY6 (AFF). 1993, c. 711, §3 (AFF). 1993, c. 711, §1 (RP).

§5219-J. CATASTROPHIC HEALTH EXPENSE CREDIT

(REPEALED)

SECTION HISTORY
1993, c. 711, §2 (NEW). 1993, c. 711, §3 (AFF). 1995, c. 665, §E4 (AFF). 1995, c. 665, §E3 (RP).

§5219-K. RESEARCH EXPENSE TAX CREDIT

1. **Credit allowed.** A taxpayer is allowed a credit against the tax due under this Part equal to the sum of 5% of the excess, if any, of the qualified research expenses for the taxable year over the base amount and 7.5% of the basic research payments determined under the Code, Section 41(e)(1)(A). The term "base amount" means the average amount per year spent on qualified research expenses over the previous 3 taxable years by the taxpayer. As used in this section, unless the context otherwise indicates, the terms "qualified research expenses," "qualified organization base period amount," "basic research" and any other terms affecting the calculation of the credit have the same meanings as under the Code, Section 41, but apply only to expenditures for research conducted in this State. In determining the amount of the credit allowable under this section, the State Tax Assessor may aggregate the activities of all corporations that are members of a controlled group of corporations, as defined by the Code, Section 41(f)(1)(A) and in addition may aggregate the activities of all entities, whether or not incorporated, that are under common control, as defined by the Code, Section 41(f)(1)(B).

[2007, c. 627, §91 (AMD) .]

2. **Reduction not less than zero.** The credit allowed under this section for any taxable year may not reduce the tax due to less than zero.

[1995, c. 368, Pt. GGG, §7 (NEW) .]

3. **Limitation on credit allowed.** The credit allowed under this section is limited to 100% of a corporation's first $25,000 of tax due, as determined before the allowance of any credits, plus 75% of the corporation's tax due, as determined in excess of $25,000. The assessor shall adopt rules similar to those authorized under the Code, Section 38(c)(5)(B) for purposes of apportioning the $25,000 among members of a controlled group.

[2007, c. 627, §92 (AMD) .]

4. **Corporations filing combined return.** In the case of corporations filing a combined return, a credit generated by an individual member corporation under the provisions of this section must first be applied against the tax due attributable to that company under this Part. A member corporation with an excess research and development credit may apply its excess credit against the tax due of another group member to the extent that that other member corporation can use additional credits under the limitations of subsection 3. Unused, unexpired credits generated by a member corporation may be carried over from year to year by the individual corporation that generated the credit, subject to the limitation in subsection 5.

[1997, c. 504, §18 (AMD) .]

5. **Carryover to succeeding years.** A taxpayer entitled to a credit under this section for any taxable year may carry over and apply to the tax due for any one or more of the next succeeding 15 taxable years the portion, as reduced from year to year, of the credit that exceeds the tax due for the taxable year. A taxpayer may carry over and apply to the tax due for any subsequent taxable year the portion of those credits, as reduced from year to year, not allowed by subsection 3.

[1995, c. 368, Pt. GGG, §7 (NEW) .]

6. **Additional rules.** The State Tax Assessor shall adopt such rules as are necessary to implement this section.

[1995, c. 368, Pt. GGG, §7 (NEW) .]

7. **Application.** This section applies to any tax year beginning on or after January 1, 1996.

[1995, c. 368, Pt. GGG, §7 (NEW) .]

SECTION HISTORY
1995, c. 368, §GGG7 (NEW). 1997, c. 504, §18 (AMD). 1999, c. 127, §B9 (AMD). 2007, c. 627, §§91, 92 (AMD).

§5219-L. SUPER CREDIT FOR SUBSTANTIALLY INCREASED RESEARCH AND DEVELOPMENT

1. **Super credit allowed for substantial expansions of research and development.** For tax years beginning before January 1, 2014, a taxpayer that qualifies for the research expense tax credit allowed under section 5219-K is allowed an additional credit against the tax due under this Part equal to the excess, if any, of qualified research expenses for the taxable year over the super credit base amount. For purposes of this section, "super credit base amount" means the average amount spent on qualified research expenses by the taxpayer in the 3 taxable years immediately preceding the effective date of this section, increased by 50%. For purposes of this section, "qualified research expenses" has the same meaning as under the Code, Section 41 but applies only to expenditures for research conducted in this State.

[2013, c. 502, Pt. J, §1 (AMD); 2013, c. 502, Pt. J, §3 (AFF) .]

2. **Amount of super credit allowed.** The credit allowed under this section is limited to 50% of the taxpayer's tax due after the allowance of any other credits taken pursuant to this chapter.

[1997, c. 557, Pt. B, §10 (NEW); 1997, c. 557, Pt. B, §14 (AFF); 1997, c. 557, Pt. G, §1 (AFF) .]

3. **Carry over to succeeding years.** A taxpayer entitled to a credit under this section for any taxable year may carry over and apply to the tax due for any one or more of the next succeeding 10 taxable years the portion, as reduced from year to year, of any unused credit, but in no event may the credit applied in any single year exceed 25% of the taxpayer's tax due after the allowance of any other credits taken pursuant to this chapter.

[2013, c. 502, Pt. J, §2 (AMD); 2013, c. 502, Pt. J, §3 (AFF) .]

4. **Limitation.** The credit provided by this section may not be used to reduce the taxpayer's tax liability under this Part to less than the amount of the taxpayer's tax due in the preceding taxable year after the allowance of any credits taken pursuant to this chapter.

[1997, c. 557, Pt. B, §10 (NEW); 1997, c. 557, Pt. B, §14 (AFF); 1997, c. 557, Pt. G, §1 (AFF) .]

5. **Corporations filing combined returns.** In the case of corporations filing a combined return, a credit generated by an individual member corporation under the provisions of this section must first be applied against the tax due attributable to that company under this Part. A member corporation with an excess research and development credit may apply its excess credit against the tax due of another group member to the extent that that other member corporation can use additional credits under the limitations of subsection 4. Unused, unexpired credits generated by a member corporation may be carried over from year to year by the individual corporation that generated the credit, subject to the limitation in subsection 3.

[1997, c. 557, Pt. B, §10 (NEW); 1997, c. 557, Pt. B, §14 (AFF); 1997, c. 557, Pt. G, §1 (AFF) .]

SECTION HISTORY
1997, c. 557, §B10 (NEW). 1997, c. 557, §§B14,G1 (AFF). 2007, c. 627, §93 (AMD). 2013, c. 502, Pt. J, §§1, 2 (AMD). 2013, c. 502, Pt. J, §3 (AFF).

§5219-M. HIGH-TECHNOLOGY INVESTMENT TAX CREDIT

1. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "High-technology activity" means:

(1) The design, creation and production of computer software, computer equipment, supporting communications components and other accessories that are directly associated with computer software and computer equipment; and

(2) The provision of Internet access services and advanced telecommunications services. [2001, c. 358, Pt. M, §1 (AMD); 2001, c. 358, Pt. M, §6 (AFF).]

B. "Investment credit base" means the total adjusted basis of the eligible equipment for federal income tax purposes of the taxpayer on the date that the equipment was placed into service for the first time in the State by the taxpayer or other person during the tax year for which the credit is claimed. In computing the adjusted basis of the eligible equipment on the date placed in service for the first time in the State, the total allowable depreciation of the equipment for the tax year must be multiplied by

a fraction the numerator of which is the number of days that the equipment was in service in the State during the tax year and the denominator of which is the total number of days that the equipment was in service during the tax year. [1997, c. 668, §31 (AMD); 1997, c. 668, §42 (AFF).]

C. "Eligible equipment" means all computer equipment, electronics components and accessories, communications equipment and computer software placed into service in the State and used primarily in high-technology activity, provided that otherwise eligible equipment used in wire line telecommunications must be capable of transmitting data at 200 kilobits or more per second in at least one direction and otherwise eligible equipment used in wireless telecommunications equipment must be capable of transmitting data at 42 kilobits or more per second in at least one direction. [2001, c. 358, Pt. M, §2 (AMD); 2001, c. 358, Pt. M, §6 (AFF).]

D. "Primarily" means more than 50% of the time. [1999, c. 414, §47 (NEW).]

E. "Qualified lessor" means a person that leases or subleases eligible equipment to a person that is engaged primarily in high technology activity, but only when:

(1) The eligible equipment is used primarily in the high technology activity engaged in by the lessee or sublessee;

(2) The lessor derived aggregate total lease payments from personal property of at least 3 times the total payments received from eligible equipment during the taxable year; and

(3) The lease or sublease upon which the credit is based qualifies as a lease of property for federal income tax purposes under the guidelines contained in Revenue Procedure 2001-28 of the United States Department of the Treasury, Internal Revenue Service. [2003, c. 673, Pt. G, §1 (NEW); 2003, c. 673, Pt. G, §3 (AFF).]

[2003, c. 673, Pt. G, §1 (AMD); 2003, c. 673, Pt. G, §3 (AFF) .]

1-A. **Credit allowed.** The following persons are allowed a credit as follows.

A. Unless entitlement to the credit is waived by the user pursuant to paragraph B:

(1) A person engaged primarily in high technology activity that purchases and uses eligible equipment in that activity may claim a credit in the amount of that person's investment credit base subject to the limitations provided by subsection 4; or

(2) A person engaged primarily in a high technology activity that leases and uses eligible equipment in that activity may claim a credit in the amount of the lease payments made on the eligible equipment in each tax year, except that if the eligible equipment is depreciable by that person for federal income tax purposes, the credit is based on that person's investment credit base subject to the limitations provided by subsection 4. [2001, c. 358, Pt. M, §3 (AMD); 2001, c. 358, Pt. M, §6 (AFF).]

B. When a qualified lessor provides the assessor with satisfactory evidence that the lessee or sublessee of eligible equipment has waived its right to claim a credit under this section that it is otherwise entitled to claim with respect to that equipment:

(1) A qualified lessor that leases eligible equipment may claim a credit in the amount of the lessee's investment credit base to the extent of the credits waived by the lessee, net of any lease payments received for the eligible equipment in the taxable year, subject to the limitations provided by subsection 4; and

(2) A qualified lessor that subleases eligible equipment may claim a credit in the amount of the lease payments made on the eligible equipment in each tax year, net of sublease payments received in the taxable year, except that if the eligible equipment is depreciable by the sublessee for federal

income tax purposes, the credit is based on the sublessee's investment credit base to the extent of the credits waived by the sublessee subject to the limitations provided by subsection 4. [2003, c. 673, Pt. G, §2 (AMD); 2003, c. 673, Pt. G, §3 (AFF).]

[2003, c. 673, Pt. G, §2 (AMD); 2003, c. 673, Pt. G, §3 (AFF) .]

2. **Purchaser of eligible equipment; credit allowed.**

[1997, c. 668, §42 (AFF); 1997, c. 668, §33 (RP) .]

3. **Lessor of eligible equipment; credit allowed.**

[1997, c. 668, §42 (AFF); 1997, c. 668, §33 (RP) .]

4. **Limitations.** The credit allowed by this section, including amounts carried to the tax year pursuant to subsection 5, may not be used:

A. To reduce a person's tax liability under this Part to less than zero; [2001, c. 358, Pt. M, §4 (NEW); 2001, c. 358, Pt. M, §6 (AFF).]

B. To reduce a person's tax liability under this Part to less than the amount of the taxpayer's tax liability in the preceding taxable year after the allowance of any other credits taken pursuant to this chapter; or [2001, c. 358, Pt. M, §4 (NEW); 2001, c. 358, Pt. M, §6 (AFF).]

C. Except as otherwise provided by subsection 5, paragraph B, to reduce a person's tax liability by more than $100,000, after the allowance of all other tax credits except for the credits allowed under sections 5216-C and 5219-L. [2001, c. 358, Pt. M, §4 (NEW); 2001, c. 358, Pt. M, §6 (AFF).]

[2001, c. 358, Pt. M, §6 (AFF); 2001, c. 358, Pt. M, §4 (RPR) .]

5. **Carry over to succeeding years.** Unused credits may be carried forward to succeeding tax years as follows.

A. A person entitled to a credit under this section for any taxable year may carry over and apply to the tax liability for any one or more of the next succeeding 5 taxable years the portion of any unused credits. [2001, c. 358, Pt. M, §4 (NEW); 2001, c. 358, Pt. M, §6 (AFF).]

B. Unused credits for which a person was eligible, but did not claim, for tax years ending prior to January 1, 2001 may be carried forward and applied to the tax liability for any one or more of the next succeeding 10 taxable years to the extent that those credits relate to equipment that meets the definition of eligible equipment in effect for tax years beginning on or after January 1, 2001. Credits carried forward that are allowed to a person pursuant to this paragraph are limited to $100,000 per year, except that if a person's investment credit base for any taxable year beginning on or after January 1, 2001 is less than $100,000, the credit allowed under this paragraph may be increased by an amount equal to the difference between $100,000 and the person's investment credit base, provided that the credit allowed by this section may in no event exceed $200,000. [2001, c. 358, Pt. M, §4 (NEW); 2001, c. 358, Pt. M, §6 (AFF).]

[2001, c. 358, Pt. M, §6 (AFF); 2001, c. 358, Pt. M, §4 (RPR) .]

6. **Corporations filing combined return.** In the case of corporations filing a combined return, a credit generated by an individual member corporation under the provisions of this section must first be applied against the tax liability attributable to that company under this Part. A member corporation with an excess high-technology investment tax credit may apply its excess credit against the tax liability of other group members to the extent that the other member corporations can use additional credits under the limitations of subsection 4. Unused, unexpired credits generated by a member corporation may be carried over from year

to year by the individual corporation that generated the credit, subject to the limitations in subsection 5, and the rules set forth in this paragraph for applying the credit to the tax liability of other group members are applicable in the years to which credits are carried forward.

[2001, c. 358, Pt. M, §5 (AMD); 2001, c. 358, Pt. M, §6 (AFF) .]

SECTION HISTORY
1997, c. 557, §B10 (NEW). 1997, c. 557, §§B14,G1 (AFF). 1997, c. 668, §§31-34 (AMD). 1997, c. 668, §42 (AFF). 1999, c. 414, §47 (AMD). 2001, c. 358, §§M1-5 (AMD). 2001, c. 358, §M6 (AFF). 2003, c. 673, §§G1,2 (AMD). 2003, c. 673, §G3 (AFF).

§5219-N. LOW-INCOME TAX CREDIT

(REPEALED)

SECTION HISTORY
1997, c. 557, §E1 (NEW). 1997, c. 557, §§E2,G1 (AFF). 2003, c. 390, §48 (AMD). 2003, c. 673, §JJ5 (AMD). 2003, c. 673, §JJ6 (AFF). 2013, c. 331, Pt. C, §40 (AFF). 2013, c. 331, Pt. C, §35 (RP).

§5219-O. CREDIT FOR DEPENDENT HEALTH BENEFITS PAID

1. **Credit allowed.** A taxpayer constituting an employing unit that employs fewer than 5 employees is allowed a credit to be computed as provided in this section against the tax imposed by this Part, subject to the limitations contained in subsections 3 and 4. The credit equals the lesser of 20% of dependent health benefits paid with respect to the taxpayer's low-income employees under a health benefit plan during the taxable year for which the credit is allowed or $125 per low-income employee with dependent health benefits coverage. A taxpayer who received a credit under this section in the preceding year and whose number of low-income employees is 5 or more may continue to receive the credit for 2 years after the last year in which the number of employees was fewer than 5.

[2001, c. 396, §39 (AMD) .]

2. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Dependent" means a dependent, as defined by Section 152 of the Code, who is under 19 years of age. [1997, c. 775, §1 (NEW); 1997, c. 775, §2 (AFF).]

B. "Dependent health benefits" means health benefits and health insurance costs allowable as deductions to the employer under Section 105 of the Code, paid by the taxpayer on behalf of the taxpayer's low-income employees for the benefit of the employees' dependents. [1997, c. 775, §1 (NEW); 1997, c. 775, §2 (AFF).]

C. "Employing unit" has the same meaning as in Title 26, section 1043. [1997, c. 775, §1 (NEW); 1997, c. 775, §2 (AFF).]

D. "Health benefit plan" means a plan that:

(1) Includes comprehensive coverage for at least the following range of benefits:

(a) Inpatient and outpatient hospital services;

(b) Physicians' surgical and medical services;

(c) Laboratory and x-ray services; and

(d) Well-baby and well-child care, including age-appropriate immunizations;

(2) Affords coverage that has an actuarial value no less than 80% of the actuarial value of coverage that is provided to employees of the State. For purposes of this paragraph, "actuarial value" means the expected cost of a benefit based on assumptions as to relevant variables such as morbidity, mortality, persistency and interest. When comparing the actuarial value of one benefit or package of benefits to another, both actuarial values must be based on the same assumptions;

(3) Imposes copayment and deductible costs on the employee that do not exceed 10% of the actuarial value of all benefits afforded by the plan; and

(4) Makes the same or comparable coverage available for the benefit of the employee's dependent children who are under 19 years of age. [1997, c. 775, §1 (NEW); 1997, c. 775, §2 (AFF).]

E. "Low-income employee" means a Maine resident whose average weekly earnings from the taxpayer do not exceed the State's average weekly wage as calculated by the Department of Labor. [1997, c. 775, §1 (NEW); 1997, c. 775, §2 (AFF).]

[1997, c. 775, §1 (NEW); 1997, c. 775, §2 (AFF) .]

3. **Qualifications.** A taxpayer may claim the credit allowed by this section only for those periods during which the following conditions are met:

A. The taxpayer maintains a health benefit plan that is available to all of the taxpayer's low-income employees who have been employed for 30 days or more on a schedule that exceeds either 25 hours per week or 1000 hours per year; [1997, c. 775, §1 (NEW); 1997, c. 775, §2 (AFF).]

B. The taxpayer pays at least 80% of the cost of health insurance coverage for each low-income employee who is under the health benefit plan; [1997, c. 775, §1 (NEW); 1997, c. 775, §2 (AFF).]

C. The taxpayer pays at least 60% of the cost of dependent health benefits for children under 19 years of age who are covered under the health benefit plan and who are dependents of a low-income employee; and [1997, c. 775, §1 (NEW); 1997, c. 775, §2 (AFF).]

D. The taxpayer submits documentation from the insurer of the portion of the cost of benefits attributable to coverage of dependents that qualifies for a credit under this section. [1997, c. 775, §1 (NEW); 1997, c. 775, §2 (AFF).]

[1997, c. 775, §1 (NEW); 1997, c. 775, §2 (AFF) .]

4. **Limitations; carry-over.** The amount of the credit that may be used by a taxpayer for a taxable year may not exceed 50% of the state income tax otherwise due under this Part for that year. The unused portion of any credit may be carried over to the following year or years for a period not to exceed 2 years. The credit allowable under this section may not be carried back to prior years.

§5219-O. Clean fuel vehicle economic and infrastructure development

(As enacted by PL 1997, c. 791, Pt. A, §3 is REALLOCATED TO TITLE 36, SECTION 5219-P)

[1997, c. 775, §1 (NEW); 1997, c. 775, §2 (AFF) .]

SECTION HISTORY
RR 1997, c. 2, §62 (RAL). 1997, c. 775, §1 (NEW). 1997, c. 775, §2 (AFF). 1997, c. 791, §A3 (NEW). 1999, c. 414, §48 (AMD). 2001, c. 396, §39 (AMD).

§5219-P. CLEAN FUEL VEHICLE ECONOMIC AND INFRASTRUCTURE DEVELOPMENT

(REALLOCATED FROM TITLE 36, SECTION 5219-O)

1. **Definition.** As used in this section, unless the context otherwise indicates, the term "clean fuel" means any product or energy source used to propel motor vehicles, as defined in Title 29-A, section 101, other than conventional gasoline, diesel or reformulated gasoline that, when compared to conventional gasoline, diesel or reformulated gasoline, results in lower emissions of oxides of nitrogen, volatile organic compounds, carbon monoxide or particulates or any combination of these. "Clean fuel" includes, but is not limited to, compressed natural gas; liquefied natural gas; liquefied petroleum gas; hydrogen; hythane, which is a combination of compressed natural gas and hydrogen; dynamic flywheels; solar energy; alcohol fuels containing not less than 85% alcohol by volume; and electricity.

[1997, c. 2, §62 (RAL) .]

2. **Credit allowed.** A taxpayer is allowed a credit against the tax imposed by this Part in an amount equal to the qualifying percentage of expenditures paid or incurred by the taxpayer for the construction or installation of or improvements to any filling or charging station in this State for the purposes of providing clean fuels to the general public for use in motor vehicles, as calculated pursuant to subsection 4.

[1999, c. 414, §49 (AMD) .]

3. **Limitation; carry-over.** The credit allowed under subsection 2 may not reduce the tax otherwise due under this Part below zero and the credit may not exceed the tax liability for income that is earned by the taxpayer from the sale of clean fuels sold for use in motor vehicles. Any unused portion of the credit may be carried over to the following year or years until exhausted.

[1997, c. 2, §62 (RAL) .]

4. **Qualifying percentage.** For purposes of calculating the credit, the qualifying percentage is:

A. Fifty percent for expenditures made from January 1, 1999 to December 31, 2001; and [1997, c. 2, §62 (RAL).]

B. Twenty-five percent for expenditures made from January 1, 2002 to December 31, 2008. [2005, c. 519, Pt. PPP, §1 (AMD).]

[2005, c. 519, Pt. PPP, §1 (AMD) .]

This section is effective for tax years beginning on or after January 1, 1999 and is repealed for tax years ending on or after January 1, 2009. [2005, c. 519, Pt. PPP, §2 (AMD).]

SECTION HISTORY
RR 1997, c. 2, §62 (RAL). 1999, c. 414, §49 (AMD). 2005, c. 519, §§PPP1,2 (AMD).

§5219-Q. QUALITY CHILD CARE INVESTMENT CREDIT

1. **Definition.** As used in this section, unless the context otherwise indicates, "quality child care services" means services provided at a child care site that meets minimum licensing standards and:

A. Is accredited by an independent, nationally recognized program approved by the Department of Health and Human Services, Office of Child Care and Head Start; [2005, c. 618, §11 (AMD).]

B. Utilizes recognized quality indicators for child care services approved by the Department of Health and Human Services, Office of Child Care and Head Start; and [2005, c. 618, §12 (AMD).]

C. Includes provisions for parent and client input, a review of the provider's policies and procedures, a review of the provider's program records and an on-site program review. [1999, c. 401, Pt. NNN, §6 (NEW); 1999, c. 401, Pt. NNN, §§8, 9 (AFF).]

For large, multifunction agencies, only those portions of the child care sites that were reviewed by the accrediting body may be considered sites that provide quality child care services.

[2005, c. 618, §§11, 12 (AMD) .]

1-A. **Certification.** Upon application by an investor, the Department of Health and Human Services, Office of Child Care and Head Start shall certify if an investment in a child care site contributed significantly toward the ability of the child care site to improve its level of child care services toward the goal of providing quality child care services. The department shall send a list of taxpayers making certified investments in the previous year to the State Tax Assessor by February 1st annually.

[2005, c. 618, §13 (AMD) .]

2. **Credit allowed.** A taxpayer that has made an investment in child care services certified under subsection 1-A during the tax year is allowed a credit against the tax imposed by this Part in an amount equal to the qualifying portion of expenditures paid or expenses incurred by the taxpayer for certified investments in child care services as calculated pursuant to subsection 3.

[1999, c. 708, §47 (AMD) .]

3. **Qualifying portion.** For purposes of calculating the credit provided by this section, the qualifying portion is:

A. For a corporation, 30% of up to $30,000 of expenditures, apportioned if part of an affiliated group engaged in a unitary business; and [1999, c. 401, Pt. NNN, §6 (NEW); 1999, c. 401, Pt. NNN, §§8, 9 (AFF).]

B. For an individual taxpayer, if the taxpayer expends at least $10,000 in one year, $1,000 each year for 10 years and $10,000 at the end of the 10-year period. [1999, c. 401, Pt. NNN, §6 (NEW); 1999, c. 401, Pt. NNN, §§8, 9 (AFF).]

[1999, c. 708, §47 (AMD) .]

4. **Limitation; carry-over.** The credit provided by this section may not reduce the tax otherwise due under this Part below zero. Any unused portion of the credit may be carried over to the following year or years until exhausted.

§5219-Q. Credit for rehabilitation of historic properties

(As enacted by PL 1999, c. 401, Pt. RRR, §1 is REALLOCATED TO TITLE 36, SECTION 5219-R)

[1999, c. 708, §47 (AMD) .]

SECTION HISTORY
RR 1999, c. 1, §50 (RAL). 1999, c. 401, §§NNN6,RRR1 (NEW). 1999, c. 401, §§NNN8,9,RRR 2 (AFF). 1999, c. 708, §47 (AMD). 2001, c. 358, §D1 (AFF). 2003, c. 689, §B6 (REV). 2005, c. 618, §§11-13 (AMD).

§5219-R. CREDIT FOR REHABILITATION OF HISTORIC PROPERTIES

(REALLOCATED FROM TITLE 36, SECTION 5219-Q)

1. **Credit allowed.** A taxpayer is allowed a credit against the tax imposed under this Part equal to the amount of credit claimed by the taxpayer for the taxable year under Section 47 of the Code with respect to expenditures incurred after December 31, 1999 for a certified historic structure located in the State. The credit is nonrefundable and is limited to $100,000 annually per taxpayer. A credit received under this section is subject to the same recapture provisions, as apply to a credit received under Section 47 of the Code and to any available federal carry-back or carry-forward provisions. A credit may not be claimed under this subsection for expenditures incurred after December 31, 2007.

[2007, c. 539, Pt. WW, §3 (AMD) .]

2. **Credit refundable in certain cases.** Notwithstanding subsection 1, a taxpayer that is a national historic landmark developer is allowed a refundable credit in an amount equal to the credit determined by the taxpayer under Section 47 of the Code for the taxable year. The refundable credit allowed by this subsection is in lieu of the credit that is allowed to the taxpayer by subsection 1 or that would otherwise be passed through to its partners or shareholders, if any. The credit is allowed only for tax years that begin on or after January 1, 2009 but before January 1, 2013. The credit may not exceed $500,000 per year, and unused credit amounts may be carried forward only through the 2012 tax year. In the event that more than one national historic landmark developer qualifies for the refundable credit allowed by this subsection, the maximum annual credit amount and credit carry-forward limitations established by this subsection apply to all such developers collectively, and if necessary the State Tax Assessor shall prorate the credits between those developers based on their respective share of qualified expenses incurred. For the purposes of this subsection, "national historic landmark developer" means a person that owns 2 or more structures located in the Kennebec Arsenal District National Historic Landmark.

[2009, c. 1, Pt. Z, §1 (AMD); 2009, c. 1, Pt. Z, §2 (AFF) .]

3. **Credit for certain local historic landmark developers; Lockwood Mill Historic District.** Notwithstanding subsection 1, a taxpayer that is entitled to a credit under Section 47 of the Code for building Number 2 located in the Lockwood Mill Historic District in the City of Waterville is allowed a refundable credit in an amount equal to the credit determined by the taxpayer under Section 47 of the Code for the taxable year. The refundable credit allowed by this subsection is in lieu of the credit that is allowed to the taxpayer by subsection 1 or that would otherwise be passed through to its partners or shareholders, if any. The credit is allowed only for tax years that begin on or after January 1, 2008 but before January 1, 2014. The credit allowed for a calendar year must be prorated among tax years based on the respective number of days of the tax year in the calendar year and may not exceed $1,000,000 annually. A taxpayer's unused credit amounts may be carried forward only through the 2013 tax year. In the event that more than one taxpayer qualifies for the refundable credit allowed by this subsection, the maximum annual credit amount and credit carry-forward limitations established by this subsection apply to all such taxpayers collectively, and if necessary the State Tax Assessor shall prorate the credits among those taxpayers based on their respective shares of incurred qualified rehabilitation expenditures.

[2007, c. 240, Pt. NNNN, §1 (NEW) .]

4. **Credit fund.** Beginning July 1, 2009, the following revenues attributable to historic rehabilitation for which a credit is claimed under this section must be transferred monthly by the State Controller to the historic rehabilitation credit fund that is established in this subsection:

A. Taxes paid under Part 3 on sales or use made for purposes of the construction portion of an eligible historic rehabilitation project; and [2007, c. 614, §1 (NEW).]

B. Taxes paid under chapter 711-A on the transfer of real estate that is included in the project when the transfer occurred no more than one year before the federal certification of an eligible historic rehabilitation project. [2007, c. 614, §1 (NEW).]

By the 15th day of each month, the State Tax Assessor shall notify the State Controller of the amounts to be transferred to the historic rehabilitation credit fund for the previous month. By the end of each fiscal year, the State Tax Assessor shall notify the State Controller of the total value of all credits determined under this section for tax years ending in the preceding calendar year, and the State Controller shall transfer that amount to the General Fund to the extent that resources are available in the fund. The State Tax Assessor shall submit an annual report by January 15th identifying the amounts transferred into and out of the fund under this subsection.

[2007, c. 614, §1 (NEW) .]

SECTION HISTORY
RR 1999, c. 1, §50 (RAL). 1999, c. 708, §48 (AMD). 2001, c. 526, §5 (AMD). 2001, c. 526, §6 (AFF). 2005, c. 519, §H1 (RPR). 2007, c. 240, Pt. NNNN, §1 (AMD). 2007, c. 539, Pt. WW, §3 (AMD). 2007, c. 614, §1 (AMD). 2009, c. 1, Pt. Z, §1 (AMD). 2009, c. 1, Pt. Z, §2 (AFF).

§5219-S. EARNED INCOME CREDIT

1. **Resident taxpayer.** A resident individual is allowed a credit against the tax otherwise due under this Part in the amount of 5% of the federal earned income credit for the same taxable year, except that for tax years beginning in 2009 and 2010, the applicable percentage is 4%.

[2009, c. 213, Pt. BBBB, §16 (AMD) .]

2. **Nonresident taxpayer.** A nonresident individual is allowed a credit against the tax otherwise due under this Part in the amount of 5% of the federal earned income credit for the same taxable year, except that for tax years beginning in 2009 and 2010, the applicable percentage is 4%, multiplied by the ratio of the individual's Maine adjusted gross income, as defined in section 5102, subsection 1-C, paragraph B, to the individual's entire federal adjusted gross income, as modified by section 5122.

[2009, c. 213, Pt. BBBB, §16 (AMD) .]

3. **Part-year resident taxpayer.** An individual who files a return as a part-year resident in accordance with section 5224-A is allowed a credit against the tax otherwise due under this Part in the amount of 5% of the federal earned income credit for the same taxable year, except that for tax years beginning in 2009 and 2010, the applicable percentage is 4%, multiplied by a ratio, the numerator of which is the individual's Maine adjusted gross income as defined in section 5102, subsection 1-C, paragraph A for that portion of the taxable year during which the individual was a resident plus the individual's Maine adjusted gross income as defined in section 5102, subsection 1-C, paragraph B for that portion of the taxable year during which the individual was a nonresident and the denominator of which is the individual's entire federal adjusted gross income, as modified by section 5122.

[2009, c. 213, Pt. BBBB, §16 (AMD) .]

4. **Limitation.** The credit allowed by this section may not reduce the Maine income tax to less than zero.

§5219-S. Credit for consumption of wood processing residue

(As enacted by PL 1999, c. 755, §1 is REALLOCATED TO TITLE 36, SECTION 5219-T)

[2007, c. 693, §31 (NEW) .]

SECTION HISTORY

RR 1999, c. 2, §35 (RAL). 1999, c. 731, §V1 (NEW). 1999, c. 731, §V2 (AFF). 1999, c. 755, §1 (NEW). 2003, c. 20, §GG1 (AMD). 2007, c. 693, §31 (RPR). 2009, c. 213, Pt. BBBB, §16 (AMD).

§5219-T. CREDIT FOR CONSUMPTION OF WOOD PROCESSING RESIDUE

(REPEALED)
(REALLOCATED FROM TITLE 36, SECTION 5219-S)

SECTION HISTORY
RR 1999, c. 2, §35 (RAL). 2001, c. 358, §O6 (AFF). 2001, c. 358, §O1 (RP).

§5219-U. EDUCATIONAL ATTAINMENT INVESTMENT TAX CREDIT

(REPEALED)

SECTION HISTORY
2001, c. 700, §7 (NEW). 2001, c. 700, §§10,11 (AFF). 2003, c. 20, §DD5 (AMD). 2003, c. 451, §JJ5 (AMD). 2005, c. 12, §Q5 (AMD). 2007, c. 1, Pt. O, §§6, 7 (AMD). 2007, c. 1, Pt. O, §9 (AFF). 2007, c. 539, Pt. RR, §2 (RP).

§5219-V. RECRUITMENT CREDIT

(REPEALED)

SECTION HISTORY
2001, c. 700, §7 (NEW). 2001, c. 700, §§10,11 (AFF). 2003, c. 20, §DD6 (AMD). 2003, c. 451, §JJ6 (AMD). 2005, c. 12, §Q6 (AMD). 2007, c. 1, Pt. O, §8 (AMD). 2007, c. 1, Pt. O, §9 (AFF). 2007, c. 539, Pt. SS, §2 (RP).

§5219-W. PINE TREE DEVELOPMENT ZONE TAX CREDIT

1. **Credit allowed.** Except as provided by subsection 2, a taxpayer that is a qualified Pine Tree Development Zone business as defined in Title 30-A, section 5250-I, subsection 17 is allowed a credit in the amount of:

A. One hundred percent of the tax that would otherwise be due under this Part for each of the first 5 tax years beginning with the tax year in which the taxpayer commences its qualified business activity, as defined in Title 30-A, section 5250-I, subsection 16; and [2013, c. 595, Pt. K, §1 (AMD); 2013, c. 595, Pt. K, §2 (AFF).]

B. For a business located in a tier 1 location, as defined in Title 30-A, section 5250-I, subsection 21-A, 50% of the tax that would otherwise be due under this Part for each of the 5 tax years following the time period in paragraph A. [2013, c. 595, Pt. K, §1 (AMD); 2013, c. 595, Pt. K, §2 (AFF).]

[2013, c. 595, Pt. K, §1 (AMD); 2013, c. 595, Pt. K, §2 (AFF) .]

2. **Apportioned credit in certain circumstances.** In the case of a qualified Pine Tree Development Zone business as defined in Title 30-A, section 5250-I, subsection 17 that engages in both qualified and nonqualified business activities in this State, the credit provided for in this section is limited to that portion that is attributable to the qualified business activity. The limitation is calculated by an apportionment. The

apportionment is determined by a fraction, the numerator of which is the property value plus the payroll for the taxable year attributed to the qualified business activity of the business and the denominator of which is the statewide property value plus payroll for the taxable year of the business.

If the qualified business is a taxable corporation that has affiliated groups, as defined in section 5102, subsection 1-B, engaged in a unitary business, as defined in section 5102, subsection 10-A, the property and payroll values in the State of the unitary affiliated groups must be included in the apportionment fraction. The resulting fraction must be multiplied by the total tax liability otherwise due under this Part of the qualified business and those affiliated groups.

If the apportionment provisions of this subsection do not fairly reflect the amount of the credit associated with the taxpayer's qualified business activity, the taxpayer may petition for, or the State Tax Assessor may require, in respect to all or any part of the taxpayer's business activity, the employment of another reasonable method to effectuate an equitable apportionment of the credit associated with the taxpayer's qualified business activity.

[2005, c. 351, §26 (AFF); 2005, c. 351, §14 (RPR) .]

3. **Members of pass-through entities.** A member of a pass-through entity that is a qualified Pine Tree Development Zone business, as defined in Title 30-A, section 5250-I, subsection 17, is allowed a credit under this section based on the tax due under this Part related to items of income, gain, deduction, loss or other items required to be reported by the pass-through entity to the member. For purposes of this subsection, "pass-through entity" means a corporation that for the applicable tax year is treated as an S corporation under the Code and a partnership, trust, limited liability company or similar entity that for the applicable tax year is not taxed as a C corporation for federal tax purposes; "member" means an individual or other owner of a pass-through entity.

[2005, c. 351, §26 (AFF); 2005, c. 351, §15 (RPR) .]

4. **Limitation.** The credit provided by this section may not be claimed for tax years beginning on or after January 1, 2029.

[2009, c. 627, §11 (AMD) .]

5. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Property" means the average value of the taxpayer's real and tangible personal property that is owned or rented and used during the tax period. Property owned by the taxpayer is valued at its original cost. Property rented by the taxpayer is valued at 8 times the net annual rental rate. The net annual rental rate is the annual rental rate paid by the taxpayer. [2005, c. 351, §16 (NEW).]

B. "Payroll" means the total amount paid in this State during the tax period by the taxpayer for compensation, including wages, pretax employee contributions made to a benefit package and employer contributions made to an employee benefit package. [2005, c. 351, §16 (NEW).]

[2005, c. 351, §16 (NEW) .]

SECTION HISTORY
2003, c. 451, §NNN5 (NEW). 2003, c. 451, §NNN8 (AFF). 2003, c. 688, §D5 (AMD). 2005, c. 351, §§13-16 (AMD). 2005, c. 351, §26 (AFF). 2009, c. 627, §§10, 11 (AMD). 2009, c. 627, §12 (AFF). 2013, c. 502, Pt. K, §1 (AMD). 2013, c. 502, Pt. K, §2 (AFF). 2013, c. 595, Pt. K, §1 (AMD). 2013, c. 595, Pt. K, §2 (AFF).

§5219-X. BIOFUEL COMMERCIAL PRODUCTION AND COMMERCIAL USE

1. **Definition.** As used in this section, unless the context otherwise indicates, the term "biofuel" means any commercially produced liquid or gas used to propel motor vehicles or otherwise substitute for liquid or gaseous fuels that is derived from agricultural crops or residues or from forest products or byproducts, as distinct from petroleum or other fossil carbon sources. "Biofuel" includes, but is not limited to, ethanol, methanol derived from biomass, levulinic acid, biodiesel, pyrolysis oils from wood, hydrogen or methane from biomass, or combinations of any of the above that may be used to propel motor vehicles either alone or in blends with conventional gasoline or diesel fuels or that may be used in place of petroleum products in whole or in part to fire heating devices or any stationary power device. The biofuel must be offered for sale and income must be derived from the commercial production of biofuel.

[2005, c. 330, §3 (AMD); 2005, c. 330, §44 (AFF) .]

2. **Credit allowed.** A taxpayer engaged in the production of biofuels in the State who has received certification under subsection 4 is allowed a credit against the tax imposed by this Part on income derived during the taxable year from the production of biofuel in the amount of 5¢ per gallon of liquid biofuel or gaseous biofuel with a BTU equivalent to that of one gallon of gasoline that replaces the use of petroleum or liquid fuels derived from other fossil carbon sources. In blends with petroleum or other nonbiofuels, the credit is allowed only on the portion of that blend that the biofuel constitutes. Biofuel for which the credit is allowed must meet state and federal regulatory requirements applicable to the nature and intended use of the fuel produced.

[2003, c. 698, §1 (NEW) .]

3. **Limitations.** A person entitled to a credit under this section for any taxable year may carry over and apply the portion of any unused credits to the tax liability on income derived from the production of biofuel for any one or more of the next succeeding 10 taxable years. The credit allowed, including carryovers, may not reduce the tax otherwise due under this Part to less than zero.

[2007, c. 426, §1 (AMD) .]

4. **Certification.** A taxpayer engaged in the production of biofuels who is claiming a credit under subsection 2 shall provide information to the Commissioner of Environmental Protection regarding the biofuel being produced, including the quantity of biofuel products, the type of forest or agricultural product being utilized, the nature and composition of the biofuel being produced, the proportion and composition of any nonbiofuel with which the biofuel is blended, the BTU equivalent of the biofuel as compared to the BTU value of one gallon of gasoline and the type of application for which it is intended to be used. Upon review of the information, the Commissioner of Environmental Protection shall provide the taxpayer with a letter of certification stating that the biofuel produced during the taxable year is eligible for a tax credit under this section and stating the number of gallons of biofuel produced during the taxable year.

[2005, c. 330, §3 (AMD); 2005, c. 330, §44 (AFF) .]

5. **Application.** This section applies to tax years beginning on or after January 1, 2004.

[2003, c. 698, §1 (NEW) .]

SECTION HISTORY
2003, c. 698, §1 (NEW). 2005, c. 330, §3 (AMD). 2005, c. 330, §44 (AFF). 2007, c. 426, §1 (AMD).

§5219-Y. CERTIFIED VISUAL MEDIA PRODUCTION CREDIT

1. **Credit allowed.** A visual media production company, as defined in Title 5, section 13090-L, subsection 2-A, paragraph E, is allowed a credit against the taxes imposed by this Part in an amount equal to 5% of its nonwage visual media production expenses incurred with respect to a certified visual media production as defined in section 6901, subsection 1, if the visual media production company has visual media production expenses of $75,000 or more with respect to that certified visual media production. For purposes of this section, "nonwage visual media production expenses" means visual media production expenses as defined in Title 5, section 13090-L, subsection 2-A, paragraph F, except that "nonwage visual media production expenses" does not include certified production wages as defined in section 6901, subsection 2 or any amount that would be included in certified production wages but for the $50,000 limit provided by section 6901, subsection 2.

[2011, c. 240, §37 (AMD) .]

2. **Limitation.** The credit allowed by this section may not reduce the tax otherwise due under this Part below zero and may be used only for the taxable year in which the certified visual media production, as defined in section 6901, subsection 1, is completed. Taxpayers claiming a credit under section 5219-W are not eligible for this credit.

[2009, c. 470, §5 (RPR) .]

SECTION HISTORY
2005, c. 519, §GG2 (NEW). 2009, c. 470, §5 (RPR). 2011, c. 240, §37 (AMD).

§5219-Z. TAX CREDIT FOR POLLUTION-REDUCING BOILERS

(REPEALED)

SECTION HISTORY
2005, c. 519, §TTT2 (NEW). 2005, c. 519, §TTT3 (AFF). MRSA T. 36, §5219-Z, sub-§4 (RP).

§5219-AA. COMMUNITY WIND POWER GENERATOR CREDIT

(REPEALED)

SECTION HISTORY
RR 2005, c. 2, §25 (COR). 2005, c. 646, §7 (NEW). MRSA T. 36, §5219-AA, sub-4 (RP).

§5219-BB. CREDIT FOR REHABILITATION OF HISTORIC PROPERTIES AFTER 2007

1. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Certified affordable housing project" means a decent, safe and sanitary dwelling, apartment or other living accommodation that has been certified by the Maine State Housing Authority as an affordable housing project pursuant to Title 30-A, section 4722, subsection 1, paragraph DD. [2009, c. 361, §28 (AMD); 2009, c. 361, §37 (AFF).]

B. "Certified historic structure" means a structure that has been certified by the Director of the Maine Historic Preservation Commission as a historic structure under Title 27, section 511. [2009, c. 361, §28 (AMD); 2009, c. 361, §37 (AFF).]

C. "Certified qualified rehabilitation expenditure" means a qualified rehabilitation expenditure, as defined by the Code, Section 47(c)(2), made between January 1, 2008 and December 31, 2023. For purposes of subsection 2, paragraph B, qualified rehabilitation expenditures incurred in the certified rehabilitation of a certified historic structure located in the State do not include a requirement that the certified historic structure be substantially rehabilitated. [2011, c. 453, §7 (AMD).]

D. [2009, c. 361, §37 (AFF); 2009, c. 361, §28 (RP).]

[2011, c. 453, §7 (AMD) .]

2. **Credit allowed.** A taxpayer is allowed a credit against the tax imposed under this Part:

A. Equal to 25% of the taxpayer's certified qualified rehabilitation expenditures for which a tax credit is claimed under Section 47 of the Code for a certified historic structure located in the State; or [2007, c. 539, Pt. WW, §4 (NEW).]

B. Equal to 25% of the certified qualified rehabilitation expenditures of a taxpayer who incurs not less than $50,000 and up to $250,000 in certified qualified rehabilitation expenditures in the rehabilitation of a certified historic structure located in the State and who does not claim a credit under the Code, Section 47 with regard to those expenditures. If the certified historic structure is a condominium, as defined in Title 33, section 1601-103, subsection 7, the dollar limitations of this paragraph apply to the total aggregate amount of certified qualified rehabilitation expenditures incurred by the unit owners' association and all of the unit owners in the rehabilitation of that certified historic structure. The credit may be claimed for the taxable year in which the certified historic structure is placed in service. [2011, c. 240, §38 (AMD).]

A taxpayer is allowed a credit under paragraph A or B but not both. A credit may not be claimed for expenditures incurred before January 1, 2008 or after December 31, 2023.

[2011, c. 240, §38 (AMD); 2011, c. 453, §8 (AMD) .]

3. **Increased credit for a certified affordable housing project.** The credit allowed under this section is increased to 30% of certified qualified rehabilitation expenditures for a certified affordable housing project. If the certified affordable housing project for which an increased credit was allowed under this subsection does not remain an affordable housing project for 30 years from the date the affordable housing project is placed in service, the owner of the property is subject to the repayment provisions of Title 30-A, section 4722, subsection 1, paragraph DD. Upon notification by the Maine Historic Preservation Commission and the Maine State Housing Authority pursuant to Title 30-A, section 4722, subsection 1, paragraph DD, subparagraph 4, the State Tax Assessor shall raise the credit increase amount allowed under this subsection by one percentage point for tax years beginning in the calendar year of that notification. The maximum total credit allowed under this subsection may not exceed 35% of the taxpayer's certified qualified rehabilitation expenditures.

[2009, c. 361, §28 (AMD); 2009, c. 361, §37 (AFF) .]

4. **Maximum credit.** The credit allowed pursuant to this section and section 2534 may not exceed the greater of:

A. Five million dollars for the portion of a certified rehabilitation as defined by the Code, Section 47(c)(2)(C) placed in service in the State in the taxable year; and [2013, c. 550, §1 (NEW); 2013, c. 550, §2 (AFF).]

B. Five million dollars for each building that is a component of a certified historic structure for which a credit is claimed under this section. [2013, c. 550, §1 (NEW); 2013, c. 550, §2 (AFF).]

[2013, c. 550, §2 (AFF); 2013, c. 550, §1 (RPR) .]

5. **Timing of credit.** Twenty-five percent of the credit allowed pursuant to this section must be taken in the taxable year the credit may be first claimed and 25% must be taken in each of the next 3 taxable years.

[2009, c. 361, §28 (AMD); 2009, c. 361, §37 (AFF) .]

6. **Credit refundable.** The credit allowed under this section is fully refundable.

[2007, c. 539, Pt. WW, §4 (NEW) .]

7. **Allocation of credit.** Credits allowed to a partnership, a limited liability company taxed as a partnership or multiple owners of property must be passed through to the partners, members or owners respectively pro rata in the same manner as under section 5219-G, subsection 1 or pursuant to an executed agreement among the partners, members or owners documenting an alternate allocation method. Credits may be allocated to partners, members or owners that are exempt from taxation under Section 501 (c)(3), Section 501 (c)(4) or Section 501 (c)(6) of the Code, and those partners, members or owners must be treated as taxpayers for the purposes of this subsection.

[2007, c. 693, §32 (AMD); 2007, c. 693, §37 (AFF) .]

8. **Recapture.** A credit received under subsection 2 is subject to the same recapture provisions as apply to a credit received under Section 47 of the Code.

[2009, c. 361, §28 (AMD); 2009, c. 361, §37 (AFF) .]

9. **Limitation.** A taxpayer who is eligible to claim a credit under section 5219-R, whether or not a credit is actually claimed, may not claim a credit under this section. In addition, a credit may not be claimed under this section with respect to expenditures incurred for rehabilitation of Building No. 2 in the Lockwood Mill Historic District in the City of Waterville.

§5219-BB. Dental care access credit as enacted by PL 2007, c. 690, §1 was repealed by PL 2009. c. 141, §1

[2007, c. 539, Pt. WW, §4 (NEW) .]

SECTION HISTORY
2007, c. 539, Pt. WW, §4 (NEW). 2007, c. 690, §1 (NEW). 2007, c. 693, §32 (AMD). 2007, c. 693, §37 (AFF). 2009, c. 141, §1 (RP). 2009, c. 361, §28 (AMD). 2009, c. 361, §37 (AFF). 2011, c. 240, §38 (AMD). 2011, c. 453, §§7-9 (AMD). 2011, c. 548, §31 (AMD). 2013, c. 550, §1 (AMD). 2013, c. 550, §2 (AFF).

§5219-CC. COMMUNITY WIND POWER GENERATOR CREDIT

1. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Commission" means the Public Utilities Commission. [2007, c. 693, §33 (NEW); 2007, c. 693, §37 (AFF).]

B. "Community wind power generation facility" means an electricity-generating facility at any one site with an instantaneous generating nameplate capacity of not more than 10 megawatts that is powered entirely by wind energy. [2007, c. 693, §33 (NEW); 2007, c. 693, §37 (AFF).]

C. "Payroll" means the total amount paid in this State during the tax period by the taxpayer for compensation, including wages, pretax employee contributions made to a benefit package and employer contributions made to an employee benefit package. [2007, c. 693, §33 (NEW); 2007, c. 693, §37 (AFF).]

D. "Property value" means the average value of the taxpayer's real and tangible personal property that is owned or rented and used during the tax period. Property owned by the taxpayer is valued at its original cost. Property rented by the taxpayer is valued at 8 times the net annual rental rate. The net annual rental rate is the annual rental rate paid by the taxpayer. [2007, c. 693, §33 (NEW); 2007, c. 693, §37 (AFF).]

E. "Qualified community wind power generator" means a person that has been certified as a community wind power generator by the commission pursuant to Title 35-A, section 3403, subsection 3. [2007, c. 693, §33 (NEW); 2007, c. 693, §37 (AFF).]

[2007, c. 693, §33 (NEW); 2007, c. 693, §37 (AFF) .]

2. **Credit.** A taxpayer that is a qualified community wind power generator is allowed a credit against the tax imposed by this Part equal to 100% of the tax otherwise due under this Part that is attributable to ownership of a community wind power generation facility in this State. The amount of the tax attributable to ownership of a community wind power generation facility in this State is calculated by an apportionment. The apportionment is determined by multiplying a fraction, the numerator of which is the property value plus the payroll for the taxable year attributed to ownership of a community wind power generation facility in this State and the denominator of which is the statewide property value plus payroll for the taxable year of the taxpayer, by the total tax otherwise due under this Part from the qualified community wind power generator. The credit is available for the first taxable year that begins after the commencement of operation of a community wind power generation facility in this State and prior to the tax year beginning on or after January 1, 2008.

If the qualified community wind power generator is a taxable corporation that is a member of an affiliated group engaged in a unitary business, the property value and payroll in the State of the unitary affiliated group must be included in the apportionment fraction. The resulting fraction must be multiplied by the total tax otherwise due under this Part of the qualified community wind power generator and the affiliated group engaged in the unitary business.

If the apportionment provisions of this subsection do not fairly reflect the amount of the credit attributable to the taxpayer's ownership of a community wind power generation facility in this State, the taxpayer may petition for, or the State Tax Assessor may require, in respect to all or any part of the taxpayer's business activity, the employment of another reasonable method to effectuate an equitable apportionment of the credit.

[2007, c. 693, §33 (NEW); 2007, c. 693, §37 (AFF) .]

3. **Qualification.** The credit allowed under this section is available only to a qualified community wind power generator certified by the commission prior to January 1, 2008.

[2007, c. 693, §33 (NEW); 2007, c. 693, §37 (AFF) .]

4. **Termination of credit.** The credit provided in this section is available only for tax years beginning on or after January 1, 2006 but before January 1, 2008.

[2007, c. 693, §33 (NEW); 2007, c. 693, §37 (AFF) .]

SECTION HISTORY
2007, c. 693, §33 (NEW). 2007, c. 693, §37 (AFF).

§5219-DD. DENTAL CARE ACCESS CREDIT

(CONTAINS TEXT WITH VARYING EFFECTIVE DATES)

(WHOLE SECTION TEXT EFFECTIVE UNTIL 12/31/20)
(WHOLE SECTION TEXT REPEALED 12/31/20)

1. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Eligible dentist" means a person licensed as a dentist under Title 32, chapter 16, subchapter 3 who, after January 1, 2009:

(1) First begins practicing dentistry in the State by joining an existing dental practice in an underserved area or establishing a new dental practice or purchasing an existing dental practice in an underserved area;

(2) Agrees to practice full time for at least 5 years in an underserved area; and

(3) Is certified under subsection 3 to be eligible by the oral health program. [2009, c. 141, §2 (NEW).]

B. "Oral health program" means the program within the Department of Health and Human Services with responsibility for oral health promotion and dental disease prevention activities. [2009, c. 141, §2 (NEW).]

C. "Underserved area" means an area in the State that is a dental health professional shortage area as defined by the federal Department of Health and Human Services, Health Resources and Services Administration. [2009, c. 141, §2 (NEW).]

[2009, c. 141, §2 (NEW) .]

2. **Credit.** An eligible dentist determined to be eligible before January 1, 2012 is allowed a credit for each taxable year, not to exceed $15,000, against the taxes due under this Part. For dentists determined to be eligible on or after January 1, 2012, an eligible dentist is allowed a credit for each taxable year, not to exceed $12,000, against the taxes due under this Part. The credit may be claimed in the first year that the eligible dentist meets the conditions of eligibility for at least 6 months and each of the 4 subsequent years. The credit is not refundable.

[2011, c. 434, §1 (AMD) .]

3. **Eligibility limitation; certification.** The oral health program shall certify up to 5 eligible dentists in each year in 2009, 2010 and 2011 and up to 6 additional eligible dentists in each year from 2012 through 2015. Additional dentists may not be certified after 2015. The oral health program shall monitor certified dentists to ensure that they continue to be eligible for the credit under this section and shall decertify any dentist who ceases to meet the conditions of eligibility. The oral health program shall notify the bureau whenever a dentist is certified or decertified. A decertified dentist ceases to be eligible for the credit under this section beginning with the tax year during which the dentist is decertified.

[2011, c. 434, §2 (AMD) .]

4. **Review.** By March 1, 2011, the oral health program shall submit to the joint standing committee of the Legislature having jurisdiction over taxation matters a report that analyzes the effectiveness of the credit provided by this section in attracting dentists to underserved areas and recommending whether the credit should be retained, repealed or amended. The committee may submit legislation to the First Regular Session of the 125th Legislature related to the report.

[2009, c. 141, §2 (NEW) .]

5. **Rules.** The Department of Health and Human Services may adopt rules to implement this section. Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

[2009, c. 141, §2 (NEW) .]

6. **Repeal.** This section is repealed December 31, 2020.

[2011, c. 434, §3 (AMD) .]

SECTION HISTORY
2009, c. 141, §2 (NEW). 2011, c. 434, §§1-3 (AMD).

§5219-EE. MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM INNOVATION FINANCE CREDIT

(CONTAINS TEXT WITH VARYING EFFECTIVE DATES)

(WHOLE SECTION TEXT EFFECTIVE UNTIL 4/16/29)
(WHOLE SECTION TEXT REPEALED 4/16/29)

1. **Credit allowed.** The Finance Authority of Maine is authorized to issue to the Maine Public Employees Retirement System, referred to in this section as "the retirement system," a refundable credit against the taxes imposed by this Part in an amount certified by the Finance Authority of Maine as equal either to $4,000,000 or 80% of any loss of capital sustained in the innovation finance program established under Title 10, section 1026-T, whichever is less. Upon receipt of a certification as provided in Title 10, section 1026-T, subsection 4, paragraph E, the Department of Administrative and Financial Services, Bureau of Revenue Services shall pay the amount certified to the retirement system as provided in that subsection.

[2009, c. 633, §5 (NEW) .]

2. **Reimbursement by the retirement system.** In the event that the retirement system incurs a loss and redeems a credit under this section and the retirement system subsequently achieves an aggregate return on all of its investments under the innovation finance program under Title 10, section 1026-T that exceeds an annualized return of 8%, the retirement system shall reimburse the State in an amount equal to the total amount of credits paid to the retirement system under this section.

[2009, c. 633, §5 (NEW) .]

3. **Limitations.** A credit under this section may not be redeemed for any loss occurring after July 1, 2028. Pursuant to Title 10, section 1026-T, total credits redeemed may not exceed $20,000,000.

[2009, c. 633, §5 (NEW) .]

4. **Audit.** The State Tax Assessor may audit any transactions necessary to verify the amount of credits claimed or redeemed under this section. If the assessor determines that a credit larger than that authorized by this section has been received, the assessor may enforce repayment of the overpayment by assessment pursuant to the provisions of chapter 7 or may apply the overpayment against subsequent redemptions made pursuant to this section.

[2009, c. 633, §5 (NEW) .]

5. **Repeal.** This section is repealed April 16, 2029.

[2009, c. 633, §5 (NEW) .]

SECTION HISTORY
2009, c. 633, §5 (NEW).

§5219-FF. CREDIT FOR WELLNESS PROGRAMS

1. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Employee" means an individual who performs services for an employing unit. [2011, c. 90, Pt. H, §7 (NEW); 2011, c. 90, Pt. H, §8 (AFF).]

B. "Employing unit" has the same meaning as in Title 26, section 1043, subsection 10. [2011, c. 90, Pt. H, §7 (NEW); 2011, c. 90, Pt. H, §8 (AFF).]

C. "Qualified wellness program expenditure" means an expenditure made by an employing unit to develop, institute and maintain a wellness program. [2011, c. 90, Pt. H, §7 (NEW); 2011, c. 90, Pt. H, §8 (AFF).]

D. "Wellness program" means a program instituted by an employing unit that improves employee health, morale and productivity, including, without limitation:

(1) Health education programs;

(2) Behavioral change programs, such as counseling or seminars or classes on nutrition, stress management or smoking cessation; and

(3) Incentive awards to employees who engage in regular physical activity. [2011, c. 90, Pt. H, §7 (NEW); 2011, c. 90, Pt. H, §8 (AFF).]

[2011, c. 90, Pt. H, §7 (NEW); 2011, c. 90, Pt. H, §8 (AFF) .]

2. **Credit allowed.** A taxpayer constituting an employing unit with 20 or fewer employees, on an average monthly basis during the taxable year, is allowed a credit against the tax imposed by this Part for each taxable year beginning on or after January 1, 2014 for a qualified wellness program expenditure made during the taxable year.

[2011, c. 90, Pt. H, §7 (NEW); 2011, c. 90, Pt. H, §8 (AFF) .]

3. **Record keeping.** An employing unit seeking a credit under subsection 2 is responsible for recording the amount of time employees engage in wellness programs for which the employing unit is claiming an expense.

[2011, c. 90, Pt. H, §7 (NEW); 2011, c. 90, Pt. H, §8 (AFF) .]

4. **Limit; carry-over.** The total credit for each taxpayer under this section is limited to $100 per employee or $2,000, whichever is less, per tax year. The credit may not reduce the tax otherwise due under this Part to less than zero. A taxpayer entitled to a credit under this section for any taxable year may carry over the portion, as reduced from year to year, of any unused credit and apply it to the tax liability for any one or more of the next succeeding 5 taxable years.

[2011, c. 90, Pt. H, §7 (NEW); 2011, c. 90, Pt. H, §8 (AFF) .]

SECTION HISTORY
2011, c. 90, Pt. H, §7 (NEW). 2011, c. 90, Pt. H, §8 (AFF).

§5219-GG. MAINE CAPITAL INVESTMENT CREDIT

1. **Credit allowed.** A taxpayer that claims a depreciation deduction under the Code, Section 168(k) for property placed in service in the State during the taxable year beginning in 2011 or 2012 is allowed a credit against the taxes imposed by this Part in an amount equal to 10% of the amount claimed for the taxable year under the Code, Section 168(k) with respect to that property, except for excluded property under subsection 2.

A. [2011, c. 548, §36 (AFF); 2011, c. 548, §32 (RP).]

B. [2011, c. 548, §36 (AFF); 2011, c. 548, §32 (RP).]

C. [2011, c. 548, §36 (AFF); 2011, c. 548, §32 (RP).]

D. [2011, c. 548, §36 (AFF); 2011, c. 548, §32 (RP).]

E. [2011, c. 548, §36 (AFF); 2011, c. 548, §32 (RP).]

F. [2011, c. 548, §36 (AFF); 2011, c. 548, §32 (RP).]

G. [2013, c. 331, Pt. C, §41 (AFF); 2013, c. 331, Pt. C, §36 (RP).]

H. [2011, c. 548, §36 (AFF); 2011, c. 548, §32 (RP).]

I. [2011, c. 548, §36 (AFF); 2011, c. 548, §32 (RP).]

J. [2011, c. 548, §36 (AFF); 2011, c. 548, §32 (RP).]

[2013, c. 331, Pt. C, §36 (AMD); 2013, c. 331, Pt. C, §41 (AFF) .]

2. **Certain property excluded.** The following property is not eligible for the credit under this section:

A. Property owned by a public utility as defined by Title 35-A, section 102; [2011, c. 548, §36 (AFF); 2011, c. 548, §32 (RPR).]

B. Property owned by a person that provides radio paging services as defined by Title 35-A, section 102; [2011, c. 548, §36 (AFF); 2011, c. 548, §32 (RPR).]

C. Property owned by a person that provides mobile telecommunications services as defined by Title 35-A, section 102; [2011, c. 548, §36 (AFF); 2011, c. 548, §32 (RPR).]

D. Property owned by a cable television company as defined by Title 30-A, section 2001; [2011, c. 548, §36 (AFF); 2011, c. 548, §32 (RPR).]

E. Property owned by a person that provides satellite-based direct television broadcast services; [2011, c. 548, §36 (AFF); 2011, c. 548, §32 (RPR).]

F. Property owned by a person that provides multichannel, multipoint television distribution services; and [2011, c. 548, §36 (AFF); 2011, c. 548, §32 (RPR).]

G. Property that is not in service in the State for the entire 12-month period following the date it is placed in service in the State. [2011, c. 548, §32 (NEW); 2011, c. 548, §36 (AFF).]

[2011, c. 548, §36 (AFF); 2011, c. 548, §32 (RPR) .]

3. **Limitations; carry-forward.** The credit allowed under subsection 1 may not reduce the tax otherwise due under this Part to less than zero. Any unused portion of the credit may be carried forward to the following year or years for a period not to exceed 20 years.

[2011, c. 548, §36 (AFF); 2011, c. 548, §32 (RPR) .]

4. **Recapture.** The credit allowed under this section must be fully recaptured to the extent claimed by the taxpayer if the property forming the basis of the credit is not used in the State for the entire 12-month period following the date it is placed in service in the State. The credit must be recaptured by filing an amended return in accordance with section 5227-A for the tax year in which that property was used to calculate the credit under this section. The amended return must reflect the credit disallowed and the income modifications required by section 5122, subsection 1, paragraph FF and section 5200-A, subsection 1, paragraph Y with respect to that property.

[2011, c. 548, §36 (AFF); 2011, c. 548, §32 (RPR) .]

SECTION HISTORY

2011, c. 380, Pt. O, §17 (NEW). 2011, c. 380, Pt. O, §18 (AFF). 2011, c. 380, Pt. Q, §6 (NEW). 2011, c. 380, Pt. Q, §7 (AFF). 2011, c. 548, §36 (AFF). 2011, c. 548, §32 (RPR). 2011, c. 563, §13 (AMD). 2013, c. 331, Pt. C, §36 (AMD). 2013, c. 331, Pt. C, §41 (AFF).

§5219-HH. NEW MARKETS CAPITAL INVESTMENT CREDIT

1. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Applicable percentage" means 0% for each of the first 2 credit allowance dates, 7% for the 3rd credit allowance date and 8% for the next 4 credit allowance dates. [2011, c. 548, §33 (NEW); 2011, c. 548, §35 (AFF).]

B. "Authority" means the Finance Authority of Maine. [2011, c. 548, §33 (NEW); 2011, c. 548, §35 (AFF).]

C. "Commissioner" means the Commissioner of Administrative and Financial Services. [2011, c. 548, §33 (NEW); 2011, c. 548, §35 (AFF).]

D. "Credit allowance date" means, with respect to any qualified equity investment, the date on which the investment is initially made and each of the 6 anniversary dates of the date thereafter. [2011, c. 548, §33 (NEW); 2011, c. 548, §35 (AFF).]

E. "Long-term debt security" means any debt instrument issued by a qualified community development entity, at par value or a premium, with an original maturity date of at least 7 years from the date of its issuance, with no acceleration of repayment, amortization or prepayment features prior to its original maturity date. The qualified community development entity that issues the debt instrument may not make cash interest payments on the debt instrument during the period commencing with its issuance and ending on its final credit allowance date in excess of the cumulative operating income, as defined in the regulations adopted pursuant to the Code, Section 45D, of the qualified community development entity for the same period prior to giving effect to interest expense on such debt instrument. This paragraph does not limit the holder's ability to accelerate payments on the debt instrument in situations when the qualified community development entity has defaulted on covenants designed to ensure compliance with this section; section 191, subsection 2, paragraph SS; section 2533; and Title 10, section 1100-Z or the Code, Section 45D. [2011, c. 548, §33 (NEW); 2011, c. 548, §35 (AFF).]

F. "Purchase price" means the amount of the investment in the qualified community development entity for the qualified equity investment. [2011, c. 548, §33 (NEW); 2011, c. 548, §35 (AFF).]

G. "Qualified active low-income community business" has the same meaning as in the Code, Section 45D and includes any entity making an investment under this section if, for the most recent calendar year ending prior to the date of the investment:

(1) At least 50% of the total gross income of the entity was derived from the active conduct of business activity of the entity within any municipality where the average annual unemployment rate for that year was higher than the state average unemployment rate;

(2) A substantial portion of the use of the tangible property of the entity was within any location of the State where the average annual unemployment rate for that year was higher than the state average unemployment rate; or

(3) A substantial portion of the services performed by the entity by its employees was performed in a municipality where the average annual unemployment rate for that year was higher than the state average unemployment rate. [2013, c. 331, Pt. C, §37 (AMD); 2013, c. 331, Pt. C, §41 (AFF).]

H. "Qualified community development entity" has the same meaning as in the Code, Section 45D, except that the entity must have entered into or be controlled by or under common control of an entity that has entered into an allocation agreement with the Community Development Financial Institutions Fund of the United States Department of the Treasury with respect to credits authorized by the Code, Section 45D. [2011, c. 548, §33 (NEW); 2011, c. 548, §35 (AFF).]

I. "Qualified equity investment" means any equity investment in, or long-term debt security issued by, a qualified community development entity that:

(1) Has at least 85% of its cash purchase price used by the issuer to make qualified low-income community investments in qualified active low-income community businesses located in the State by the 2nd anniversary of the initial credit allowance date;

(2) Is acquired after December 31, 2011 at its original issuance solely in exchange for cash; and

(3) Is designated by the issuer as a qualified equity investment and is certified by the authority pursuant to Title 10, section 1100-Z, subsection 3, paragraph G. "Qualified equity investment" includes any qualified equity investment that does not meet the provisions of Title 10, section 1100-Z, subsection 3, paragraph G if the investment was a qualified equity investment in the hands of a prior holder. The qualified community development entity shall keep sufficiently detailed books and records with respect to the investments made with the proceeds of the qualified equity investments to allow the direct tracing of the proceeds into qualified low-income community investments in qualified active low-income community businesses in the State. [2011, c. 548, §33 (NEW); 2011, c. 548, §35 (AFF).]

J. "Qualified low-income community investment" means any capital or equity investment in, or loan to, any qualified active low-income community business made after September 28, 2011. Except as otherwise provided in this paragraph, with respect to any one qualified active low-income community business, the maximum amount of qualified low-income community investments that may be made with the proceeds of qualified equity investments that have been certified under Title 10, section 1100-Z, subsection 3, paragraph G is $10,000,000 per project constructed, maintained or operated by the qualified active low-income community business whether made by one or several qualified community development entities. With respect to investments in a qualified active low-income community business that is a manufacturing or value-added production enterprise, the limit on the qualified low-income community investment is $40,000,000 per project constructed, maintained or operated by the qualified active low-income community business. For the purposes of this paragraph, with respect to projects to which the $10,000,000 limitation applies, "project" includes all land, buildings, structures, machinery and equipment located at the same location and constructed, maintained or operated by the qualified active low-income community business. For the purposes of this paragraph, with respect to projects to which the $40,000,000 limitation applies, "project" means, and refers separately to, each manufacturing or value-added production facility that projects to create or retain more than 200 jobs, including the land, buildings, structures, machinery and equipment functionally related to, and integrated with, the manufacturing or production process conducted on the site of that facility. "Project" does not mean or include the component pieces of an integrated manufacturing or production process conducted on the site of a particular facility. [2013, c. 75, §1 (AMD).]

[2013, c. 75, §1 (AMD); 2013, c. 331, Pt. C, §37 (AMD); 2013, c. 331, Pt. C, §41 (AFF) .]

2. Credit allowed. A person that holds a qualified equity investment certified by the authority pursuant to Title 10, section 1100-Z, subsection 3, paragraph G on a credit allowance date that falls within the taxable year is allowed a credit equal to the applicable percentage that applies to the credit allowance date multiplied by the purchase price paid for the qualified equity investment. Notwithstanding any other provision of law, other than the recapture provisions of subsection 7, the person, and any subsequent person, that is the holder of the credit certificate issued by the authority for a qualified equity investment is entitled, in the aggregate,

to the entire 39% credit amount computed with respect to the 7 credit allowance dates. In no event may the credit amount in the aggregate exceed 39% for any single qualified equity investment certified by the authority.

[2011, c. 548, §33 (NEW); 2011, c. 548, §35 (AFF) .]

3. **Memorandum of agreement.** Upon receipt of the authority's written notice of the certification of a qualified equity investment's tax credit eligibility, the commissioner shall enter into an agreement on behalf of the State with the person eligible to claim the credit pursuant to Title 10, section 1100-Z, subsection 3, paragraph G. That agreement must provide that the State shall, with the exception of recapture pursuant to subsection 7, allow the tax credit as provided for in subsection 2 and recognize that the person named as eligible for tax credit pursuant to Title 10, section 1100-Z, subsection 3, paragraph G is entitled to claim the tax credits and the respective tax credit amounts in the aggregate, to the entire 39% credit amount computed with respect to the 7 credit allowance dates.

[2011, c. 548, §33 (NEW); 2011, c. 548, §35 (AFF) .]

4. **Carry-over to succeeding year.** Any unused portion of the credit may be carried over to the following taxable year or years, except that the carry-over period for unused credit amounts may not exceed 20 years.

[2011, c. 548, §33 (NEW); 2011, c. 548, §35 (AFF) .]

5. **Pass-through entity; allocation of the credit.** Credits allowed pursuant to this section to a partnership, limited liability company, S corporation or other similar pass-through entity must be allocated to the partners, members, shareholders or other owners in accordance with section 5219-G or pursuant to an executed agreement among the partners, members or shareholders or other owners documenting an alternate allocation method.

[2011, c. 548, §33 (NEW); 2011, c. 548, §35 (AFF) .]

6. **Credit refundable.** The credit allowed under this section is fully refundable.

[2011, c. 548, §33 (NEW); 2011, c. 548, §35 (AFF) .]

7. **Recapture of credits.** The State Tax Assessor may recapture all of the credit allowed under this section if:

A. Any amount of federal tax credits available with respect to a qualified equity investment that is eligible for a tax credit under this section is recaptured under the Code, Section 45D. In such a case, the recapture must be proportionate to the federal recapture with respect to the qualified equity investment; [2011, c. 548, §33 (NEW); 2011, c. 548, §35 (AFF).]

B. The qualified community development entity redeems or makes a principal repayment with respect to the qualified equity investment that generated the tax credit prior to the final credit allowance date of the qualified equity investment. In such a case, the recapture must be proportionate to the amount of the redemption or repayment with respect to the qualified equity investment; or [2011, c. 548, §33 (NEW); 2011, c. 548, §35 (AFF).]

C. The qualified community development entity fails to invest at least 85% of the purchase price of the qualified equity investment in qualified low-income community investments in qualified active low-income community businesses located in the State within 24 months of the issuance of the qualified equity investment and maintain this level of investment in qualified low-income community investments in qualified active low-income community businesses located in the State until the last credit allowance date for the qualified equity investment. For purposes of calculating the amount of qualified low-income community investments held by a qualified community development entity, an investment is considered

held by the qualified community development entity even if the investment has been sold or repaid as long as the qualified community development entity reinvests an amount equal to the capital returned to or recovered from the original investment, exclusive of any profits realized, in another qualified active low-income community business in this State within 12 months of the receipt of the capital. A qualified community development entity may not be required to reinvest capital returned from qualified low-income community investments after the 6th anniversary of the issuance of the qualified equity investment, the proceeds of which were used to make the qualified low-income community investment, and the qualified low-income community investment is considered to be held by the issuer through the qualified equity investment's final credit allowance date. [2011, c. 548, §33 (NEW); 2011, c. 548, §35 (AFF).]

The qualified community development entity must be provided 90 days to cure any deficiency indicated in the authority's original recapture notice and avoid such recapture. If the entity fails or is unable to cure the deficiency within the 90-day period, the assessor shall provide the qualified community development entity and the person from whom the credit is to be recaptured with a final order of recapture. Any amount of tax credits for which a final recapture order has been issued must be recaptured from the person that actually claimed the tax credit.

[2011, c. 548, §33 (NEW); 2011, c. 548, §35 (AFF) .]

SECTION HISTORY
2011, c. 548, §33 (NEW). 2011, c. 548, §35 (AFF). 2011, c. 657, Pt. P, §1 (AMD). 2013, c. 75, §1 (AMD). 2013, c. 331, Pt. C, §37 (AMD). 2013, c. 331, Pt. C, §41 (AFF).

§5219-II. PROPERTY TAX FAIRNESS CREDIT

For tax years beginning on or after January 1, 2013 and before January 1, 2014, a Maine resident individual is allowed a property tax fairness credit as computed under this section against the taxes imposed under this Part. [2013, c. 551, §2 (AMD).]

1. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Benefit base" means property taxes paid by the resident individual during the tax year on the individual's homestead in this State or rent constituting property taxes paid by the resident individual during the tax year on a homestead in the State. [2013, c. 368, Pt. L, §1 (NEW).]

B. "Dwelling" means an individual house or apartment, duplex unit, cooperative unit, condominium unit, mobile home or mobile home pad. [2013, c. 368, Pt. L, §1 (NEW).]

C. "Homestead" means the dwelling owned or rented by the taxpayer or held in a revocable living trust for the benefit of the taxpayer and occupied by the taxpayer and the taxpayer's dependents as a home, and may consist of a part of a multidwelling or multipurpose building and a part of the land, up to 10 acres, upon which it is built. "Owned" includes a vendee in possession under a land contract, one or more joint tenants or tenants in common and possession under a legally binding agreement that allows the owner of the dwelling to transfer the property but continue to occupy the dwelling as a home until some future event stated in the agreement. [2013, c. 368, Pt. L, §1 (NEW).]

D. "Rent constituting property taxes" means 25% of the gross rent actually paid in cash or its equivalent during the tax year solely for the right of occupancy of a homestead in the State. "Rent constituting property taxes" does not include rent subsidized by government programs that limit housing costs to a percentage of household income except that this exclusion does not apply to persons receiving social security disability or supplemental security income disability benefits. For the purposes of this paragraph, "gross rent" means rent paid at arm's length solely for the right of occupancy of a homestead, exclusive of charges for any utilities, services, furniture, furnishings or personal property appliances furnished by the landlord as part of the rental agreement, whether or not expressly set out in the rental

agreement. If the landlord and tenant have not dealt with each other at arm's length, and the assessor is satisfied that the gross rent charged was excessive, the assessor may adjust the gross rent to a reasonable amount for purposes of this section. [2013, c. 368, Pt. L, §1 (NEW).]

[2013, c. 368, Pt. L, §1 (NEW) .]

2. **Credit.** A resident individual filing a single or married separate return or resident spouses filing joint returns with Maine adjusted gross income up to $40,000 are allowed a credit against the taxes imposed under this Part in an amount equal to 40% of the amount by which the benefit base exceeds 10% of the resident individual's or the resident spouses' total Maine adjusted gross income as defined under section 5102, subsection 1-C, paragraph A that is greater than zero. The credit may not exceed $300 for resident individuals under 70 years of age as of the last day of the taxable year and $400 for resident individuals 70 years of age and older as of the last day of the taxable year. In the case of married individuals filing a joint return, only one spouse is required to be 70 years of age and older to qualify for the $400 credit limitation. In the case of resident married individuals filing separate returns, each of whom claim the credit on the same homestead, the credit for each spouse may not exceed $150 if, for the taxable year, neither spouse was a resident individual 70 years of age or older or $200 if, for the taxable year, at least one spouse was 70 years of age or older.

[2013, c. 368, Pt. L, §1 (NEW) .]

3. **Refundability of credit.** The tax credit is refundable after the application of nonrefundable credits.

§5219-II. Maine capital investment credit for 2013 (As enacted by PL 2013, c. 368, Pt. TT, §18 is REALLOCATED TO TITLE 36, SECTION 5219-JJ)

[2013, c. 368, Pt. L, §1 (NEW) .]

SECTION HISTORY
RR 2013, c. 1, §54 (RAL). 2013, c. 368, Pt. L, §1 (NEW). 2013, c. 368, Pt. TT, §18 (NEW). 2013, c. 551, §2 (AMD).

§5219-JJ. MAINE CAPITAL INVESTMENT CREDIT FOR 2013

(REALLOCATED FROM TITLE 36, SECTION 5219-II)

1. **Credit allowed.** A taxpayer that claims a depreciation deduction under the Code, Section 168(k) for property placed in service in the State during the taxable year beginning in 2013 is allowed a credit against the taxes imposed by this Part in an amount equal to 9% of the amount of the net increase in the depreciation deduction reported as an addition to income for the taxable year under section 5122, subsection 1, paragraph HH, subparagraph (1) or section 5200-A, subsection 1, paragraph AA, subparagraph (1) with respect to that property, except for excluded property under subsection 2.

[2013, c. 1, §54 (RAL) .]

2. **Certain property excluded.** The following property is not eligible for the credit under this section:

A. Property owned by a public utility as defined by Title 35-A, section 102, subsection 13; [2013, c. 1, §54 (RAL).]

B. Property owned by a person that provides radio paging services as defined by Title 35-A, section 102, subsection 15; [2013, c. 1, §54 (RAL).]

C. Property owned by a person that provides mobile telecommunications services as defined by Title 35-A, section 102, subsection 9-A; [2013, c. 1, §54 (RAL).]

D. Property owned by a cable television company as defined by Title 30-A, section 2001, subsection 2; [2013, c. 1, §54 (RAL).]

E. Property owned by a person that provides satellite-based direct television broadcast services; [2013, c. 1, §54 (RAL).]

F. Property owned by a person that provides multichannel, multipoint television distribution services; and [2013, c. 1, §54 (RAL).]

G. Property that is not in service in the State for the entire 12-month period following the date it is placed in service in the State. [2013, c. 1, §54 (RAL).]

[2013, c. 1, §54 (RAL) .]

3. **Limitations; carry-forward.** The credit allowed under subsection 1 may not reduce the tax otherwise due under this Part to less than zero. Any unused portion of the credit may be carried forward to the following year or years for a period not to exceed 20 years.

[2013, c. 1, §54 (RAL) .]

4. **Recapture.** The credit allowed under this section must be fully recaptured to the extent claimed by the taxpayer if the property forming the basis of the credit is not used in the State for the entire 12-month period following the date it is placed in service in the State. The credit must be recaptured by filing an amended return in accordance with section 5227-A for the tax year in which that property was used to calculate the credit under this section. The amended return must reflect the credit disallowed and the income modifications required by section 5122, subsection 1, paragraph HH and section 5200-A, subsection 1, paragraph AA with respect to that property.

[2013, c. 1, §54 (RAL) .]

SECTION HISTORY
RR 2013, c. 1, §54 (RAL).

§5219-KK. PROPERTY TAX FAIRNESS CREDIT FOR TAX YEARS BEGINNING ON OR AFTER JANUARY 1, 2014

For tax years beginning on or after January 1, 2014, a Maine resident individual is allowed a property tax fairness credit as computed under this section against the taxes imposed under this Part. [2013, c. 551, §3 (NEW).]

1. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Benefit base" means property taxes paid by a resident individual during the tax year on the resident individual's homestead in this State or rent constituting property taxes paid by the resident individual during the tax year on a homestead in the State not exceeding the following amounts:

(1) For persons filing as single individuals, $2,000;

(2) For persons filing joint returns or as heads of households that claim no more than 2 personal exemptions, $2,600;

(3) For persons filing joint returns or as heads of households that claim 3 or more personal exemptions, $3,200; and

(4) For married individuals filing separate returns, 1/2 of the amount under subparagraph (2) or (3), whichever would apply if the individual had filed a joint return for the taxable year with the individual's spouse. [2013, c. 551, §3 (NEW).]

B. "Dwelling" means an individual house or apartment, duplex unit, cooperative unit, condominium unit, mobile home or mobile home pad. [2013, c. 551, §3 (NEW).]

C. "Homestead" means the dwelling owned or rented by a taxpayer or held in a revocable living trust for the benefit of the taxpayer and occupied by the taxpayer and the taxpayer's dependents as a home and may consist of a part of a multidwelling or multipurpose building and a part of the land, up to 10 acres, upon which it is built. For purposes of this paragraph, "owned" includes a vendee in possession under a land contract, one or more joint tenants or tenants in common and possession under a legally binding agreement that allows the owner of the dwelling to transfer the property but continue to occupy the dwelling as a home until some future event stated in the agreement. [2013, c. 551, §3 (NEW).]

D. "Income" means federal adjusted gross income increased by the following amounts:

(1) Trade or business losses; capital losses; any net loss resulting from combining the income or loss from rental real estate and royalties, the income or loss from partnerships and S corporations, the income or loss from estates and trusts, the income or loss from real estate mortgage investment conduits and the net farm rental income or loss; any loss associated with the sale of business property; and farm losses included in federal adjusted gross income;

(2) Interest received to the extent not included in federal adjusted gross income;

(3) Payments received under the federal Social Security Act and railroad retirement benefits to the extent not included in federal adjusted gross income; and

(4) The following amounts deducted in arriving at federal adjusted gross income:

(a) Educator expenses pursuant to the Code, Section 62(a)(2)(D);

(b) Certain business expenses of performing artists pursuant to the Code, Section 62(a)(2)(B);

(c) Certain business expenses of government officials pursuant to the Code, Section 62(a)(2)(C);

(d) Certain business expenses of reservists pursuant to the Code, Section 62(a)(2)(E);

(e) Health savings account deductions pursuant to the Code, Section 62(a)(16) and Section 62(a)(19);

(f) Moving expenses pursuant to the Code, Section 62(a)(15);

(g) The deductible part of self-employment tax pursuant to the Code, Section 164(f);

(h) The deduction for self-employed SEP, SIMPLE and qualified plans pursuant to the Code, Section 62(a)(6);

(i) The self-employed health insurance deduction pursuant to the Code, Section 162(1);

(j) The penalty for early withdrawal of savings pursuant to the Code, Section 62(a)(9);

(k) Alimony paid pursuant to the Code, Section 62(a)(10);

(l) The IRA deduction pursuant to the Code, Section 62(a)(7);

(m) The student loan interest deduction pursuant to the Code, Section 62(a)(17);

(n) The tuition and fees deduction pursuant to the Code, Section 62(a)(18); and

(o) The domestic production activities deduction pursuant to the Code, Section 199. [2013, c. 551, §3 (NEW).]

E. "Rent constituting property taxes" means 15% of the gross rent actually paid in cash or its equivalent during the tax year solely for the right of occupancy of a homestead in the State. For the purposes of this paragraph, "gross rent" means rent paid at arm's length solely for the right of occupancy of a homestead, exclusive of charges for any utilities, services, furniture, furnishings or personal property appliances furnished by the landlord as part of the rental agreement, whether or not expressly set out in the rental

agreement. If the landlord and tenant have not dealt with each other at arm's length, and the assessor is satisfied that the gross rent charged was excessive, the assessor may adjust the gross rent to a reasonable amount for purposes of this section. [2013, c. 551, §3 (NEW).]

[2013, c. 551, §3 (NEW) .]

2. **Credit.** A resident individual is allowed a credit against the taxes imposed under this Part in an amount equal to 50% of the amount by which the benefit base for the resident individual exceeds 6% of the resident individual's income. The credit may not exceed $600 for resident individuals under 65 years of age as of the last day of the taxable year or $900 for resident individuals 65 years of age and older as of the last day of the taxable year. In the case of married individuals filing a joint return, only one spouse is required to be 65 years of age or older to qualify for the $900 credit limitation. In the case of resident married individuals filing separate returns, each of whom claims the credit on the same homestead, the credit for each spouse may not exceed $300 if, for the taxable year, neither spouse was a resident individual 65 years of age or older or $450 if, for the taxable year, at least one spouse was 65 years of age or older.

[2013, c. 551, §3 (NEW) .]

3. **Refundability of credit.** The tax credit under this section is refundable after the application of nonrefundable credits.

(Section 5219-KK as enacted by PL 2013, c. 599, §1 is REALLOCATED TO TITLE 36, SECTION 5219-LL)

[2013, c. 551, §3 (NEW) .]

SECTION HISTORY
RR 2013, c. 2, §46 (RAL). 2013, c. 551, §3 (NEW). 2013, c. 599, §1 (NEW).

§5219-LL. PRIMARY CARE ACCESS CREDIT

(REALLOCATED FROM TITLE 36, SECTION 5219-KK)

1. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Eligible primary care professional" means a person licensed under Title 32, chapter 31, subchapter 3 or subchapter 4; Title 32, chapter 36, subchapter 4; or Title 32, chapter 48, subchapter 2 and who, on or after January 1, 2013:

(1) First begins practicing primary care medicine in the State by joining an existing health care practice in an underserved area or establishing a new health care practice or purchasing an existing health care practice in an underserved area;

(2) Agrees to practice full time for at least 5 years in an underserved area;

(3) Is certified under subsection 3 to be eligible by the Department of Health and Human Services; and

(4) Has an unpaid student loan owed to an institution for course work directly related to that person's training in primary care medicine. [2013, c. 2, §46 (RAL).]

B. "Underserved area" means an area in the State that is a health professional shortage area or medically underserved area or that contains a medically underserved population as defined by the federal Department of Health and Human Services, Health Resources and Services Administration. [2013, c. 2, §46 (RAL).]

[2013, c. 2, §46 (RAL) .]

2. **Credit.** For tax years beginning on or after January 1, 2014 but before January 1, 2019, an eligible primary care professional is allowed a credit against the taxes due under this Part as follows.

A. The credit may be claimed in the first year that the eligible primary care professional meets the conditions of eligibility for at least 6 months and each of the 4 subsequent years or until the student loan of the eligible primary care professional is paid in full, whichever comes first. [2013, c. 2, §46 (RAL).]

B. The credit may be claimed in an amount equal to the annual payments made on the student loan not to exceed $6,000 in the first year, $9,000 in the 2nd year, $12,000 in the 3rd year, $15,000 in the 4th year and $18,000 in the 5th year. [2013, c. 2, §46 (RAL).]

C. The credit may not reduce the tax due under this Part to less than zero. [2013, c. 2, §46 (RAL).]

[2013, c. 2, §46 (RAL) .]

3. **Eligibility limitation; certification.** The Department of Health and Human Services shall certify up to 5 eligible primary care professionals each year. The Department of Health and Human Services shall monitor certified primary care professionals to ensure that they continue to be eligible for the credit under this section and shall decertify any primary care professional who ceases to meet the conditions of eligibility. The Department of Health and Human Services shall notify the bureau whenever a primary care professional is certified or decertified. A decertified primary care professional ceases to be eligible for the credit under this section beginning with the tax year during which the primary care professional is decertified.

[2013, c. 2, §46 (RAL) .]

4. **Rules.** The Department of Health and Human Services may adopt rules to implement this section. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

[2013, c. 2, §46 (RAL) .]

5. **Annual report.** By January 15, 2016 and annually thereafter, the Department of Health and Human Services and the bureau shall submit a report to the joint standing committee of the Legislature having jurisdiction over taxation matters. The report must indicate the number of eligible primary care professionals certified and decertified each year by the Department of Health and Human Services pursuant to this section and the total annual loss of revenue attributable to the credit under subsection 2.

[2013, c. 2, §46 (RAL) .]

SECTION HISTORY
RR 2013, c. 2, §46 (RAL).

Chapter 823: INCOME TAX RETURNS

§5220. PERSONS REQUIRED TO MAKE RETURNS OF INCOME

An income tax return or franchise tax return with respect to the tax imposed by this Part shall be made, on such forms as may be required by the State Tax Assessor, by the following: [1987, c. 402, Pt. A, §189 (RPR).]

1. **Resident individuals.** Every resident individual:

A. Who is required to file a federal income tax return for the taxable year; or [1987, c. 504, §33 (RPR).]

B. Who, pursuant to this Part, has a Maine individual income tax liability for the taxable year. [1987, c. 819, §10 (AMD).]

C. [1987, c. 504, §33 (RP).]

[1987, c. 819, §10 (AMD) .]

2. **Nonresident individuals.** Every nonresident individual who, pursuant to this Part, has a Maine individual income tax liability for the taxable year. An individual whose only Maine-source income is excluded from Maine adjusted gross income by the threshold contained in section 5142, subsection 8-B is not subject to taxation under this Part and need not file a return;

A. [1987, c. 504, §34 (RP).]

B. [1987, c. 504, §34 (RP).]

[2011, c. 380, Pt. CCCC, §3 (AMD); 2011, c. 380, Pt. CCCC, §4 (AFF) .]

3. **Resident estates or trusts.** Every resident estate or trust that has for the taxable year:

A. Any Maine taxable income as defined in section 5163; [2005, c. 618, §14 (AMD); 2005, c. 618, §22 (AFF).]

B. Gross income of $10,000 or more, regardless of the amount of Maine taxable income; or [2005, c. 618, §14 (AMD); 2005, c. 618, §22 (AFF).]

C. A Maine income tax liability pursuant to this Part; [2005, c. 618, §14 (AMD); 2005, c. 618, §22 (AFF).]

[2005, c. 618, §14 (AMD); 2005, c. 618, §22 (AFF) .]

4. **Certain nonresident estates or trusts.** Every nonresident estate or trust that has for the taxable year:

A. Any Maine taxable income as determined under section 5175-A; [2009, c. 434, §79 (AMD).]

B. Gross income of $10,000 or more, regardless of the amount of Maine taxable income; or [2005, c. 618, §15 (AMD); 2005, c. 618, §22 (AFF).]

C. A Maine income tax liability pursuant to this Part; [2005, c. 618, §15 (AMD); 2005, c. 618, §22 (AFF).]

[2009, c. 434, §79 (AMD) .]

5. **Certain taxable corporations.** Every taxable corporation that is required to file a federal income tax return. A taxable corporation that is a member of an affiliated group and that is engaged in a unitary business with one or more other members of that affiliated group shall file, in addition, a combined report, in accordance with section 5244. The State Tax Assessor may allow 2 or more taxable corporations that are members of an affiliated group and that are engaged in a unitary business to file a single return on which the aggregate Maine income tax liability of all those corporations is reported.

[1997, c. 404, §6 (AMD); 1997, c. 404, §10 (AFF) .]

6. **Certain financial institutions.** Every financial institution, as defined by section 5206-D, subsection 8, that has Maine assets as defined by section 5206-D, subsection 12, or that realizes Maine net income as defined by section 5206-D, subsection 13. A financial institution that is a member of an affiliated group and that is engaged in a unitary business with one or more other members of that affiliated group shall file, in addition, a combined report in accordance with section 5206-G. Two or more financial institutions that are required to file returns under this subsection, that are members of an affiliated group and that are engaged

in a unitary business shall file a single return on which the aggregate state tax liability of all those financial institutions is reported, in which case intercompany eliminations must be made as necessary to avoid the duplication of income or assets.

[1997, c. 746, §21 (AMD); 1997, c. 746, §24 (AFF) .]

7. **Exceptions.** A resident individual who does not have a Maine income tax liability pursuant to this Part for the taxable year and who filed a federal income tax return for the taxable year for the sole purpose of claiming a credit under the Code, Section 32 is not required to file a Maine income tax return for that taxable year. The assessor, by rule, may identify other exceptions to the requirements of this section. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

[2009, c. 361, §29 (NEW) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 541, §B50 (AMD). 1979, c. 711, §H6 (AMD). 1983, c. 571, §24 (AMD). 1985, c. 535, §§19,20 (AMD). 1985, c. 675, §§2,5 (AMD). 1985, c. 783, §§37,38 (AMD). 1987, c. 402, §§A189,A190 (AMD). 1987, c. 504, §§33-35 (AMD). 1987, c. 819, §§10,11 (AMD). 1997, c. 404, §§6,7 (AMD). 1997, c. 404, §10 (AFF). 1997, c. 746, §21 (AMD). 1997, c. 746, §24 (AFF). 1999, c. 521, §B9 (AMD). 1999, c. 521, §B11 (AFF). 2003, c. 391, §11 (AMD). 2003, c. 391, §14 (AFF). 2003, c. 673, §E2 (AMD). 2003, c. 673, §E3 (AFF). 2005, c. 332, §23 (AMD). 2005, c. 618, §§14,15 (AMD). 2005, c. 618, §22 (AFF). 2009, c. 361, §29 (AMD). 2009, c. 434, §79 (AMD). 2011, c. 380, Pt. CCCC, §3 (AMD). 2011, c. 380, Pt. CCCC, §4 (AFF).

§5221. JOINT RETURNS BY HUSBAND AND WIFE

1. **General.** A husband and wife may make a joint return with respect to the tax imposed by this Part even though one of the spouses has neither gross income nor deductions except that:

A. No joint return shall be made under this part if the spouses are not permitted to file a joint federal income tax return. [1969, c. 154, §F (NEW).]

B. If the federal income tax liability of either spouse is determined on a separate federal return their income tax liabilities under this Part shall be determined on separate returns. [1969, c. 154, §F (NEW).]

C. Except as provided in subsection 2, if the federal income tax liabilities of husband and wife are determined on a joint federal return, they shall file a joint return under this Part and their tax liabilities shall be joint and several. [1985, c. 783, §39 (AMD).]

D. If neither spouse is required to file a federal income tax return and either or both are required to file an income tax return under this Part, they may elect to file separate or joint returns and pursuant to such election their liabilities shall be separate or joint and several. [1969, c. 154, §F (NEW).]

[1985, c. 783, §39 (AMD) .]

2. **Nonresidents.** If both husband and wife are nonresidents and one has no Maine-source income, the spouse having Maine-source income shall file a separate Maine nonresident income tax return, as a single individual, in which event his tax liability shall be separate; but they may elect to determine their joint taxable income as nonresidents, in which case their liabilities shall be joint and several.

If either husband or wife is a resident and the other is a nonresident, they shall file separate Maine income tax returns as single individuals, in which event their tax liabilities shall be separate; but they may elect to determine their joint taxable income as if both were residents and, in that case, their liabilities shall be joint and several.

[1985, c. 783, §40 (RPR) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1985, c. 783, §§39,40 (AMD).

§5222. RETURNS BY FIDUCIARIES

1. **Decedents.** An income tax return for any deceased individual shall be made and filed by his executor, administrator, or other person charged with the care of his property. A final return of a decedent shall be due when it would have been due if the decedent had not died.

[1969, c. 154, §F (NEW) .]

2. **Individuals under a disability.** An income tax return for an individual who is unable to make a return by reason of minority or other disability shall be made and filed by his duly authorized agent, his committee, guardian, conservator, fiduciary or other person charged with the care of his person or property other than a receiver in possession of only a part of the individual's property.

[1969, c. 154, §F (NEW) .]

3. **Estates and trusts.** The income tax return of an estate or trust shall be made and filed by the fiduciary thereof.

[1969, c. 154, §F (NEW) .]

4. **Joint fiduciaries.** If 2 or more fiduciaries are acting jointly, the return may be made by any one of them.

[1979, c. 541, Pt. A, §238 (AMD) .]

5. **Corporations and taxable entities.** The income tax return of a taxable corporation or the franchise tax return of a financial institution must be made and filed by an officer of the corporation or financial institution.

[1997, c. 404, §8 (AMD); 1997, c. 404, §10 (AFF) .]

6. **Cross reference.**

[2011, c. 655, Pt. QQ, §8 (AFF); 2011, c. 655, Pt. QQ, §5 (RP) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 541, §A238 (AMD). 1985, c. 535, §21 (AMD). 1997, c. 404, §8 (AMD). 1997, c. 404, §10 (AFF). 2011, c. 655, Pt. QQ, §5 (AMD). 2011, c. 655, Pt. QQ, §8 (AFF).

§5223. NOTICE OF QUALIFICATION AS RECEIVER

(REPEALED)

SECTION HISTORY

P&SL 1969, c. 154, §F1 (NEW). 2007, c. 438, §104 (RP).

§5224. CHANGE OF STATUS AS RESIDENT OR NONRESIDENT DURING YEAR

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 711, §H7 (RP).

§5224-A. RETURN OF PART-YEAR RESIDENT

If an individual changes that individual's status as a resident individual or nonresident individual during the taxable year, the individual shall file a nonresident return pursuant to section 5220, subsection 2. That individual's tax shall be computed, pursuant to section 5111, subsection 4, as if that individual were a nonresident individual, except that the numerator of the apportionment ratio shall be comprised of the individual's Maine adjusted gross income, as defined in section 5102, subsection 1-C, paragraph A, for the portion of the taxable year during which that individual was a resident, plus that individual's Maine adjusted gross income as defined in section 5102, subsection 1-C, paragraph B, for the portion of the taxable year during which that individual was a nonresident. The part-year resident shall also be entitled to the credit provided by section 5217-A, computed as if the individual's Maine adjusted gross income for the entire year were comprised only of that portion which is attributed to the portion of the year during which that individual was a resident. [1989, c. 596, Pt. J, §5 (AMD).]

SECTION HISTORY
1979, c. 711, §H8 (NEW). 1985, c. 783, §41 (RPR). 1987, c. 504, §36 (AMD). 1989, c. 596, §J5 (AMD).

§5225. TAXABLE INCOME AS RESIDENT AND NONRESIDENT

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 711, §H9 (RP).

§5226. MINIMUM TAX AND PRORATING OF EXEMPTIONS

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 711, §H9 (RP).

§5227. TIME FOR FILING RETURNS

The income tax return required by this Part must be filed on or before the date a federal income tax return, without regard to extension, is due to be filed. [2003, c. 588, §18 (AMD).]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1985, c. 535, §22 (AMD). 1995, c. 281, §31 (AMD). 1997, c. 746, §22 (AMD). 1997, c. 746, §24 (AFF). 2003, c. 588, §18 (AMD).

§5227-A. REQUIREMENT TO FILE AMENDED MAINE RETURNS

1. **Amended return required.** A taxpayer shall file an amended Maine return as required in this Part whenever the taxpayer files an amended federal return affecting the taxpayer's liability under this Part, whenever the Internal Revenue Service changes or corrects any item affecting the taxpayer's liability under this Part or whenever for any reason there is a change or correction affecting the taxpayer's liability under this Part.

[2003, c. 588, §19 (NEW) .]

2. **Amended return filed.** The amended Maine return must be filed within 180 days from the date of the final determination of the change or correction or the filing of the federal amended return. For purposes of this subsection, "date of the final determination" means the date on which the earliest of the following events occurs with respect to a federal taxable year:

A. The taxpayer has made payment of an additional income tax liability resulting from a federal audit, the taxpayer has not filed a petition for redetermination or claim for refund for the portions of the audit for which payment was made and the time for filing a petition for redetermination or refund claim has expired; [2011, c. 1, Pt. CC, §3 (NEW); 2011, c. 1, Pt. CC, §5 (AFF).]

B. The taxpayer receives a refund from the United States Treasury that resulted from a federal audit; [2011, c. 1, Pt. CC, §3 (NEW); 2011, c. 1, Pt. CC, §5 (AFF).]

C. The taxpayer signs Form 870-AD or another Internal Revenue Service form consenting to a deficiency or accepting an overassessment; [2011, c. 1, Pt. CC, §3 (NEW); 2011, c. 1, Pt. CC, §5 (AFF).]

D. The taxpayer's time for filing a petition for redetermination with the United States Tax Court expires; [2011, c. 1, Pt. CC, §3 (NEW); 2011, c. 1, Pt. CC, §5 (AFF).]

E. The taxpayer and the Internal Revenue Service enter into a closing agreement; and [2011, c. 1, Pt. CC, §3 (NEW); 2011, c. 1, Pt. CC, §5 (AFF).]

F. A decision from the United States Tax Court, a District Court, a federal court of appeals, the United States Court of Federal Claims or the United States Supreme Court becomes final. [2011, c. 1, Pt. CC, §3 (NEW); 2011, c. 1, Pt. CC, §5 (AFF).]

[2011, c. 1, Pt. CC, §3 (AMD); 2011, c. 1, Pt. CC, §5 (AFF) .]

3. **Contents of amended return.** The amended Maine return must indicate the change or correction and the reason for that change or correction. The amended return constitutes an admission as to the correctness of the change unless the taxpayer includes with the return a written explanation of the reason the change or correction is erroneous. If the taxpayer files an amended federal return, a copy of the amended federal return must be attached to the amended Maine return.

[2003, c. 588, §19 (NEW) .]

4. **Additional requirements.** The State Tax Assessor may require additional information to be filed with the amended Maine return. The assessor may prescribe exceptions to the requirements of this section.

[2003, c. 588, §19 (NEW) .]

SECTION HISTORY
2003, c. 588, §19 (NEW). 2011, c. 1, Pt. CC, §3 (AMD). 2011, c. 1, Pt. CC, §5 (AFF).

§5228. ESTIMATED TAX

1. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Allowable credits" means the total amount of any payments with regard to a taxpayer which have been or will be paid to the Bureau of Revenue Services prior to the date the payment against which they are to be used as a credit is due and which are available to offset any estimated tax liability. [1985, c. 691, §§35, 48 (NEW); 1997, c. 526, §14 (AMD).]

B. "Estimated tax" means the total amount of tax that a person estimates will be due for a taxable year under this Part, exclusive of a withholder's liability for taxes withheld, less any allowable credits for that taxable year. [2007, c. 438, §105 (AMD).]

C. "Period of underpayment" is the period of time from the date the installment is due until the underpayment is satisfied or until the tax return to which the estimate installment applies is due, whichever is less. [1985, c. 691, §§35, 48 (NEW).]

D. "Unusual event" means, with respect to that portion of the tax year applicable to the required installment, receipt by an individual taxpayer of taxable income that is not subject to withholding of Maine income tax when the amount exceeds the taxable income not subject to withholding of Maine income tax received by the taxpayer during the same period of the previous tax year by at least $500,000. [2009, c. 1, Pt. I, §1 (NEW); 2009, c. 1, Pt. I, §6 (AFF).]

[2009, c. 1, Pt. I, §1 (AMD); 2009, c. 1, Pt. I, §6 (AFF) .]

2. **Requirement to pay estimated tax.** Every person subject to taxation under this Part shall make payment of estimated tax as required by this Part. The requirement to make estimated tax payments is waived if:

A. [1985, c. 691, §§35, 48 (RP).]

B. [1985, c. 691, §§35, 48 (RP).]

C. The person's tax liability pursuant to this Part, exclusive of a withholder's liability for taxes withheld, reduced by allowable credits for the taxable year, is less than $1,000 for the taxable year; or [2009, c. 1, Pt. I, §2 (NEW); 2009, c. 1, Pt. I, §6 (AFF).]

D. The person had less than $1,000 tax liability under this Part for the preceding taxable year. This paragraph does not apply with respect to an unusual event. [2009, c. 1, Pt. I, §2 (NEW); 2009, c. 1, Pt. I, §6 (AFF).]

[2009, c. 1, Pt. I, §6 (AFF); 2009, c. 1, Pt. I, §2 (RPR) .]

3. **Amount of estimated tax to be paid.** Every person required to make payment of estimated tax is liable for an estimated tax that is no less than the smaller of the amounts determined pursuant to paragraphs A and B, except that large corporations as defined in the Code, Section 6655(g), are subject only to paragraph B, except as provided in subsection 5, paragraph C and individual taxpayers encountering an unusual event are subject only to paragraph B with respect to the unusual event, except as provided in subsection 5, paragraph D:

A. An amount equal to the person's tax liability under this Part for the preceding taxable year, if that preceding year was a taxable year of 12 months; or [2007, c. 438, §107 (AMD).]

B. An amount equal to 90% of the person's tax liability under this Part for the current taxable year except that, for farmers and persons who fish commercially, this amount is equal to 66 2/3% of the person's tax liability under this Part for the current taxable year. [2009, c. 496, §25 (AMD).]

[2009, c. 496, §25 (AMD) .]

4. **Due dates for estimated tax installments.** For individuals, trusts and estates, an installment payment is due the 15th day of the 4th, 6th, 9th and 13th month following the beginning of their fiscal year, except that in the case of farmers and fishermen, a single installment payment is due on January 15th of the following taxable year. For corporations and financial institutions, an installment payment is due on the 15th day of the 4th, 6th, 9th and 12th month following the beginning of their fiscal year.

[2001, c. 583, §18 (AMD) .]

5. **Amount of installment.** The amount of estimated tax to be paid in a taxable year by a taxpayer is to be paid in installments by the dates established in this Part. The amount of the estimated tax is to be paid in 4 equal installments unless:

A. The taxpayer establishes by adequate record the actual distribution of tax liability and allowable credits, or both. In this case, the amount of the installment payments should be adjusted accordingly and be determined in accordance with the portion of the taxpayer's estimated tax liability applicable to that portion of the taxpayer's taxable year completed by the close of the month preceding the installment's due date less estimated tax payments already made for the taxable year; [1991, c. 9, Pt. DD, §2 (AMD); 1991, c. 9, Pt. DD, §4 (AFF).]

B. The taxpayer is a farmer or fisherman in which case a single installment is required; or [1991, c. 9, Pt. DD, §2 (AMD); 1991, c. 9, Pt. DD, §4 (AFF).]

C. If the taxpayer is a large corporation as defined in the Code, Section 6655(g), then the corporation may elect to determine its first required installment for any taxable year pursuant to subsection 3, paragraph A. If the corporation so elects, its 2nd required installment for the taxable year must equal the total amount of estimated tax for the first 2 installments for the taxable year pursuant to subsection 3, paragraph B, less the amount of the first installment for the taxable year allowed pursuant to subsection 3, paragraph A. [1999, c. 414, §51 (AMD).]

D. The taxpayer encounters an unusual event. For purposes of the installment due with respect to that portion of the tax year during which an unusual event occurs, the taxpayer shall make an estimated tax payment pursuant to subsection 3, paragraph B equal to the amount of estimated tax with respect to the taxable income that results in the unusual event, plus the amount of estimated tax required by this section to be paid with respect to the installment on taxable income exclusive of that resulting in the unusual event. [2009, c. 1, Pt. I, §4 (NEW); 2009, c. 1, Pt. I, §6 (AFF).]

A penalty shall accrue automatically on underpayments of the required installment amount for the period of underpayment at the rate provided pursuant to section 186. For cause, the State Tax Assessor may waive or abate all or any part of the penalty.

[2009, c. 1, Pt. I, §4 (AMD); 2009, c. 1, Pt. I, §6 (AFF) .]

6. **Joint estimated tax payment.** If they are eligible to do so for federal tax purposes, a husband and wife may jointly estimate tax as if they were one taxpayer, in which case the liability with respect to the estimated tax shall be joint and several. If joint estimate payment is made, but husband and wife elect to determine their taxes under this chapter separately, the estimated tax for the year may be treated as the estimated tax of either husband or wife, or may be divided between them, as they may elect.

[1985, c. 691, §§35, 48 (RPR) .]

7. **Short taxable year.** Payment of taxes for a short taxable year must be made as provided in this subsection.

A. For an individual, a trust or an estate with a taxable year of less than 12 months, the estimated tax must be paid in full by the 15th day of the month following the end of the taxable year. [2001, c. 583, §18 (AMD).]

B. For a corporation or financial institution with a taxable year of less than 12 months, the estimated tax must be paid in full by the 15th day of the last month of the taxable year. [2001, c. 583, §18 (AMD).]

[2001, c. 583, §18 (AMD) .]

8. **Installments paid in advance.** At the taxpayer's election, any installment of estimated tax may be paid prior to the date prescribed for its payment.

[1985, c. 691, §§35, 48 (NEW) .]

9. **Underpayment of 4th installment.** If, on or before January 31st of the following taxable year, an individual, trust or estate files a return and pays in full the tax liability for the taxable year of the return, no penalty may be imposed with respect to any underpayment of the 4th required installment for that year.

[2001, c. 583, §19 (AMD) .]

10. **Farmer or fisherman; underpayment.** If an individual is a farmer or fisherman for any taxable year, then no penalty may be imposed with respect to any underpayment of the required installment of estimated tax, if on or before March 1st of the following taxable year, that individual files a return for the taxable year and pays in full his tax liability for the taxable year of the return.

[1985, c. 691, §§35, 48 (NEW) .]

11. **Unusual event; waiver of penalty; extension to pay.** With respect to an estimated tax payment related to an unusual event, the assessor shall waive the penalty under subsection 5 or grant a reasonable extension of time, not to extend past the original due date for the filing of the return for the tax year, to pay the estimated tax required under subsection 5, paragraph D if:

A. The taxpayer is an owner in a pass-through entity; [2009, c. 1, Pt. I, §5 (NEW); 2009, c. 1, Pt. I, §6 (AFF).]

B. The taxpayer had no control over the distribution of the unusual event amount; [2009, c. 1, Pt. I, §5 (NEW); 2009, c. 1, Pt. I, §6 (AFF).]

C. The taxpayer did not actually or constructively receive payment of the unusual event amount; and [2009, c. 1, Pt. I, §5 (NEW); 2009, c. 1, Pt. I, §6 (AFF).]

D. The taxpayer pays the estimated tax related to the unusual event amount by the installment payment due date following the installment period during which the taxpayer actually or constructively receives payment of the unusual event amount. [2009, c. 1, Pt. I, §5 (NEW); 2009, c. 1, Pt. I, §6 (AFF).]

[2009, c. 1, Pt. I, §5 (NEW); 2009, c. 1, Pt. I, §6 (AFF) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1971, c. 61, §5 (AMD). 1975, c. 454, §1 (RPR). 1977, c. 517, §1 (AMD). 1979, c. 615, §6 (AMD). 1985, c. 691, §§35,48 (RPR). 1991, c. 9, §§CC1,DD1-3 (AMD). 1991, c. 9, §§CC2,DD4 (AFF). 1991, c. 528, §DDD1 (AMD). 1991, c. 528, §§DDD2,RRR (AFF). 1991, c. 591, §DDD1 (AMD). 1991, c. 591, §DDD2 (AFF). 1997, c. 526, §14 (AMD). 1997, c. 668, §35 (AMD). 1997, c. 668, §43 (AFF). 1999, c. 414, §§50-52 (AMD). 2001, c. 583, §§18,19 (AMD). 2007, c. 438, §§105-108 (AMD). RR 2009, c. 1, §29 (COR). 2009, c. 1, Pt. I, §§1-5 (AMD). 2009, c. 1, Pt. I, §6 (AFF). 2009, c. 496, §25 (AMD).

§5229. TIME FOR FILING DECLARATION OF ESTIMATED TAX

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1971, c. 61, §6 (AMD). 1975, c. 454, §§2-4 (AMD). 1977, c. 517, §§2-4 (AMD). 1979, c. 541, §A239 (AMD). 1979, c. 615, §7 (AMD). 1985, c. 691, §36 (RP).

§5230. PAYMENTS OF ESTIMATED TAX

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1975, c. 454, §5 (AMD). 1977, c. 517, §§5,6 (AMD). 1979, c. 541, §A240 (AMD). 1985, c. 691, §37 (RP).

§5231. EXTENSION OF TIME FOR FILING AND PAYMENT

1. **General.** The State Tax Assessor may grant a reasonable extension of time for payment of tax or estimated tax or any installment, or for filing any return, declaration, statement or other document required pursuant to this Part, on terms and conditions the assessor may require. Except as provided in subsection 1-A or for a taxpayer who is outside the United States, an extension for filing any return, declaration, statement or document may not exceed 8 months.

[2003, c. 390, §49 (AMD) .]

1-A. **Federal extension.** When an individual, estate or trust is granted an extension of time within which to file a federal income tax return for any taxable year, the due date for filing the taxpayer's income tax return with respect to the tax imposed by this Part is automatically extended for an equivalent period. When a taxable corporation or a financial institution subject to the tax imposed by chapter 819 is granted an extension of time within which to file its federal income tax return for any taxable year, the due date for filing the taxpayer's income tax or franchise tax return with respect to the tax imposed by this Part is automatically extended for an equivalent period plus 30 days.

[2003, c. 390, §50 (AMD) .]

2. **Security.** If any extension of time is granted for payment of any amount of tax, the assessor may require the taxpayer to furnish a bond or other security in an amount not exceeding twice the amount for which the extension of time for payment is granted, on terms and conditions the assessor may require.

[1989, c. 871, §19 (AMD) .]

3. **Penalty.** A taxpayer that files an income tax or franchise tax return after the due date with a valid extension and that remits the amount of the balance due with that return will not incur a failure-to-pay penalty imposed by section 187-B, subsection 2 unless the amount remitted with the return is more than 10% of the total tax liability shown on the return.

[1995, c. 640, §8 (NEW) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1973, c. 12, §6 (AMD). 1989, c. 871, §19 (AMD). 1995, c. 640, §8 (AMD). 1997, c. 404, §9 (AMD). 1997, c. 404, §10 (AFF). 2003, c. 390, §§49,50 (AMD).

§5232. CHANGE OF ELECTION

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1995, c. 639, §21 (RP).

§5233. SIGNING OF RETURNS AND OTHER DOCUMENTS

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1995, c. 639, §21 (RP).

§5234. FISCAL YEAR TAX DETERMINATION

If any rate of tax imposed by this Part changes, and if the taxable year includes the effective date of change, unless that date is the first day of the taxable year, then the tax for such taxable year shall be a sum composed of an amount equal to the tax computed for the entire taxable year at the old rate times the proportion, determined by days, of the taxable year at the old rate plus an amount equal to the tax computed for the entire taxable year at the new rate times the proportion, determined by days, of the taxable year at the new rate. [1975, c. 660, §9 (NEW).]

SECTION HISTORY
1975, c. 660, §9 (NEW).

Chapter 825: INFORMATION RETURNS

§5240. GENERAL REQUIREMENTS CONCERNING RETURNS, NOTICES, RECORDS AND STATEMENTS

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1995, c. 639, §21 (RP).

§5241. PARTNERSHIP AND S CORPORATION RETURNS

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1971, c. 61, §7 (AMD). 1979, c. 541, §A241 (AMD). 1987, c. 819, §12 (AMD). 1995, c. 639, §22 (AMD). 1997, c. 746, §23 (AMD). 1997, c. 746, §24 (AFF). 2011, c. 655, Pt. QQ, §8 (AFF). 2011, c. 655, Pt. QQ, §6 (RP).

§5242. INFORMATION RETURNS

The State Tax Assessor may require returns of information to be made and filed on or before February 28th of each year by a person making payment or crediting in a calendar year the amounts of $600 or more ($10 or more in the case of interest or dividends) to a person who may be subject to the tax imposed under this Part. The returns may be required of a person, including lessees or mortgagors of real or personal property, fiduciaries, employers and all officers and employees of this State, or of a municipal corporation or political subdivision of this State, having the control, receipt, custody, disposal or payment of dividends, interest, rents, salaries, wages, premiums, annuities, compensations, remunerations, emoluments or other

fixed or determinable gains, profits or income, except interest coupons payable to bearer. A duplicate of the statement as to tax withheld on wages, required to be furnished by an employer to an employee, constitutes the return of information required to be made under this section with respect to those wages. [1995, c. 639, §23 (AMD).]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1995, c. 639, §23 (AMD).

§5243. REQUIREMENT TO FILE AMENDED MAINE RETURNS

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 541, §A242 (AMD). 1987, c. 772, §41 (AMD). 1989, c. 508, §21 (AMD). 1991, c. 546, §35 (RPR). 2003, c. 588, §20 (RP).

§5244. COMBINED REPORT

The combined report required by section 5220, subsection 5, must include, both in the aggregate and by corporation, a list of the federal taxable income, the modifications provided by section 5200-A, the sales in Maine and everywhere as defined in chapter 821 and the Maine net income of the unitary business. Neither the income nor the sales of a corporation that is not required to file a federal income tax return may be included in the combined report. [2007, c. 240, Pt. V, §14 (AMD); 2007, c. 240, Pt. V, §15 (AFF).]

SECTION HISTORY
1985, c. 675, §§3,5 (NEW). 1987, c. 841, §14 (AMD). 1997, c. 24, §C12 (AMD). 1997, c. 24, §C16 (AFF). 2007, c. 240, Pt. V, §14 (AMD). 2007, c. 240, Pt. V, §15 (AFF).

§5245. AMENDED RETURNS

(REPEALED)

SECTION HISTORY
2007, c. 693, §34 (NEW). 2011, c. 1, Pt. CC, §4 (AMD). 2011, c. 1, Pt. CC, §5 (AFF). 2011, c. 655, Pt. QQ, §8 (AFF). 2011, c. 655, Pt. QQ, §7 (RP).

Chapter 827: WITHHOLDING OF TAX

§5250. EMPLOYER TO WITHHOLD TAX FROM WAGES

1. **General.** Every employer maintaining an office or transacting business in this State that makes payment to a resident individual or a nonresident individual of wages subject to tax under this Part shall, if required to withhold federal income tax from those wages, deduct and withhold from those wages for each payroll period a tax so computed as to result in an amount being withheld from the employee's wages during each calendar year that is substantially equivalent to the tax reasonably estimated to be due from the employee under this Part with respect to the amount of those wages included in the employee's adjusted gross income during that calendar year. The State Tax Assessor shall establish by rule the method of determining the amount to be withheld. This section does not apply to shares of a lobster boat's catch that are apportioned

by a lobster boat operator to a sternman. This section does not apply to wages from which a tax is required to be deducted and withheld under the Code, Sections 1441 and 1442. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

[2011, c. 240, §39 (AMD) .]

2. **Withholding exemptions.** For purposes of this section:

A. An employee is entitled to the same number of withholding exemptions as the number of withholding exemptions to which the employee is entitled for federal income tax withholding purposes, unless otherwise provided by rule; and [1997, c. 668, §36 (AMD).]

B. The dollar amount of each withholding allowance in this State must be equivalent to the amount of the personal exemption determined in section 5126 whether the individual is a resident or a nonresident. [1997, c. 668, §36 (AMD).]

C. [1997, c. 668, §37 (RP).]

[1997, c. 668, §§36, 37 (AMD) .]

3. **Withholding agreements.** The assessor may enter into agreements with the tax departments of other states that require income tax to be withheld from the payment of wages and salaries, so as to govern the amounts to be withheld from the wages and salaries of residents of those states under this chapter. The agreements may provide for recognition of anticipated tax credits in determining the amounts to be withheld and may relieve employers in this State from withholding income tax on wages and salaries paid to nonresident employees. The agreements authorized by this subsection are subject to the condition that the tax department of the other states grant similar treatment to residents of this State.

[1995, c. 639, §24 (AMD) .]

4. **Withholding exemption variance certificate.**

[1997, c. 668, §38 (RP) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1971, c. 61, §8 (AMD). 1975, c. 627, §3 (AMD). 1977, c. 477, §19 (AMD). 1979, c. 541, §A243 (AMD). 1981, c. 371, §1 (AMD). 1987, c. 504, §37 (AMD). 1989, c. 495, §§4,9 (AMD). 1989, c. 596, §J7 (AMD). 1995, c. 639, §24 (AMD). 1995, c. 646, §§1,2 (AMD). 1997, c. 668, §§36-38 (AMD). 2011, c. 240, §39 (AMD).

§5250-A. WITHHOLDING ON SALES OF REAL ESTATE

1. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Consideration" means the total price or amount paid, or required to be paid, for real property valued in money, whether received in money or otherwise and includes the amount of any mortgage, lien or encumbrance on the real property. [1991, c. 528, Pt. RRR, (AFF); 1991, c. 528, Pt. Y, §2 (NEW); 1991, c. 528, Pt. Y, §3 (AFF); 1991, c. 591, Pt. Y, §2 (NEW); 1991, c. 591, Pt. Y, §3 (AFF).]

B. "Real estate escrow person" means any of the following persons involved in a real estate transaction in the following order of priority:

(1) The person, including any attorney, escrow company or title company, responsible for closing the transaction;

(2) The mortgage lender;

(3) The seller's broker;

(4) The buyer's broker; and

(5) Any other person who receives and disburses the consideration or value for the interest or property conveyed. [1991, c. 528, Pt. RRR, (AFF); 1991, c. 528, Pt. Y, §2 (NEW); 1991, c. 528, Pt. Y, §3 (AFF); 1991, c. 591, Pt. Y, §2 (NEW); 1991, c. 591, Pt. Y, §3 (AFF).]

C. "Resident," when used in reference to an individual, estate or trust, means an individual, estate or trust that has established a domicile in the State as of the date of transfer of the Maine real property, or that was a resident for purposes of the previous income tax year, unless the individual, estate or trust has established a domicile outside of the State as of the date of transfer of the Maine real property. "Resident," when used in reference to a corporation, means a corporation that, as of the date of transfer of the Maine real property, is incorporated in the State or maintains a permanent place of business in the State. "Resident," when used in reference to a partnership, means a partnership at least 75% of whose ownership interest, as of the date of the transfer of Maine real property, is held by residents of this State. [1991, c. 621, §1 (AMD).]

[1991, c. 621, §1 (AMD) .]

2. Withholding required. Every buyer of real property located in Maine must withhold a withholding tax equal to 2 1/2% of the consideration. The withholding required by this section must be transmitted to the State Tax Assessor within 30 days of the date of transfer of the property unless the State Tax Assessor authorizes the buyer to release the amount withheld, or a portion of it, to the seller. Any buyer who fails to withhold the tax is personally liable for the tax.

[1991, c. 528, Pt. RRR, (AFF); 1991, c. 528, Pt. Y, §2 (NEW); 1991, c. 528, Pt. Y, §3 (AFF); 1991, c. 591, Pt. Y, §2 (NEW); 1991, c. 591, Pt. Y, §3 (AFF) .]

3. Exceptions. A buyer is not required to withhold the tax imposed by this section if:

A. The seller furnishes to the buyer a certificate by the seller stating, under penalty of perjury, that as of the date of transfer the seller is a resident of the State; [1991, c. 528, Pt. RRR, (AFF); 1991, c. 528, Pt. Y, §2 (NEW); 1991, c. 528, Pt. Y, §3 (AFF); 1991, c. 591, Pt. Y, §2 (NEW); 1991, c. 591, Pt. Y, §3 (AFF).]

B. The seller or the buyer has received from the State Tax Assessor a certificate stating that no tax is due on the gain from the transfer or that the seller has provided adequate security to cover the liability; [1991, c. 528, Pt. RRR, (AFF); 1991, c. 528, Pt. Y, §2 (NEW); 1991, c. 528, Pt. Y, §3 (AFF); 1991, c. 591, Pt. Y, §2 (NEW); 1991, c. 591, Pt. Y, §3 (AFF).]

C. The consideration for the property is less than $50,000; [1995, c. 639, §25 (AMD).]

D. Written notification of the withholding requirements of this section has not been provided to the buyer; or [1995, c. 639, §25 (AMD).]

E. The seller is the State or an agency or a political subdivision of the State, the Federal Government or an agency of the Federal Government, an organization exempt from income taxes pursuant to the Code, Section 501(a), an insurance company exempt from the tax imposed by this Part or a business entity referred to in Title 24-A, section 1157, subsection 5, paragraph B, subparagraph (1) that is exempt from the tax imposed by this Part. [1995, c. 639, §26 (NEW).]

[1995, c. 639, §§25, 26 (AMD) .]

3-A. **Foreclosure sales; transfers in lieu of foreclosure.** No tax is required to be withheld pursuant to this section by a buyer at a foreclosure sale when the consideration paid does not exceed the debt secured by the property held by a mortgagee or lienholder; if the consideration paid does exceed the secured debt, the amount of tax withheld pursuant to this section must be the lesser of the surplus over the secured debt or the amount otherwise required to be withheld by this section. When a mortgagor conveys the mortgaged property to a mortgagee in lieu of foreclosure and with no additional consideration, the mortgagee is not required to withhold tax pursuant to this section.

[1991, c. 621, §2 (NEW) .]

4. **Reduced amount.** At the request of the buyer or the seller, the State Tax Assessor may prescribe a reduced amount to be withheld under this section if the State Tax Assessor determines that the reduced amount will not jeopardize the collection of the tax imposed by this Part.

[1991, c. 528, Pt. RRR, (AFF); 1991, c. 528, Pt. Y, §2 (NEW); 1991, c. 528, Pt. Y, §3 (AFF); 1991, c. 591, Pt. Y, §2 (NEW); 1991, c. 591, Pt. Y, §3 (AFF) .]

5. **False certificate.** If a buyer has actual knowledge that a certificate furnished under subsection 3 is false and the buyer fails to withhold the prescribed amount, the buyer is liable for the amount that should have been withheld and any applicable interest and penalty.

[1991, c. 621, §3 (AMD) .]

6. **Joint sellers.** In the case of joint sellers, if any of the exceptions listed in subsection 3 apply to some but not all of the sellers, the buyer must withhold and remit the tax as if none of the sellers were entitled to an exception, unless at the time of closing the buyer receives a statement signed by all the sellers allocating the gross proceeds among the sellers. In such cases the buyer must allocate the withholding tax according to the proportions set out in that statement, account separately for the amount withheld from each seller and apply any applicable exceptions in subsection 3 to each seller.

[1991, c. 528, Pt. RRR, (AFF); 1991, c. 528, Pt. Y, §2 (NEW); 1991, c. 528, Pt. Y, §3 (AFF); 1991, c. 591, Pt. Y, §2 (NEW); 1991, c. 591, Pt. Y, §3 (AFF) .]

7. **Joint buyers.** In the case of joint buyers, the obligations and tax imposed by this section apply jointly and severally to each buyer.

[1991, c. 528, Pt. RRR, (AFF); 1991, c. 528, Pt. Y, §2 (NEW); 1991, c. 528, Pt. Y, §3 (AFF); 1991, c. 591, Pt. Y, §2 (NEW); 1991, c. 591, Pt. Y, §3 (AFF) .]

8. **Fee for withholding.** It is unlawful for any real estate escrow person to charge any customer for complying with the requirements of this section, unless the real estate escrow person withholds and remits an amount to the State Tax Assessor under this section. If the real estate escrow person is instructed by the parties to withhold under this section and the real estate escrow person remits a withholding amount to the State Tax Assessor, it is unlawful for the fee to exceed $25.

[1991, c. 528, Pt. RRR, (AFF); 1991, c. 528, Pt. Y, §2 (NEW); 1991, c. 528, Pt. Y, §3 (AFF); 1991, c. 591, Pt. Y, §2 (NEW); 1991, c. 591, Pt. Y, §3 (AFF) .]

9. **Liability of real estate escrow person.** Unless it is shown that the failure to notify is due to reasonable cause, the real estate escrow person is liable for the withholding tax when written notification of the withholding requirements of this section is not provided to the buyer and the disposition of Maine

real property is subject to withholding under this section. The real estate escrow person is not liable under this subsection if the tax due as a result of the disposition of Maine real property is paid by the original or extended due date of the seller's return for the taxable year in which the disposition occurred.

[1991, c. 528, Pt. RRR, (AFF); 1991, c. 528, Pt. Y, §2 (NEW); 1991, c. 528, Pt. Y, §3 (AFF); 1991, c. 591, Pt. Y, §2 (NEW); 1991, c. 591, Pt. Y, §3 (AFF) .]

10. **Application of withholding.** The amount withheld pursuant to this section is deemed to be a payment against the tax imposed by this Part on income received by the seller.

[1991, c. 621, §4 (NEW) .]

SECTION HISTORY
1991, c. 528, §Y2 (NEW). 1991, c. 528, §§Y3,RRR (AFF). 1991, c. 591, §Y2 (NEW). 1991, c. 591, §Y3 (AFF). 1991, c. 621, §§1-4 (AMD). 1995, c. 639, §§25,26 (AMD).

§5250-B. WITHHOLDING ON PASS-THROUGH ENTITY INCOME OF NONRESIDENT PARTNERS AND SHAREHOLDERS

1. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Member" means an individual or other owner of a pass-through entity. [2003, c. 20, Pt. AA, §1 (NEW); 2003, c. 20, Pt. AA, §6 (AFF).]

B. "Nonresident" means a nonresident individual, a business entity that does not have its commercial domicile in the State, or a nonresident estate or trust. [2003, c. 20, Pt. AA, §1 (NEW); 2003, c. 20, Pt. AA, §6 (AFF).]

C. "Pass-through entity" means a corporation that for the applicable tax year is treated as an S corporation under the Code and a general partnership, limited partnership, limited liability partnership, limited liability company or similar entity that for the applicable tax year is not taxed as a C corporation for federal tax purposes. For purposes of this section, "pass-through entity" does not include a financial institution subject to tax under chapter 819. [2005, c. 332, §24 (AMD); 2005, c. 332, §30 (AFF).]

[2005, c. 332, §24 (AMD); 2005, c. 332, §30 (AFF) .]

2. **Withholding required.** Except as provided by subsection 3, every pass-through entity that does business in this State must withhold income tax at the highest tax rate provided in this Part on the proportionate quarterly share of Maine source income of each nonresident member. The method for determining the amount of the share of income and for determining the amount of withholding for each nonresident member under this section must be prescribed by rules adopted by the assessor. Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

[2003, c. 20, Pt. AA, §1 (NEW); 2003, c. 20, Pt. AA, §6 (AFF) .]

3. **Withholding exemptions.** For purposes of this section, a pass-through entity is not required to withhold tax for a nonresident member if:

A. The member's share of annual entity income sourced to the State is less than $1,000; or [2003, c. 20, Pt. AA, §1 (NEW); 2003, c. 20, Pt. AA, §6 (AFF).]

B. The bureau has determined by rule, ruling or instruction that the member's income is not subject to withholding. [2003, c. 20, Pt. AA, §1 (NEW); 2003, c. 20, Pt. AA, §6 (AFF).]

[2003, c. 20, Pt. AA, §1 (NEW); 2003, c. 20, Pt. AA, §6 (AFF) .]

SECTION HISTORY
2003, c. 20, §AA1 (NEW). 2003, c. 20, §AA6 (AFF). 2005, c. 332, §24 (AMD). 2005, c. 332, §30 (AFF).

§5251. INFORMATION STATEMENT

Every person who is required to deduct and withhold tax under this Part, or who would have been required to deduct and withhold tax if an employee had claimed no more than one withholding exemption, shall furnish a written statement as prescribed by the assessor to each person in respect to the items of income subject to withholding paid to that person during the calendar year on or before January 31st of the succeeding year, or, in the case of an employee who is terminated before the close of the calendar year, within 30 days from the date of receipt of a written request from the employee if that 30-day period ends before January 31st. The assessor may establish an alternative due date for providing a written statement under this section that is consistent with the due date for the related federal statement. The statement must show the amount of wages paid by the employer to the employee or, in the case of withholding pursuant to sections 5250-B and 5255-B, the total items of income that were subject to withholding, the amount deducted and withheld as tax and such other information as the assessor requires. [2013, c. 546, §15 (AMD).]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 541, §A244 (AMD). 1981, c. 371, §2 (AMD). 1985, c. 535, §23 (AMD). 2003, c. 20, §AA2 (AMD). 2003, c. 20, §AA6 (AFF). 2007, c. 437, §19 (AMD). 2007, c. 437, §22 (AFF). 2013, c. 546, §15 (AMD).

§5251-A. FRAUDULENT STATEMENT OR FAILURE TO FURNISH STATEMENT

A person who is required by section 5251 to furnish a statement to a payee and who willfully fails to furnish that statement at the time required by section 5251, in the form and showing the information prescribed by the State Tax Assessor, or who willfully furnishes a false or fraudulent statement commits a civil violation for which a fine of $50 for each such failure must be imposed. [2007, c. 437, §20 (NEW); 2007, c. 437, §22 (AFF).]

SECTION HISTORY
2007, c. 437, §20 (NEW). 2007, c. 437, §22 (AFF).

§5252. CREDIT FOR TAX WITHHELD

Wages and other items of income upon which tax is required to be withheld are taxable under this Part as if no withholding were required, but the amount of tax actually deducted and withheld under this chapter in a calendar year is deemed to have been paid to the assessor on behalf of the person from whom withheld, and the person is credited with having paid that amount of tax for the taxable year beginning in the calendar year. If more than one taxable year begins in a calendar year, the amount is allowed as a credit for the most recent taxable year. [1995, c. 639, §27 (AMD).]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1981, c. 371, §3 (AMD). 1995, c. 639, §27 (AMD).

§5253. RETURN AND PAYMENT OF TAX WITHHELD

Every person that is required to deduct and withhold tax under section 5250, 5250-B or 5255-B shall, for each calendar quarter or other reporting period required by the State Tax Assessor, file a return on or before the last day of the month following the end of the reporting period and remit payment as prescribed by the assessor. The assessor shall prescribe the voucher required to be filed with the payments. [2011, c. 240, §40 (AMD).]

1. General.

[2003, c. 20, Pt. AA, §6 (AFF); 2003, c. 20, Pt. AA, §3 (RP) .]

2. Deposit in trust for assessor.

[1985, c. 691, §38 (RP) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1971, c. 61, §9 (AMD). 1977, c. 477, §§20,21 (AMD). 1981, c. 364, §§71,72 (AMD). 1985, c. 535, §24 (AMD). 1985, c. 691, §38 (AMD). 1989, c. 875, §§E48,49 (AMD). 1991, c. 9, §E25 (AMD). 1991, c. 9, §E26 (AFF). 1993, c. 395, §22 (AMD). 1995, c. 657, §9 (AMD). 1995, c. 657, §10 (AFF). 2003, c. 20, §AA6 (AFF). 2003, c. 20, §AA3 (RPR). 2011, c. 240, §40 (AMD).

§5254. LIABILITY FOR WITHHELD TAXES

Every person required to deduct and withhold tax under this Part is hereby made liable for such tax. For purposes of assessment and collection, any amount required to be withheld and paid over to the assessor, and any additions to tax, penalties and interest with respect thereto, shall be considered the tax of that person. No person may have any right of action against a person in respect to any money deducted and withheld and paid over to the assessor in compliance or in intended compliance with this Part. [1987, c. 402, Pt. A, §191 (RPR); 1987, c. 402, Pt. B, §28 (RPR).]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1981, c. 371, §4 (AMD). 1985, c. 535, §25 (AMD). 1985, c. 691, §39 (AMD). 1987, c. 402, §§A191,B28 (RPR).

§5255. FAILURE TO WITHHOLD

A person who fails to deduct and withhold tax as required by this chapter is relieved from liability for that tax to the extent that the tax against which that tax may be credited has been paid, but the person is not relieved from liability for any additions to tax, penalties or interest otherwise applicable with respect to the failure to file returns and withhold and pay tax as required by this chapter. [2007, c. 438, §109 (AMD).]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1985, c. 535, §26 (AMD). 2005, c. 618, §16 (AMD). 2007, c. 438, §109 (AMD).

§5255-A. INJUNCTION

(REPEALED)

SECTION HISTORY
1971, c. 61, §10 (NEW). 1985, c. 535, §27 (AMD). 1997, c. 495, §5 (AMD). 2001, c. 583, §20 (RP).

§5255-B. CERTAIN ITEMS OF INCOME UNDER THE UNITED STATES INTERNAL REVENUE CODE

Any person maintaining an office or transacting business within this State and who is required to deduct and withhold a tax on items of income under the Code, other than wages subject to withholding as provided in section 5250 or sales of real estate subject to withholding as provided in section 5250-A, shall deduct and withhold from such items to the extent they constitute income that is not excluded from taxation under Maine law, a tax equal to 5% of the income, unless withholding pursuant to the Code is based on other than a flat rate amount. In that event, the State's withholding procedure should estimate taxable income using the same approach to exemptions as the Code and the amount of tax to be withheld should be calculated in accordance with withholding methods prescribed pursuant to section 5250. [1999, c. 414, §53 (AMD).]

SECTION HISTORY
1981, c. 371, §5 (NEW). 1985, c. 535, §28 (AMD). 1987, c. 497, §51 (AMD). 1987, c. 504, §38 (AMD). 1987, c. 769, §A161 (RPR). 1999, c. 414, §53 (AMD).

Chapter 829: ACCOUNTING PERIODS AND METHODS OF ACCOUNTING

§5256. PERIOD FOR COMPUTATION OF TAXABLE INCOME

1. **General.** For purposes of the tax imposed by this Part, a taxpayer's taxable year is the same as the taxpayer's taxable year for federal income tax purposes.

[1995, c. 281, §32 (AMD); 1995, c. 281, §43 (AFF) .]

2. **Change of taxable year.** If a taxpayer's taxable year is changed for federal income tax purposes, the taxable year for purposes of the tax imposed by this Part must be similarly changed. The income tax for a period of less than 12 months resulting from a change in accounting period is computed by first determining the taxable income for the period. That taxable income is then multiplied by 12 and divided by the number of months in the period of less than 12 months. A tax is computed on the resulting taxable income. The tax is then divided by 12 and multiplied by the number of months in the period of less than 12 months. The result is the tax liability before credits. Exemption amounts are divided by 12 and multiplied by the number of months in the period of less than 12 months.

[1995, c. 281, §33 (AMD); 1995, c. 281, §43 (AFF) .]

3. **Termination of taxable year for jeopardy.** Notwithstanding subsections 1 and 2, if the assessor makes a determination of jeopardy and terminates the taxpayer's taxable year under section 145, the tax must be computed for the period determined by that action.

[2007, c. 627, §94 (AMD) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1981, c. 698, §188 (AMD). 1989, c. 508, §22 (AMD). 1989, c. 596, §J6 (AMD). 1995, c. 281, §§32,33 (AMD). 1995, c. 281, §43 (AFF). 2007, c. 627, §94 (AMD).

§5257. METHODS OF ACCOUNTING

1. **Same as federal.** For purposes of the tax imposed by this Part, a taxpayer's method of accounting shall be the same as his method of accounting for federal income tax purposes. If no method of accounting has been regularly used by the taxpayer, taxable income for purposes of this Part shall be computed under such method that in the opinion of the assessor fairly reflects income.

[1969, c. 154, §F1 (NEW) .]

2. **Change of accounting methods.** If a taxpayer's method of accounting is changed for federal income tax purposes, his method of accounting for purposes of this Part shall similarly be changed.

[1969, c. 154, §F1 (NEW) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW).

§5258. ADJUSTMENTS

In computing a taxpayer's taxable income for any taxable year under a method of accounting different from the method under which the taxpayer's taxable income for the previous year was computed, there shall be taken into account those adjustments which are determined, under regulations prescribed by the assessor, to be necessary solely by reason of the change in order to prevent amounts from being duplicated or omitted. [1969, c. 154, §F1 (NEW).]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW).

§5259. LIMITATION ON ADDITIONAL TAX

1. **Change other than to installment method.** If a taxpayer's method of accounting is changed, other than from an accrual to an installment method, any additional tax which results from adjustments determined to be necessary solely by reason of the change shall not be greater than if such adjustments were ratably allocated and included for the taxable year of the change and the preceding taxable years, not in excess of 2, during which the taxpayer used the method of accounting from which the change is made.

[1979, c. 541, Pt. A, §245 (AMD) .]

2. **Change from accrual to installment method.** If a taxpayer's method of accounting is changed from an accrual to an installment method, any additional tax for the year of such change of method and for any subsequent year which is attributable to the receipt of installment payments properly accrued in a prior year, shall be reduced by the portion of tax for any prior taxable year attributable to the accrual of such installment payments, under regulations prescribed by the assessor.

[1969, c. 154, §F1 (NEW) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 541, §A245 (AMD).

Chapter 831: PROCEDURE AND ADMINISTRATION

§5260. EXAMINATION OF RETURN

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 378, §36 (RP).

§5261. ASSESSMENT FINAL IF NO PROTEST

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1977, c. 694, §722 (RP).

§5262. PROTEST BY TAXPAYER

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1977, c. 694, §722 (RP).

§5263. NOTICE OF DETERMINATION AFTER PROTEST

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1977, c. 694, §722 (RP).

§5264. ACTION OF ASSESSOR FINAL

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1977, c. 694, §722 (RP).

§5265. BURDEN OF PROOF IN PROCEEDINGS BEFORE THE ASSESSOR

In any proceeding before the assessor under this Part the burden of proof shall be on the taxpayer except for the following issues, as to which the burden of proof shall be on the assessor: [1969, c. 154, §F1 (NEW).]

1. **Fraud.** Whether the taxpayer has been guilty of fraud with attempt to evade tax.

[1969, c. 154, §F1 (NEW) .]

2. **Liability as transferee.** Whether the petitioner is liable as the transferee of property of a taxpayer, but not to show that the taxpayer was liable for the tax.

[1969, c. 154, §F1 (NEW) .]

3. **Liability for deficiency increase.**

[2001, c. 583, §21 (RP) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1977, c. 694, §723 (AMD). 2001, c. 583, §21 (AMD).

§5266. EVIDENCE OF RELATED FEDERAL DETERMINATION

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1977, c. 694, §724 (AMD). 1995, c. 639, §28 (RP).

§5267. MATHEMATICAL ERROR

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 378, §37 (RP).

§5268. WAIVER OF RESTRICTION

The taxpayer at any time, whether or not a notice of deficiency has been issued, shall have the right to waive the restrictions on assessment and collection of the whole or any part of the deficiency by a signed notice in writing filed with the assessor. [1969, c. 154, §F (NEW).]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW).

§5269. ASSESSMENT OF TAX

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1977, c. 694, §725 (AMD). 1979, c. 378, §38 (RP).

§5270. LIMITATIONS ON ASSESSMENT

1. **General.**

[1979, c. 378, §39 (RP) .]

2. **Omission of more than 25% OF income.** If the taxpayer omits from gross income an amount properly includible therein which is in excess of 25% of the amount of gross income stated in the return, an assessment may be made within 6 years after the return was filed. For purposes of this subsection, there shall not be taken into account any amount which is omitted in the return if such amount is disclosed in the return, or in a statement attached to the return, in a manner adequate to apprise the assessor of the nature and amount of such item.

[1979, c. 378, §40 (AMD) .]

3. **No return filed or fraudulent return.**

[1979, c. 378, §41 (RP) .]

4. **Failure to report federal change.**

[1979, c. 378, §41 (RP) .]

5. Report of federal change or correction.

[1979, c. 378, §41 (RP) .]

6. Extension by agreement.

[1979, c. 378, §41 (RP) .]

7. Time return deemed filed.

[1979, c. 378, §41 (RP) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 378, §§39-41 (AMD).

§5271. RECOVERY OF ERRONEOUS REFUND

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 378, §42 (RP).

§5272. INTEREST ON UNDERPAYMENTS

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1971, c. 61, §11 (AMD). 1977, c. 679, §34 (RP).

§5273. FAILURE TO FILE TAX RETURNS

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1973, c. 12, §7 (AMD). 1977, c. 679, §34 (RP).

§5274. FAILURE TO PAY TAX

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1971, c. 61, §12 (AMD). 1973, c. 12, §§8,9 (AMD). 1975, c. 454, §6 (AMD). 1977, c. 679, §34 (RP).

§5274-A. PENALTY

Any person required to collect, truthfully account for and pay over the tax imposed by this Part, who willfully fails to collect the tax, willfully fails to truthfully account for, willfully fails to pay over the tax or willfully attempts in any manner to evade or defeat the tax or the payment thereof, shall, in addition to other penalties provided by law, be liable to a penalty equal to the total amount of the tax evaded, not collected or not accounted for and paid over. For purposes of this section, "person" means an individual, corporation or partnership or an officer or employee of any corporation, including a dissolved corporation, or a member or

employee of any partnership who, as such officer, employee or member, was, at the time of the violation, under a duty to perform the act with respect to which the violation occurred. [1985, c. 691, §40 (AMD).]

SECTION HISTORY
1979, c. 378, §43 (NEW). 1985, c. 691, §40 (AMD).

§5275. FALSE INFORMATION WITH RESPECT TO WITHHOLDING ALLOWANCE

In addition to any other penalty provided by law, if any individual in claiming a withholding allowance states: [1969, c. 154, §F (NEW).]

1. **An amount less than wages.** As the amount of the wages shown on his return for any taxable year an amount less than such wages actually shown, or

[1969, c. 154, §F (NEW) .]

2. **An amount greater than shown deductions.** As the amount of the itemized deductions referred to in section 5125 shown on the return for any taxable year an amount greater than such deductions actually shown, he will pay a penalty of $50 for such statement, unless:

A. Such statement did not result in a decrease in the amounts deducted and withheld, or [1969, c. 154, §F (NEW).]

B. The taxes imposed with respect to the individual under this Part for the succeeding taxable year do not exceed the sum of the payments of estimated tax which are considered payments on account of such taxes. [1969, c. 154, §F (NEW).]

[1979, c. 378, §44 (AMD) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 378, §44 (AMD).

§5276. AUTHORITY TO MAKE CREDITS OR REFUNDS

1. **General rule.** The State Tax Assessor, within the applicable period of limitations, may credit an overpayment of income tax, including an overpayment reported on a joint return, and interest on the overpayment against any liability arising from a redetermination pursuant to section 6211 or any liability in respect of any tax imposed under this Title owed by the taxpayer, or by the taxpayer's spouse in the case of a joint return. The balance, after any setoff pursuant to section 5276-A or pursuant to an agreement entered into under section 112, subsection 13, must be refunded by the Treasurer of State. For purposes of this subsection, "any tax imposed under this Title" includes monetary restitution ordered to be paid to the bureau as part of a sentence imposed for a violation of this Title or Title 17-A.

[2009, c. 361, §30 (AMD) .]

2. **Excessive withholding.** If the amount allowable as a credit for tax withheld from the taxpayer exceeds the tax to which the credit relates, the excess must be considered an overpayment.

[2007, c. 438, §110 (AMD) .]

3. **Overpayment by withholder.** If there has been an overpayment of tax required to be deducted and withheld under chapter 827, refund must be made to the withholder only to the extent that the amount of the overpayment was not deducted and withheld by the withholder.

[2007, c. 438, §110 (AMD) .]

4. **Credits against estimated tax.** The assessor may provide for the crediting against the estimated income tax for any taxable year of an overpayment of the income tax for a preceding taxable year.

[2007, c. 438, §110 (AMD) .]

5. **Assessment and collection after limitation period.** If any amount of income tax is assessed and collected after the expiration of the applicable period of limitations, that amount must be considered an overpayment.

[2007, c. 438, §110 (AMD) .]

6. **Overpayment by pass-through entity.**

[2007, c. 438, §110 (RP) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1981, c. 504, §3 (AMD). 1991, c. 546, §36 (AMD). 2005, c. 332, §§25,26 (AMD). 2007, c. 438, §110 (AMD). 2009, c. 361, §30 (AMD).

§5276-A. SETOFF OF DEBTS AGAINST REFUNDS

1. **Generally.** An agency of the State, including the University of Maine System or the Maine Community College System, that is authorized to collect from an individual or corporation a liquidated debt greater than $25 shall notify in writing the State Tax Assessor and supply information necessary to identify the debtor whose refund is sought to be set off. The assessor, upon notification, shall assist the requesting agency by setting off that debt against a refund to which that individual or corporation is entitled under this Part. Liquidated child support debts that the Department of Health and Human Services has contracted to collect, pursuant to Title 19-A, section 2103 or 2301, subsection 2, are eligible, under the provisions of this section, for setoff against a refund due the obligated individual. The assessor shall provide the creditor agency with the name, address and social security number of each debtor whose refund is subject to setoff.

[1997, c. 393, Pt. A, §44 (AFF); 1997, c. 393, Pt. A, §43 (RPR); 2003, c. 20, Pt. OO, §2 (AMD); 2003, c. 20, Pt. OO, §4 (AFF); 2003, c. 689, Pt. B, §6 (REV) .]

2. **Notice and hearing.** At the time a setoff is made, the assessor shall provide notice to the taxpayer of the setoff and of the taxpayer's right to request, within 60 days of the taxpayer's receipt of notice of the setoff, a hearing before the creditor agency. The hearing must be held in accordance with the provisions of the Maine Administrative Procedure Act, but is limited to the issues of whether the debt became liquidated and whether any postliquidation event has affected the liability.

[2011, c. 1, Pt. BB, §2 (AMD); 2011, c. 1, Pt. BB, §3 (AFF) .]

3. **Finalization of setoff.**

[1993, c. 395, §23 (RP) .]

3-A. **Transfer of proceeds.** After providing the notice required by subsection 2, the assessor shall transfer the setoff refund amount to the creditor agency or agencies.

[1993, c. 395, §23 (NEW) .]

3-B. **Finalization of setoff; release of refund to taxpayer.** If the taxpayer fails to make a timely request for hearing or a hearing is held before the creditor agency and a liquidated debt is determined to be due to that agency, the setoff is final except as determined by further appeal. The creditor agency must release to the taxpayer any setoff refund amount determined after hearing not to be a liquidated debt due to the agency within 90 days of such determination or as otherwise provided by the creditor agency in a promulgated rule.

[1993, c. 395, §23 (NEW) .]

4. **Appeal.** The decision of the agency seeking setoff as to the existence of a liquidated debt constitutes final agency action appealable under the Maine Administrative Procedure Act, Title 5, chapter 375.

[1981, c. 504, §4 (NEW) .]

5. **Collection fee.** A collection fee equal to the estimated costs incurred by the State Tax Assessor in assisting in the collection must annually be deducted from setoff refund amounts transferred to creditor agencies and deposited in the General Fund. If a creditor agency is either entitled to federal matching funds against all debts collected or required by federal regulations to specially handle debts collected, the State Tax Assessor shall transfer to that agency the gross proceeds from setoffs made in its behalf, and that agency shall promptly reimburse the collection fee to the State Tax Assessor for deposit in the General Fund.

[1993, c. 395, §23 (AMD) .]

6. **Accounting.** The creditor agency shall credit the account of the individual whose refund has been set off with the full amount of the setoff, including the collection fee retained by, or reimbursed to, the State Tax Assessor, except that the collection fee may not be credited to the account of an individual required to make restitution as provided in Title 17-A, section 1152, subsection 2-A.

[2005, c. 389, §9 (AMD) .]

7. **Priority.** In the event that claims from more than one agency are received by the State Tax Assessor with respect to one taxpayer, the State Tax Assessor shall set off against the refund due the taxpayer as many claims of the agencies as is possible in the following order of priority:

A. Liquidated child support debts owed to the Department of Health and Human Services; [1991, c. 564, (NEW); 2003, c. 689, Pt. B, §6 (REV).]

B. Fines owed to any of the courts; and [1991, c. 564, (NEW).]

C. All other claims in the order of their receipt by the State Tax Assessor. [1991, c. 564, (NEW).]

[1991, c. 564, (AMD); 2003, c. 689, Pt. B, §6 (REV) .]

8. **Disclosure of information.** In any civil or criminal action in which a fine, forfeiture, order to pay or money judgment is entered in favor of the State or any agency or department thereof, or in any action in which counsel is assigned for an indigent party, the court may require the party so indebted to the State, its agencies or department, or the party for whom counsel has been assigned, to provide that party's social security number and other financial information under oath and on such forms as may be prepared by the Judicial Department in order to effectuate the purposes of this section. The Judicial Department may disclose social security numbers and financial information obtained in accordance with this subsection to agencies

or departments of the State and to private collection agencies working under contract for the State for the purpose of collection of the amounts owed. A person who has access to or receives social security numbers or other financial information under this subsection shall maintain the confidentiality of the information and use it only for the purposes for which it was disclosed and may not further disclose it.

[2011, c. 547, §3 (AMD) .]

SECTION HISTORY
1981, c. 504, §4 (NEW). 1985, c. 501, §B21 (AMD). 1985, c. 652, §53 (AMD). 1985, c. 779, §83 (AMD). 1987, c. 402, §A192 (AMD). 1989, c. 508, §23 (AMD). 1991, c. 564, (AMD). 1993, c. 395, §23 (AMD). 1995, c. 639, §29 (AMD). 1995, c. 694, §D62 (AMD). 1995, c. 694, §E2 (AFF). 1997, c. 393, §A43 (AMD). 1997, c. 393, §A44 (AFF). 2003, c. 20, §OO2 (AMD). 2003, c. 20, §OO4 (AFF). 2003, c. 689, §B6 (REV). 2005, c. 389, §9 (AMD). 2011, c. 1, Pt. BB, §2 (AMD). 2011, c. 1, Pt. BB, §3 (AFF). 2011, c. 547, §3 (AMD).

§5277. ABATEMENTS

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 2001, c. 583, §22 (RP).

§5278. LIMITATIONS ON CREDIT OR REFUND

1. **General.** A claim for credit or refund of an overpayment of any tax imposed by this Part must be filed by the taxpayer within 3 years from the date the return was filed, whether or not the return was timely filed, or 3 years from the date the tax was paid, whichever period expires later. A credit or refund may not be allowed after the expiration of the period prescribed in this subsection unless a claim for credit or refund is filed by the taxpayer within that period. For purposes of this subsection, a return filed before the last day prescribed for the filing of a return is deemed to be filed on that last day.

[2011, c. 1, Pt. DD, §3 (AMD); 2011, c. 1, Pt. DD, §4 (AFF) .]

2. **Limit on amount of claim or refund.** If the claim is filed by the taxpayer during the period prescribed in subsection 1, the amount of the credit or refund may not exceed the portion of the tax that was paid within the 3 years immediately preceding the filing of the claim plus the period of any extension of time for filing the return. If a claim is not filed, any credit or refund allowed upon an audit of the taxpayer may not exceed the amount that would be allowable under this subsection if a claim had been filed by the taxpayer on the date the credit or refund is allowed.

[2011, c. 1, Pt. DD, §3 (AMD); 2011, c. 1, Pt. DD, §4 (AFF) .]

3. **Extension of time by agreement.** If an agreement for an extension of the period for assessment of income taxes is made within the period prescribed in subsection 1, the period for filing a claim for credit or refund or for allowing a credit or refund if a claim is not filed may not expire earlier than 6 months after the expiration of the period during which an assessment may be made pursuant to the agreement or any extension of the agreement. The amount of the credit or refund may not exceed the sum of the portion of the tax paid after the execution of the agreement and before the filing of the claim or the making of the credit or refund and the portion of the tax paid within the period that would be applicable under subsection 1 if a claim had been filed on the date the agreement was executed.

[2011, c. 1, Pt. DD, §3 (AMD); 2011, c. 1, Pt. DD, §4 (AFF) .]

4. **Notice of change or correction.** If a taxpayer is required by section 5227-A to file an amended Maine return, a claim for credit or refund of any resulting overpayment of the tax must be filed by the taxpayer within 3 years from the date the filing of the amended return was required. The claim for credit or refund is limited to issues included in the federal amendment or adjustment and the amount of the credit or refund may not exceed the amount of the reduction in tax attributable to the federal amendment or adjustment. This subsection does not affect the time within which or the amount for which a claim for credit or refund may be filed apart from this subsection.

[2011, c. 1, Pt. DD, §3 (AMD); 2011, c. 1, Pt. DD, §4 (AFF) .]

5. **Special rules.** The following rules apply to claims for credit or refund pursuant to this section:

A. If the claim for credit or refund relates to an overpayment of tax on account of the deductibility by the taxpayer of a debt as a debt that became worthless or a loss from worthlessness of a security or the effect that the deductibility of a debt or of a loss has on the application to the taxpayer of a carry-over, the claim may be made within 7 years from the date prescribed by law for filing the return for the year with respect to which the claim is made ; and [2011, c. 1, Pt. DD, §3 (AMD); 2011, c. 1, Pt. DD, §4 (AFF).]

B. If the claim for credit or refund relates to an overpayment attributable to a net operating loss carry-back arising from a tax year beginning before January 1, 2002 or a credit carry-back, the claim may be made, under rules adopted by the assessor, within the period that ends with the 15th day of the 40th month following the end of the taxable year of the net operating loss or the unused credit that resulted in the carry-back or the period prescribed in subsection 3 in respect of that taxable year, whichever expires later. With respect to any portion of a credit carry-back from a taxable year that is attributable to a net operating loss carry-back or a capital loss carry-back from a subsequent taxable year, the period within which the claim may be made ends with the 15th day of the 40th month following the end of the subsequent taxable year or the period prescribed in subsection 3 in respect of that taxable year, whichever expires later. [2005, c. 218, §57 (AMD); 2005, c. 218, §63 (AFF).]

[2011, c. 1, Pt. DD, §3 (AMD); 2011, c. 1, Pt. DD, §4 (AFF) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1987, c. 772, §42 (AMD). 1989, c. 508, §24 (AMD). 1989, c. 530, §3 (AMD). 1999, c. 521, §B10 (AMD). 1999, c. 521, §B11 (AFF). 1999, c. 708, §49 (AMD). 2003, c. 588, §21 (AMD). 2005, c. 218, §57 (AMD). 2005, c. 218, §63 (AFF). 2009, c. 496, §26 (AMD). 2011, c. 1, Pt. DD, §3 (AMD). 2011, c. 1, Pt. DD, §4 (AFF).

§5279. INTEREST ON OVERPAYMENT

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

[2011, c. 1, Pt. EE, §3 (AMD); 2011, c. 1, Pt. EE, §4 (AFF) .]

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

A. A return that is filed before the last day prescribed for the filing of a return is deemed to be filed on that last day, determined without regard to any extension of time granted the taxpayer; and [2011, c. 1, Pt. EE, §3 (AMD); 2011, c. 1, Pt. EE, §4 (AFF).]

B. A tax that is paid by the taxpayer before the last day prescribed for its payment, withheld from the taxpayer during a taxable year or paid by the taxpayer as estimated income tax for a taxable year is deemed to have been paid on the last day prescribed for its payment. [2011, c. 1, Pt. EE, §3 (AMD); 2011, c. 1, Pt. EE, §4 (AFF).]

[2011, c. 1, Pt. EE, §3 (AMD); 2011, c. 1, Pt. EE, §4 (AFF) .]

3. **Return and payment of withholding tax.**

[2011, c. 1, Pt. EE, §4 (AFF); 2011, c. 1, Pt. EE, §3 (RP) .]

4. **Exceptions.** Notwithstanding subsection 1, interest may not be paid by the assessor on an overpayment of the tax imposed by this Part that is refunded within 60 days after the last date prescribed, or permitted by extension of time, for filing the return of that tax or within 60 days after the date the return requesting a refund of the overpayment was filed, whichever is later. In addition, interest may not be paid with respect to a period during which a refund is delayed pending resolution of a proposed setoff under section 5276-A.

[2011, c. 1, Pt. EE, §3 (AMD); 2011, c. 1, Pt. EE, §4 (AFF) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 541, §A246 (AMD). 1979, c. 615, §8 (AMD). 1981, c. 180, §4 (AMD). 1981, c. 504, §5 (AMD). 1991, c. 546, §37 (AMD). 2011, c. 1, Pt. EE, §3 (AMD). 2011, c. 1, Pt. EE, §4 (AFF).

§5280. REFUND CLAIM

Every claim for refund must be filed with the assessor in writing and state the specific grounds upon which it is founded. If the assessor denies the refund claim in whole or in part, or the refund claim is deemed denied under section 5282, the taxpayer may request reconsideration of the denial or deemed denial of the refund claim pursuant to section 151. [2013, c. 331, Pt. C, §38 (AMD); 2013, c. 331, Pt. C, §41 (AFF).]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1977, c. 694, §726 (AMD). 1993, c. 395, §24 (AMD). 1993, c. 395, §32 (AFF). 2013, c. 331, Pt. C, §38 (AMD). 2013, c. 331, Pt. C, §41 (AFF).

§5281. NOTICE OF DENIAL

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1977, c. 694, §727 (RP).

§5282. REFUND CLAIM DEEMED DENIED

If the assessor fails to mail to the taxpayer, within 6 months after the filing of a refund claim, a decision on that refund claim, the taxpayer may elect but is not obligated, prior to receipt by the taxpayer of the assessor's decision on the refund claim, to deem the claim denied. The taxpayer deems the refund claim denied by requesting reconsideration of the deemed denial pursuant to section 151. [2013, c. 331, Pt. C, §39 (AMD); 2013, c. 331, Pt. C, §41 (AFF).]

SECTION HISTORY

P&SL 1969, c. 154, §F1 (NEW). 1993, c. 395, §32 (AFF). 1993, c. 395, §25 (RPR). 2013, c. 331, Pt. C, §39 (AMD). 2013, c. 331, Pt. C, §41 (AFF).

§5283. DESIGNATION BY RESIDENT INDIVIDUALS

(REPEALED)

SECTION HISTORY
1973, c. 246, (NEW). 1985, c. 427, (RPR). 1989, c. 502, §A137 (AMD). 2011, c. 685, §2 (AMD). MRSA T. 36, §5283 (RP).

§5283-A. VOLUNTARY CONTRIBUTION THROUGH CHECKOFFS

1. **Minimum threshold for total contributions.** The State Tax Assessor may not include on an individual income tax return form a designation for a taxpayer to make a contribution through a checkoff under section 5284, 5284-A, 5285, 5285-A, 5288-A, 5289, 5290 or 5291 unless on returns filed in the prior calendar year the total contributions to the organization or fund to which the contributions are credited under the applicable section are at least:

A. For calendar year 2012, $10,000; [2011, c. 685, §3 (NEW).]

B. For calendar year 2013, $13,000; [2011, c. 685, §3 (NEW).]

C. For calendar year 2014, $16,000; [2011, c. 685, §3 (NEW).]

D. For calendar year 2015, $19,000; [2011, c. 685, §3 (NEW).]

E. For calendar year 2016, $22,000; and [2011, c. 685, §3 (NEW).]

F. For calendar years beginning on or after January 1, 2017, $25,000. [2011, c. 685, §3 (NEW).]

This subsection does not apply to a contribution checkoff that has been on the individual income tax form for less than one year.

[2011, c. 685, §3 (NEW) .]

2. **Cost of administration.** The State Tax Assessor shall determine annually the total amount contributed to each fund or organization by taxpayers making contributions through a checkoff on the individual income tax return form. Prior to the beginning of the next year, the assessor shall deduct the cost of administering the checkoff for the organization or fund and report the remainder to the Treasurer of State, who shall forward that amount to the designated organization or fund.

[2011, c. 685, §3 (NEW) .]

SECTION HISTORY
2011, c. 685, §3 (NEW).

§5284. NONGAME WILDLIFE VOLUNTARY CHECKOFF

1. **Maine Endangered and Nongame Wildlife Fund.** Taxpayers who, when filing their return, are entitled to a refund under this Part may designate that a part of that refund be paid into the Maine Endangered and Nongame Wildlife Fund established in Title 12, section 10253. A taxpayer who is not entitled to a refund under this Part may contribute to the Maine Endangered and Nongame Wildlife Fund by including with that

taxpayer's return sufficient funds to make the contribution. Each individual income tax return form must contain a designation in substantially the following form: "Contribution to Maine Endangered and Nongame Wildlife Fund: ( ) $5, ( ) $10, ( ) $25 or ( ) Other $."

[2003, c. 414, Pt. B, §68 (AMD); 2003, c. 614, §9 (AFF) .]

2. **Contributions credited to Maine Endangered and Nongame Wildlife Fund.** The State Tax Assessor shall determine annually the total amount contributed pursuant to subsection 1. Prior to the beginning of the next year, the assessor shall deduct the cost of administering the nongame checkoff and report the remainder to the Treasurer of State, who shall credit that amount to the Maine Endangered and Nongame Wildlife Fund, which is established in Title 12, section 10253.

[2011, c. 685, §4 (AMD) .]

SECTION HISTORY
1983, c. 526, §3 (NEW). 1993, c. 253, §1 (AMD). 1995, c. 639, §30 (AMD). 2003, c. 414, §B68 (AMD). 2003, c. 414, §D7 (AFF). 2003, c. 614, §9 (AFF). 2011, c. 685, §4 (AMD).

§5284-A. COMPANION ANIMAL STERILIZATION VOLUNTARY CHECKOFF

1. **Companion Animal Sterilization Fund.** Taxpayers who, when filing their return, are entitled to a refund under this Part may designate that a part of that refund be paid into the Companion Animal Sterilization Fund established in Title 7, section 3910-B. A taxpayer who is not entitled to a refund under this Part may contribute to the Companion Animal Sterilization Fund by including with the taxpayer's return sufficient funds to make the contribution. Each individual income tax return form must contain a designation in substantially the following form: "Contribution to Companion Animal Sterilization Fund: ( ) $5, ( ) $10, ( ) $25 or ( ) Other $... ."

[2003, c. 682, §5 (NEW) .]

2. **Contributions credited to Companion Animal Sterilization Fund.** The State Tax Assessor shall determine annually the total amount contributed pursuant to subsection 1. Prior to the beginning of the next year, the assessor shall deduct the cost of administering the Companion Animal Sterilization Fund checkoff and report the remainder to the Treasurer of State, who shall credit the amount to the Companion Animal Sterilization Fund, which is established in Title 7, section 3910-B.

[2011, c. 685, §5 (AMD) .]

3. **Effective date.** This section applies to tax years beginning on and after January 1, 2004.

[2003, c. 682, §5 (NEW) .]

SECTION HISTORY
2003, c. 682, §5 (NEW). 2011, c. 685, §5 (AMD).

§5285. MAINE CHILDREN'S TRUST INCORPORATED; CHECKOFF

1. **Maine Children's Trust Incorporated.** Taxpayers who, when filing their returns, are entitled to a refund under this Part may designate that a portion of that refund be paid into the Maine Children's Trust Incorporated established in Title 22, chapter 1058. A taxpayer who is not entitled to a refund under this Part may contribute to the Maine Children's Trust Incorporated by including with that taxpayer's return

sufficient funds to make the contribution. Each individual income tax return form must contain a designation in substantially the following form: "Contributions to Maine Children's Trust Incorporated: ( ) $5, ( ) $10, ( ) $25 or ( ) Other $."

[1995, c. 639, §31 (AMD) .]

2. **Contributions credited to the Maine Children's Trust Incorporated.** The State Tax Assessor shall determine annually the total amount contributed pursuant to subsection 1. Prior to the beginning of the next year, the State Tax Assessor shall deduct the cost of administering the Maine Children's Trust Incorporated checkoff and report the remainder to the Treasurer of State, who shall forward that amount to the Maine Children's Trust Incorporated, which is established in Title 22, chapter 1058.

[2011, c. 685, §6 (AMD) .]

3. **Limitation on contributions.**

[1993, c. 600, Pt. A, §280 (RP) .]

SECTION HISTORY
1985, c. 441, §4 (NEW). 1987, c. 402, §A193 (AMD). 1993, c. 253, §2 (AMD). 1993, c. 600, §A280 (AMD). 1995, c. 639, §31 (AMD). 2011, c. 685, §6 (AMD).

§5285-A. BONE MARROW SCREENING FUND CHECKOFF

1. **Bone Marrow Screening Fund.** When filing a return, a taxpayer entitled to a refund under this Part may designate that a portion of that refund be paid into the Bone Marrow Screening Fund established in Title 22, chapter 250-A. A taxpayer who is not entitled to a refund under this Part may contribute to the Bone Marrow Screening Fund by including with that taxpayer's return sufficient funds to make the contribution. Each individual income tax return form must contain a designation in substantially the following form: "Bone Marrow Screening Fund: ( ) $5, ( ) $10, ( ) $25 or ( ) Other $."

[2007, c. 240, Pt. TT, §2 (AMD); 2007, c. 240, Pt. TT, §3 (AFF) .]

2. **Contributions credited to the Bone Marrow Screening Fund.** The State Tax Assessor shall determine annually the total amount contributed pursuant to subsection 1. Prior to the beginning of the next year, the State Tax Assessor shall deduct the cost of administering the Bone Marrow Screening Fund checkoff and report the remainder to the Treasurer of State, who shall forward that amount to the Bone Marrow Screening Fund.

[2011, c. 685, §7 (AMD) .]

3. **Effective date.** This section applies to tax years beginning on and after January 1, 2000.

[1999, c. 731, Pt. SS, §2 (NEW) .]

SECTION HISTORY
1999, c. 731, §SS2 (NEW). 2007, c. 240, Pt. TT, §2 (AMD). 2007, c. 240, Pt. TT, §3 (AFF). 2011, c. 685, §7 (AMD).

§5286. CONTRIBUTION TO MAINE CLEAN ELECTION FUND; VOLUNTARY CHECKOFF

1. **Designation.** Resident taxpayers may designate that $3 of their taxes be deposited in the Maine Clean Election Fund in accordance with Title 21-A, section 1124.

[1995, c. 1, §18 (NEW) .]

2. **Forms.** The State Tax Assessor shall provide on the first page of the income tax form a space for the filing individual to indicate whether that filer wishes to pay $3, or $6 if filing a joint return, from the General Fund of the State to finance the Maine Clean Election Fund.

[1995, c. 1, §18 (NEW) .]

3. **Transfer of Funds.** The State Tax Assessor shall transfer funds from the General Fund in accordance with Title 21-A, section 1124.

[1995, c. 1, §18 (NEW) .]

SECTION HISTORY
IB 1995, c. 1, §18 (NEW).

§5287. LIABILITY OF CERTAIN SPOUSES

The assessor may relieve the liability under this Part of a spouse who meets the qualifications for relief under the following provisions whether or not a claim for federal relief was made. The assessor may grant relief for: [1999, c. 526, §1 (NEW); 1999, c. 526, §3 (AFF).]

1. **Innocent spouses.** A spouse who meets the qualifications for relief under Section 6015 of the Code; or

[1999, c. 1, §51 (COR) .]

2. **Injured spouses.** A spouse who meets the qualifications for relief of an injured spouse under Internal Revenue Service procedures.

[1999, c. 526, §1 (NEW); 1999, c. 526, §3 (AFF) .]

SECTION HISTORY
RR 1999, c. 1, §51 (COR). 1999, c. 526, §1 (NEW). 1999, c. 526, §3 (AFF).

§5288. MAINE MILITARY FAMILY RELIEF FUND VOLUNTARY CHECKOFF *(REPEALED)*

SECTION HISTORY
2003, c. 703, §1 (NEW). MRSA T. 36, §5288, sub-4 (RP).

§5288-A. MAINE MILITARY FAMILY RELIEF FUND VOLUNTARY CHECKOFF

1. **Maine Military Family Relief Fund.** When filing a return, a taxpayer entitled to a refund under this Part may designate that a portion of that refund be paid into the Maine Military Family Relief Fund established in Title 37-B, section 158. A taxpayer who is not entitled to a refund under this Part may contribute to the Maine Military Family Relief Fund by including with that taxpayer's return sufficient funds

to make the contribution. The contribution may not be less than $5. Each individual income tax return form must contain a designation in substantially the following form: "The Maine Military Family Relief Fund: ( ) $5, ( ) $10, ( ) $25 or ( ) Other $... ."

[2011, c. 685, §8 (AMD) .]

2. **Contributions credited to Maine Military Family Relief Fund.** The State Tax Assessor shall determine annually the total amount contributed pursuant to subsection 1. Prior to the beginning of the next year, the State Tax Assessor shall deduct the cost of administering the Maine Military Family Relief Fund checkoff and report the remainder to the Treasurer of State, who shall forward that amount to the Maine Military Family Relief Fund.

[2007, c. 674, §1 (NEW); 2007, c. 674, §2 (AFF) .]

SECTION HISTORY
2007, c. 674, §1 (NEW). 2007, c. 674, §2 (AFF). 2011, c. 685, §8 (AMD).

§5289. MAINE VETERANS' MEMORIAL CEMETERY MAINTENANCE FUND VOLUNTARY CHECKOFF

1. **Maine Veterans' Memorial Cemetery Maintenance Fund.** When filing a return, a taxpayer entitled to a refund under this Part may designate that a portion of that refund be paid into the Maine Veterans' Memorial Cemetery Maintenance Fund established in Title 37-B, section 504, subsection 6. A taxpayer who is not entitled to a refund under this Part may contribute to the Maine Veterans' Memorial Cemetery Maintenance Fund by including with that taxpayer's return sufficient funds to make the contribution. The contribution may not be less than $5. Each individual income tax return form must contain a designation in substantially the following form: "Maine Veterans' Memorial Cemetery Maintenance Fund: ( ) $5, ( ) $10, ( ) $25 or ( ) Other $... ."

[2011, c. 685, §9 (AMD) .]

2. **Contributions credited to Maine Veterans' Memorial Cemetery Maintenance Fund.** The State Tax Assessor shall determine annually the total amount contributed pursuant to subsection 1. Prior to the beginning of the next year, the State Tax Assessor shall deduct the cost of administering the Maine Veterans' Memorial Cemetery Maintenance Fund checkoff and report the remainder to the Treasurer of State, who shall forward that amount to the Maine Veterans' Memorial Cemetery Maintenance Fund.

[2011, c. 685, §9 (AMD) .]

SECTION HISTORY
2005, c. 519, §RRR1 (NEW). 2005, c. 519, §RRR3 (AFF). 2011, c. 685, §9 (AMD).

§5290. MAINE ASTHMA AND LUNG DISEASE RESEARCH FUND; VOLUNTARY CHECKOFF

1. **Maine Asthma and Lung Disease Research Fund.** When filing a return, a taxpayer entitled to a refund under this Part may designate that a portion of that refund be paid into the Maine Asthma and Lung Disease Research Fund established in Title 22, section 1700-A. A taxpayer who is not entitled to a refund under this Part may contribute to the Maine Asthma and Lung Disease Research Fund by including with that

taxpayer's return sufficient funds to make the contribution. The contribution may not be less than $5. Each individual income tax return form must contain a designation in substantially the following form: "Maine Asthma and Lung Disease Research Fund: ( ) $5, ( ) $10, ( ) $25 or ( ) Other $.... ."

[2011, c. 685, §10 (AMD) .]

2. **Contributions credited to Maine Asthma and Lung Disease Research Fund.** The State Tax Assessor shall determine annually the total amount contributed pursuant to subsection 1. Prior to the beginning of the next year, the State Tax Assessor shall deduct the cost of administering the Maine Asthma and Lung Disease Research Fund checkoff and report the remainder to the Treasurer of State, who shall forward that amount to the Maine Asthma and Lung Disease Research Fund.

[2011, c. 685, §10 (AMD) .]

SECTION HISTORY
2005, c. 672, §3 (NEW). 2005, c. 672, §§6,8 (AFF). 2011, c. 685, §10 (AMD).

§5291. MAINE PUBLIC LIBRARY FUND; VOLUNTARY CHECKOFF

1. **Maine Public Library Fund.** When filing a return, a taxpayer entitled to a refund under this Part may designate that a portion of that refund be paid into the Maine Public Library Fund established in Title 27, section 8. A taxpayer who is not entitled to a refund under this Part may contribute to the Maine Public Library Fund by including with that taxpayer's return sufficient funds to make the contribution. The contribution may not be less than $5. Each individual income tax return form must contain a designation in substantially the following form: "Maine Public Library Fund: ( ) $5, ( ) $10, ( ) $25 or ( ) Other $.... ."

[2011, c. 685, §11 (NEW) .]

2. **Contributions credited to Maine Public Library Fund.** The State Tax Assessor shall determine annually the total amount contributed pursuant to subsection 1. Prior to the beginning of the next year, the State Tax Assessor shall deduct the cost of administering the Maine Public Library Fund checkoff and report the remainder to the Treasurer of State, who shall forward that amount to the Maine Public Library Fund.

[2011, c. 685, §11 (NEW) .]

SECTION HISTORY
2011, c. 685, §11 (NEW).

Chapter 833: JUDICIAL REVIEW

§5300. APPEAL

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1977, c. 694, §728 (RP).

§5301. JUDICIAL REVIEW EXCLUSIVE REMEDY IN DEFICIENCY PROCEEDINGS

The review of a determination of the assessor provided by section 151 shall be the exclusive remedy available to any taxpayer for the judicial review of the action of the assessor in respect to the assessment of a proposed deficiency. No injunction or other legal or equitable process shall issue in any suit, action or proceeding in any court against this State or against any office of this State to prevent or enjoin the assessment or collection of any tax imposed under this Part. [1977, c. 694, §729 (AMD).]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1977, c. 694, §729 (AMD).

§5302. ASSESSMENT PENDING REVIEW; REVIEW BOND

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1977, c. 694, §730 (AMD). 1979, c. 127, §202 (RPR). 1979, c. 378, §45 (RP). 1979, c. 663, §224 (RP).

§5303. PROCEEDINGS AFTER REVIEW

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1977, c. 694, §731 (AMD). 1979, c. 378, §46 (RP).

§5304. NO SUIT PRIOR TO FILING CLAIM

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1993, c. 395, §26 (RP).

§5305. LIMITATION OF SUIT FOR REFUND

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1977, c. 694, §732 (RP).

§5306. JUDGMENT FOR TAXPAYER

In any action for a refund, the court may render judgment for the taxpayer for any part of the tax, interest penalties or other amounts found to be erroneously paid, together with interest on the amount of the overpayment. The amount of any judgment against the assessor shall first be credited against any taxes, interest, penalties or other amounts due from the taxpayer under the tax laws of this State and the remainder refunded by the Treasurer of State. [1969, c. 154, §F (NEW).]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW).

Chapter 835: MISCELLANEOUS ENFORCEMENT PROVISIONS

§5310. TIMELY MAILING

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1981, c. 364, §73 (RP).

§5311. COLLECTION PROCEDURES

1. **General.** The tax imposed by this Part shall be collected by the assessor and he may establish the mode or time for the collection of any amount due under this Part if not otherwise specified. The assessor shall, on request, give a receipt for any amount collected under this Part. The assessor may authorize incorporated banks or trust companies which are depositaries or fiscal agents of this State to receive and give a receipt for any tax imposed under this Part, in such manner, at such times, and under such conditions as he may prescribe; and the assessor shall prescribe the manner, times and conditions under which the receipt of tax by such banks and trust companies is to be treated as payment of tax to the assessor.

[1969, c. 154, §F (NEW) .]

2. **Notice and demand.**

[1985, c. 691, §41 (RP) .]

3. **Cross-reference.**

[2003, c. 588, §22 (RP) .]

4. **Naming of agent.**

[2003, c. 588, §23 (RP) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1971, c. 37, §1 (AMD). 1977, c. 165, §§6,7 (AMD). 1979, c. 378, §47 (AMD). 1985, c. 691, §41 (AMD). 2003, c. 588, §§22,23 (AMD).

§5312. WARRANT; REQUEST FOR AND ISSUANCE

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1971, c. 37, §2 (RPR). 1977, c. 165, §§8,9 (AMD). 1977, c. 694, §733 (AMD). 1985, c. 691, §42 (RP).

§5312-A. FORM AND EFFECT

(REPEALED)

SECTION HISTORY
1971, c. 37, §3 (NEW). 1973, c. 21, §2 (AMD). 1975, c. 765, §29 (AMD). 1977, c. 165, §10 (RPR). 1977, c. 694, §734 (AMD). 1985, c. 691, §43 (RP).

§5312-B. ARREST AND COMMITMENT

(REPEALED)

SECTION HISTORY
1971, c. 37, §3 (NEW). 1971, c. 622, §131 (AMD). 1975, c. 765, §30 (RP).

§5313. LIEN OF TAX

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1975, c. 474, §2 (AMD). 1977, c. 477, §22 (AMD). 1979, c. 541, §B51 (AMD). 1985, c. 691, §44 (RP).

§5314. RELEASE OF LIEN

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1985, c. 691, §45 (RP).

§5315. ENFORCEMENT OF LIEN

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1985, c. 691, §45 (RP).

§5316. TAXPAYER NOT A RESIDENT

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1971, c. 622, §132 (AMD). 2003, c. 390, §51 (RP).

§5317. PRIORITY

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 541, §B52 (AMD). 1981, c. 364, §74 (RPR). 1995, c. 281, §34 (RP).

§5318. INCOME TAX CLAIMS OF OTHER STATES

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1981, c. 364, §75 (RP).

§5319. ORDER TO COMPEL COMPLIANCE

1. **Failure to file tax return.** If any taxpayer willfully refuses to file an income tax return required by this Part, the assessor may apply to a Justice of the Superior Court of Kennebec County, and upon the complaint of the assessor, the justice shall issue an order requiring the taxpayer, and, if the taxpayer is a corporation, any principal officer of such corporation, to file a proper return in accordance with this Part,

upon pain of contempt. The court shall forthwith fix a time and place for hearing and cause 20 days' notice thereof to be given the taxpayer, having regard to the speediest possible determination of the case consistent with the rights of the parties.

[1969, c. 154, §F (NEW) .]

2. **Failure to furnish records or testimony.** If any taxpayer willfully refuses to make available any books, papers, records or memoranda for examination by the assessor or the assessor's representative or willfully refuses to attend and testify pursuant to the powers conferred on the assessor by section 112, the assessor may apply to a Justice of the Superior Court of Kennebec County for an order directing the taxpayer to comply with the assessor's request for books, papers, records or memoranda or for the taxpayer's attendance and testimony. If the books, papers, records or memoranda required by the assessor are in the custody of a corporation, the order of the court may be directed to any principal officer of the corporation. If a person fails or refuses to obey such an order, the person is guilty of contempt of court.

[1995, c. 281, §35 (AMD) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 541, §A247 (AMD). 1995, c. 281, §35 (AMD).

§5320. TRANSFEREES

1. **General.** The liability, at law or in equity, of a transferee of property of a taxpayer for any tax, addition to tax, penalty or interest due the assessor under this Part shall be assessed, paid and collected in the same manner and subject to the same provisions and limitations as in the case of the tax to which the liability relates, except as hereinafter provided in this section. The term transferee includes, but is not limited to, donee, heir, legatee, devisee and distributee.

[1969, c. 154, §F (NEW) .]

2. **Period of limitation.** In the case of the liability of an initial transferee, the period of limitation for assessment of any liability is within one year after the expiration of period of limitation against the transferor. In the case of the liability of a transferee of a transferee, within one year after the expiration of the period of limitation against the preceding transferee, but not more than 3 years after the expiration of the period of limitation for assessment against the original transferor; except that if before the expiration of the period of limitation for the assessment of the liability of the transferee, a proceeding for the collection of the liability has been begun against the initial transferor or the last preceding transferee, respectively, then the period of limitation for assessment of the liability of the transferee shall expire one year after the proceeding is terminated.

[1969, c. 154, §F (NEW) .]

3. **Extension by agreement.** If before the expiration of the time provided in this section for the assessment of the liability, the assessor and the transferee have both consented in writing to its assessment after such time, the liability may be assessed at any time prior to the expiration of the period agreed upon or an extension thereof. For the purpose of determining the period of limitation on credit or refund to the transferee of overpayments of tax made by such transferee of overpayments of tax made by the transferor of which the transferee is legally entitled to credit or refund, such agreement and any extension thereof shall be deemed an agreement or extension referred to in section 5278, subsection 3. If the agreement is executed after the expiration of the period of limitation for assessment against the taxpayer with reference to whom

the liability of such transferee arises, then in applying the limitations under section 5278, subsection 2 on the amount of the credit or refund, the periods specified in section 5278, subsection 1 shall be increased by the period from the date of such expiration to the date of the agreement.

[1979, c. 541, Pt. A, §248 (AMD) .]

4. **Transferor deceased.** If any person is deceased, the period of limitation for assessment against such person shall be the period that would be in effect had death not occurred.

[1969, c. 154, §F (NEW) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 541, §A248 (AMD).

§5321. JEOPARDY ASSESSMENTS

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1977, c. 694, §735 (AMD). 1979, c. 378, §48 (RP).

§5322. BANKRUPTCY OR RECEIVERSHIP

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1979, c. 378, §49 (AMD). 1995, c. 281, §36 (RP).

Chapter 837: CRIMINAL OFFENSES

§5330. ATTEMPTS TO EVADE OR DEFEAT TAX

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1977, c. 696, §295 (RPR). 1989, c. 880, §D2 (AMD). 1997, c. 504, §19 (RP).

§5331. FAILURE TO COLLECT OR PAY OVER

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1977, c. 696, §295 (RPR). 1983, c. 480, §A68 (AMD). 1985, c. 691, §46 (RP).

§5332. FAILURE TO FILE RETURN, SUPPLY INFORMATION, PAY TAX

1. **Failure to pay tax, file return, keep records or supply information.** A person commits a Class D crime if that person:

A. Is required under this Part to pay any tax or estimated tax, and intentionally fails to pay that tax or estimated tax at the time or times required by law or regulation; [2003, c. 452, Pt. U, §17 (NEW); 2003, c. 452, Pt. X, §2 (AFF).]

B. Is required by this Part or rule prescribed under this Part to make a return, other than a return of estimated tax, and intentionally fails to make the return at the time or times required by law or rule; or [2003, c. 452, Pt. U, §17 (NEW); 2003, c. 452, Pt. X, §2 (AFF).]

C. Is required to keep any records or supply any information and intentionally fails to keep the records or supply the information, at the time or times required by law or rule. [2003, c. 452, Pt. U, §17 (NEW); 2003, c. 452, Pt. X, §2 (AFF).]

[2003, c. 452, Pt. U, §17 (NEW); 2003, c. 452, Pt. X, §2 (AFF) .]

2. **Subsequent offense.**

[2009, c. 361, §31 (RP) .]

3. **Additional penalties.** This section is in addition to other penalties provided by law.

[2003, c. 452, Pt. U, §17 (NEW); 2003, c. 452, Pt. X, §2 (AFF) .]

4. **Presumption.** Proof that a person filed a federal income tax return for a taxable year gives rise to a presumption that the person was required to file a federal income tax return for that taxable year.

[2003, c. 452, Pt. U, §17 (NEW); 2003, c. 452, Pt. X, §2 (AFF) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1977, c. 696, §295 (RPR). 1983, c. 490, (AMD). 1989, c. 880, §D3 (AMD). 2003, c. 452, §X2 (AFF). 2003, c. 452, §U17 (RPR). 2009, c. 361, §31 (AMD).

§5333. FALSE STATEMENTS

1. **False tax return or other document.** A person who knowingly files a return, statement or other document that contains or is verified by a declaration that it is made under the penalties of perjury that the person does not believe to be true and correct in every material respect or who knowingly aids or procures the preparation or presentation in a matter arising under this Part of a return, affidavit, claim or other document that is fraudulent or is false in any material respect commits a Class D crime.

[2011, c. 285, §13 (AMD) .]

2. **Subsequent offense.**

[2009, c. 361, §32 (RP) .]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1977, c. 696, §295 (RPR). 1989, c. 880, §D4 (AMD). 2003, c. 452, §X2 (AFF). 2003, c. 452, §U18 (RPR). 2009, c. 361, §32 (AMD). 2011, c. 285, §13 (AMD).

§5334. VENUE

A violation of this Part is deemed to have been committed in part in Kennebec County. Prosecution may be brought in any county where the person to whose liability the proceeding relates resides or has a place of business or in any county in which the violation was committed. [2009, c. 434, §80 (AMD).]

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1973, c. 567, §20 (AMD). 1979, c. 701, §34 (RPR). 2009, c. 434, §80 (AMD).

Chapter 839: POWERS OF ASSESSOR

§5340. POWERS OF ASSESSOR

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1969, c. 584, §3 (AMD). 1971, c. 61, §13 (AMD). 1977, c. 668, §7 (AMD). 1979, c. 378, §50 (AMD). 1979, c. 541, §A249 (AMD). 1981, c. 364, §76 (RP).

§5341. CLOSING AGREEMENTS

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1995, c. 281, §37 (RP).

§5342. DISPOSITION OF REVENUES

(REPEALED)

SECTION HISTORY
P&SL 1969, c. 154, §F1 (NEW). 1981, c. 364, §77 (RP).

Chapter 841: INFLATION ADJUSTMENTS

§5401. FINDINGS AND PURPOSE

Inflation erodes the value of personal exemptions and deductions in the Maine individual income tax structure and distorts fiscal equity among taxpayers. Inflation-induced increases in individual income tax revenues result in annual collections that exceed the amounts anticipated by legislative actions establishing rates, exemptions, deductions and other features of the Maine individual income tax. Furthermore, the income tax laws of this State, in combination with economic inflation, have caused inequitable treatment of the taxpayers because the application of inflexible, statutorily prescribed rates of tax, standard deduction and personal exemption to increasing personal incomes has resulted in increasing the taxpayer's tax liability while the taxpayers purchasing power has remained the same or, in some instances has decreased. It is the purpose of this Act to correct this situation by requiring that certain components of the individual income tax structure be adjusted in order to compensate for the impact of inflation. [1983, c. 2, §4 (NEW).]

SECTION HISTORY
IB 1983, c. 2, §4 (NEW).

§5402. DEFINITIONS

As used in this chapter, unless the context indicates otherwise, the following terms have the following meanings. [1987, c. 430, §1 (AMD).]

1. **Chained Consumer Price Index.** "Chained Consumer Price Index" means the average over a 12-month period of the Chained Consumer Price Index, not seasonally adjusted, published monthly by the Bureau of Labor Statistics, United States Department of Labor designated as the "Chained Consumer Price Index for All Urban Consumers-United States City Average."

[2013, c. 368, Pt. Q, §9 (AMD) .]

1-A. **Base year index.**

[1989, c. 495, §5 (RP) .]

1-B. **Cost-of-living adjustment.** The "cost-of-living adjustment" for any calendar year is the Chained Consumer Price Index for the 12-month period ending June 30th of the preceding calendar year divided by the Chained Consumer Price Index for the 12-month period ending June 30, 2014.

[2013, c. 368, Pt. Q, §10 (AMD) .]

2. **Percentage adjustment factor.**

[1999, c. 731, Pt. T, §11 (AFF); 1999, c. 731, Pt. T, §9 (RP) .]

3. **Inflation factor.**

[1999, c. 731, Pt. T, §11 (AFF); 1999, c. 731, Pt. T, §9 (RP) .]

SECTION HISTORY
IB 1983, c. 2, §4 (NEW). IB 1983, c. 3, §5 (AMD). 1987, c. 430, §1 (AMD). 1987, c. 819, §13 (AMD). 1989, c. 495, §§5,6 (AMD). 1999, c. 731, §§T8,9 (AMD). 1999, c. 731, §T11 (AFF). 2011, c. 380, Pt. N, §17 (AMD). 2011, c. 380, Pt. N, §§19, 20 (AFF). 2013, c. 368, Pt. Q, §§9, 10 (AMD).

§5403. ANNUAL ADJUSTMENTS FOR INFLATION

Beginning in 2015, and each calendar year thereafter, on or about September 15th, the assessor shall multiply the cost-of-living adjustment for taxable years beginning in the succeeding calendar year by the dollar amounts of the tax rate tables specified in section 5111, subsections 1-D, 2-D and 3-D and of the benefit base amounts in section 5219-KK, subsection 1, paragraph A. Beginning in 2013, and each calendar year thereafter, on or about September 15th, the assessor shall multiply the cost-of-living adjustment for taxable years beginning in the succeeding calendar year by the dollar amount of the itemized deduction limitation amount in section 5125, subsection 4. If the benefit base amounts, itemized deduction limitation amount or the dollar amounts of each rate bracket, adjusted by application of the cost-of-living adjustment, are not multiples of $50, any increase must be rounded to the next lowest multiple of $50. If the cost-of-living adjustment for any taxable year would be less than the cost-of-living adjustment for the preceding calendar year, the cost-of-living adjustment is the same as for the preceding calendar year. The assessor shall incorporate such changes into the income tax forms, instructions and withholding tables for the taxable year. [2013, c. 551, §4 (NEW).]

SECTION HISTORY

IB 1983, c. 2, §4 (NEW). 1983, c. 3, §6 (AMD). 1987, c. 430, §2 (AMD). 1987, c. 819, §14 (RPR). 1989, c. 495, §7 (AMD). 1991, c. 528, §CCC (AMD). 1991, c. 528, §RRR (AFF). 1991, c. 591, §CCC (AMD). 1999, c. 731, §T11 (AFF). 1999, c. 731, §T10 (RPR). 2009, c. 213, Pt. WWW, §1 (AMD). 2009, c. 213, Pt. WWW, §2 (AFF). 2011, c. 380, Pt. N, §18 (AMD). 2011, c. 380, Pt. N, §19 (AFF). 2013, c. 368, Pt. Q, §11 (AMD). 2013, c. 368, Pt. Q, §12 (AFF). 2013, c. 368, Pt. TT, §19 (AMD). 2013, c. 551, §4 (RPR).

Part 9: TAXPAYER BENEFIT PROGRAMS

Chapter 901: THE ELDERLY HOUSEHOLDERS TAX AND RENT REFUND ACT

§6101. SHORT TITLE

(REPEALED)

SECTION HISTORY
1971, c. 503, §1 (NEW). 1973, c. 634, §1 (AMD). 1979, c. 541, §B53 (AMD). 1987, c. 516, §§1,6 (RP).

§6102. PURPOSE

(REPEALED)

SECTION HISTORY
1971, c. 503, §1 (NEW). 1979, c. 541, §B54 (AMD). 1987, c. 516, §§1,6 (RP).

§6103. DEFINITIONS

(REPEALED)

SECTION HISTORY
1971, c. 503, §1 (NEW). 1973, c. 634, §2 (AMD). 1979, c. 541, §§A250,A251 (AMD). 1979, c. 541, §§B55-B58 (AMD). 1979, c. 642, §1 (AMD). 1985, c. 421, §1 (AMD). 1987, c. 516, §§1,6 (RP).

§6104. CLAIM IS PERSONAL

(REPEALED)

SECTION HISTORY
1971, c. 503, §1 (NEW). 1979, c. 541, §B59 (AMD). 1983, c. 571, §25 (AMD). 1987, c. 516, §§1,6 (RP).

§6105. CLAIM TO BE PAID FROM GENERAL FUND

(REPEALED)

SECTION HISTORY
1971, c. 503, §1 (NEW). 1979, c. 541, §B60 (AMD). 1987, c. 516, §§1,6 (RP).

§6106. FILING DATE

(REPEALED)

SECTION HISTORY
1971, c. 503, §1 (NEW). 1979, c. 541, §A252 (AMD). 1987, c. 516, §§1,6 (RP).

§6107. ONE CLAIM PER HOUSEHOLD

(REPEALED)

SECTION HISTORY
1971, c. 503, §1 (NEW). 1979, c. 541, §B61 (AMD). 1987, c. 516, §§1,6 (RP).

§6108. INCOME LIMITATION

(REPEALED)

SECTION HISTORY
1971, c. 503, §1 (NEW). 1973, c. 634, §3 (RPR). 1977, c. 686, §16 (AMD). 1981, c. 535, §§1,3 (RPR). 1981, c. 538, §1 (RPR). 1981, c. 698, §189 (AMD). 1985, c. 421, §2 (AMD). 1987, c. 516, §§1,6 (RP).

§6109. NET ASSET LIMITATION

(REPEALED)

SECTION HISTORY
1971, c. 503, §1 (NEW). 1973, c. 634, §4 (AMD). 1973, c. 771, §1 (RP).

§6110. BENEFIT LIMITATION

(REPEALED)

SECTION HISTORY
1971, c. 503, §1 (NEW). 1973, c. 634, §5 (RPR). 1973, c. 771, §2 (RPR). 1987, c. 516, §§1,6 (RP).

§6111. AGE LIMITATION

(REPEALED)

SECTION HISTORY
1971, c. 503, §1 (NEW). 1973, c. 634, §6 (RPR). 1973, c. 771, §2 (RPR). 1977, c. 552, §1 (RPR). 1979, c. 541, §B62 (AMD). 1979, c. 561, §1 (AMD). 1979, c. 642, §2 (RPR). 1987, c. 516, §§1,6 (RP).

§6111-A. PARTICIPATION LIMITATION

(REPEALED)

SECTION HISTORY
1971, c. 622, §132A (NEW). 1973, c. 771, §2 (RPR). P&SL 1975, c. 90, §§SEC.S,2 (RP).

§6112. AMOUNT OF CLAIM

(REPEALED)

SECTION HISTORY
1971, c. 503, §1 (NEW). 1973, c. 634, §7 (RPR). 1973, c. 771, §2 (RPR). 1977, c. 579, §D1 (AMD). 1977, c. 686, §17 (RPR). 1979, c. 541, §B63 (AMD). 1987, c. 516, §§1,6 (RP).

§6113. ADMINISTRATION

(REPEALED)

SECTION HISTORY
1971, c. 503, §1 (NEW). 1987, c. 516, §§1,6 (RP).

§6114. AUDIT OF CLAIM

(REPEALED)

SECTION HISTORY
1971, c. 503, §1 (NEW). 1979, c. 541, §B64 (AMD). 1987, c. 516, §§1,6 (RP).

§6115. DENIAL OF CLAIM

(REPEALED)

SECTION HISTORY
1971, c. 503, §1 (NEW). 1987, c. 516, §§1,6 (RP).

§6116. APPEAL

(REPEALED)

SECTION HISTORY
1971, c. 503, §1 (NEW). 1973, c. 303, §3 (AMD). 1977, c. 694, §§735-A (RPR). 1979, c. 541, §B65 (AMD). 1987, c. 516, §§1,6 (RP).

§6117. DISALLOWANCE OF CERTAIN CLAIMS

(REPEALED)

SECTION HISTORY
1971, c. 503, §1 (NEW). 1979, c. 541, §B66 (AMD). 1987, c. 516, §§1,6 (RP).

§6118. EXTENSION OF TIME FOR FILING CLAIMS

(REPEALED)

SECTION HISTORY
1971, c. 503, §1 (NEW). 1987, c. 516, §§1,6 (RP).

§6119. PROTECTION FROM LOSS OF BENEFITS

(REPEALED)

SECTION HISTORY
1971, c. 503, §1 (NEW). 1975, c. 293, §4 (AMD). 1987, c. 516, §§1,6 (RP).

§6120. ADJUSTMENTS IN THE AMOUNT OF CLAIMS

(REPEALED)

SECTION HISTORY
1971, c. 503, §1 (NEW). 1973, c. 634, §8 (RP).

§6121. TAX ASSESSOR'S RECORDS CONFIDENTIAL

(REPEALED)

SECTION HISTORY
1975, c. 765, §31 (NEW). 1977, c. 345, (AMD). 1977, c. 668, §8 (RP). 1977, c. 718, §2 (AMD).

Chapter 902: HOMESTEAD TAX RELIEF ACT OF 1978

§6141. PURPOSE

(REALLOCATED FROM TITLE 36, SECTION 6146)
(REPEALED)

SECTION HISTORY
1977, c. 721, §2 (NEW). 1979, c. 127, §203 (RAL). 1981, c. 706, §40 (RP).

§6142. DEFINITIONS

(REALLOCATED FROM TITLE 36, SECTION 6147)
(REPEALED)

SECTION HISTORY
1977, c. 721, §2 (NEW). 1979, c. 127, §203 (RAL). 1981, c. 706, §40 (RP).

§6143. BENEFIT

(REALLOCATED FROM TITLE 36, SECTION 6148)
(REPEALED)

SECTION HISTORY
1977, c. 721, §2 (NEW). 1979, c. 127, §203 (RAL). 1981, c. 706, §40 (RP).

§6144. LIMITATIONS

(REALLOCATED FROM TITLE 36, SECTION 6149)
(REPEALED)

SECTION HISTORY
1977, c. 721, §2 (NEW). 1979, c. 127, §203 (RAL). 1979, c. 541, §§B67,B68 (AMD). 1981, c. 706, §40 (RP).

§6145. ADMINISTRATION

(REALLOCATED FROM TITLE 36, SECTION 6150)
(REPEALED)

SECTION HISTORY
1977, c. 721, §2 (NEW). 1979, c. 127, §203 (RAL). 1981, c. 706, §40 (RP).

§6146. APPEALS

(REALLOCATED TO TITLE 36, SECTION 6141)
(REPEALED)
(REALLOCATED FROM TITLE 36, SECTION 6151)

SECTION HISTORY
1977, c. 721, §2 (NEW). 1979, c. 127, §203 (RAL). 1981, c. 706, §40 (RP).

§6147. DEFINITIONS

(REALLOCATED TO TITLE 36, SECTION 6142)

SECTION HISTORY
1977, c. 721, §2 (NEW). 1979, c. 127, §203 (RAL).

§6148. BENEFIT

(REALLOCATED TO TITLE 36, SECTION 6143)

SECTION HISTORY
1977, c. 721, §2 (NEW). 1979, c. 127, §203 (RAL).

§6149. LIMITATIONS

(REALLOCATED TO TITLE 36, SECTION 6144)

SECTION HISTORY
1977, c. 721, §2 (NEW). 1979, c. 127, §203 (RAL).

§6150. ADMINISTRATION

(REALLOCATED TO TITLE 36, SECTION 6145)

SECTION HISTORY
1977, c. 721, §2 (NEW). 1979, c. 127, §203 (RAL).

§6151. APPEALS

(REALLOCATED TO TITLE 36, SECTION 6146)
(REPEALED)

SECTION HISTORY
1977, c. 718, §3 (NEW). 1977, c. 721, §2 (NEW). 1979, c. 127, §203 (RAL). 1979, c. 726, §6 (RP).

Chapter 903: ELDERLY LOW COST DRUG ELIGIBLITY

§6151. PURPOSE

(REPEALED)

SECTION HISTORY
1977, c. 718, §3 (NEW). 1977, c. 721, §2 (NEW). 1979, c. 127, §203 (RAL). 1979, c. 726, §6 (RP).

§6152. ADMINISTRATION

(REPEALED)

SECTION HISTORY
1977, c. 718, §3 (NEW). 1979, c. 726, §6 (RP).

§6153. ELIGIBILITY CRITERIA

(REPEALED)

SECTION HISTORY
1977, c. 718, §3 (NEW). 1979, c. 726, §6 (RP).

§6154. APPEAL

(REPEALED)

SECTION HISTORY
1977, c. 718, §3 (NEW). 1979, c. 726, §6 (RP).

§6155. CERTIFICATION

(REPEALED)

SECTION HISTORY
1977, c. 718, §3 (NEW). 1979, c. 726, §6 (RP).

Chapter 905: CERTIFICATION OF ELIGIBILITY FOR ELDERLY LOW COST DRUG PROGRAM

§6161. PURPOSE

(REPEALED)

SECTION HISTORY
1979, c. 726, §7 (NEW). 2001, c. 691, §6 (AFF). 2001, c. 691, §4 (RP).

§6162. ELIGIBILITY CRITERIA; APPEAL

(REPEALED)

SECTION HISTORY
1979, c. 726, §7 (NEW). 1987, c. 516, §§2,6 (RP). 1987, c. 528, §1 (RP).

§6162-A. ELIGIBILITY; DEFINITIONS; APPEAL

(REPEALED)

SECTION HISTORY
1987, c. 528, §2 (NEW). 1987, c. 772, §43 (AMD). 1987, c. 876, §§4,10 (AMD). 1995, c. 368, §CCC6 (AMD). 1995, c. 368, §CCC11 (AFF). 1997, c. 643, §RR6 (AMD). 1999, c. 401, §KKK10 (AFF). 1999, c. 401, §KKK4 (RP). 1999, c. 531, §F2 (AFF).

§6162-B. ELIGIBILITY; APPEAL

(REPEALED)

SECTION HISTORY
1999, c. 401, §KKK5 (NEW). 1999, c. 401, §KKK10 (AFF). 1999, c. 531, §F2 (AFF). 1999, c. 707, §2 (AMD). 2001, c. 293, §§7,8 (AMD). 2001, c. 691, §6 (AFF). 2001, c. 691, §4 (RP).

§6163. ADMINISTRATION

(REPEALED)

SECTION HISTORY
1979, c. 726, §7 (NEW). 2001, c. 691, §6 (AFF). 2001, c. 691, §4 (RP).

§6164. CERTIFICATION

(REPEALED)

SECTION HISTORY
1979, c. 726, §7 (NEW). 1997, c. 668, §39 (AMD). 1997, c. 668, §43 (AFF). 2001, c. 691, §6 (AFF). 2001, c. 691, §4 (RP).

Chapter 907: MAINE RESIDENTS PROPERTY TAX PROGRAM

§6201. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [1991, c. 824, Pt. A, §80 (AMD).]

1. **Benefit base.** "Benefit base" means property taxes accrued or rent constituting property taxes accrued. In the case of a claimant paying both rent and property taxes for a homestead, benefit base means both property taxes accrued and rent constituting property taxes accrued. The benefit base may not exceed $3,350 for single-member households and $4,400 for households with 2 or more members.

[2007, c. 700, Pt. A, §1 (AMD) .]

2. **Claimant.** "Claimant" means an individual who has filed a claim under this chapter and who was domiciled in this State and occupied a homestead in this State during the entire year for which a claim for relief under this chapter is filed. "Claimant" also includes an individual who has filed a claim under this chapter and who was domiciled in this State and owned or otherwise maintained a homestead in this State during the entire year for which the claim for relief under this chapter is filed and occupied that homestead for at least 6 months during that year. Regardless of how many names of individuals appear on the property deed, the person who meets the qualifications described in this subsection and proves sole responsibility for the payment of the property taxes on the subject property is the claimant with respect to that property. If 2 or more individuals meet the qualifications in this subsection and share the payment of the rent or the responsibility for the payment of the property taxes, each individual may apply on the basis of the rent paid or the property taxes levied on the homestead that reflect the ownership percentage of the claimant and the claimant's household.

If 2 or more individuals claim the same property, the matter must be referred to the State Tax Assessor, whose decision is final. Ownership of a homestead under this chapter may be by fee, by life tenancy, by bond for deed, as mortgagee or any other possessory interest in which the owner is personally responsible for the tax for which a refund is claimed.

[2007, c. 438, §111 (AMD) .]

3. **Elderly household.** "Elderly household" means a household in which, during the year for which relief is requested:

A. At least one member of the household had attained the age of 62; [2007, c. 438, §112 (AMD).]

B. The claimant was not married and had attained the age of 55 and was, due to disability, receiving federal disability payments such as supplemental security income; or [2007, c. 438, §112 (AMD).]

C. The claimant was married and had attained the age of 55 and both the claimant and the claimant's spouse were, due to disability, receiving federal disability payments such as supplemental security income. [2007, c. 438, §112 (AMD).]

[2007, c. 438, §112 (AMD) .]

4. **Gross rent.** "Gross rent" means rental paid at arm's length solely for the right of occupancy of a homestead, exclusive of charges for any utilities, services, furniture, furnishings or personal property appliances furnished by the landlord as part of the rental agreement, whether or not expressly set out in the rental agreement. If the landlord and tenant have not dealt with each other at arm's length, and the State Tax Assessor is satisfied that the gross rent charged was excessive, the State Tax Assessor may adjust the gross rent to a reasonable amount for purposes of this chapter.

[1991, c. 824, Pt. A, §81 (AMD) .]

5. **Homestead.** "Homestead" means the dwelling owned or rented by the claimant or held in a revocable living trust for the benefit of the claimant and occupied by the claimant and the claimant's dependents as a home, and may consist of a part of a multidwelling or multipurpose building and a part of the land, up to 10 acres, upon which it is built. "Owned" includes a vendee in possession under a land contract and of one or more joint tenants or tenants in common and includes possession under a legally binding agreement that allows the owner of the dwelling to transfer the property but continue to occupy the dwelling as a home until some future event stated in the agreement.

[2011, c. 513, §1 (AMD) .]

6. **Household.** "Household" means a claimant and spouse and members of the household for whom the claimant under this chapter is entitled to claim an exemption as a dependent under Part 8 for the year for which relief is requested.

[1987, c. 516, §§3, 6 (NEW) .]

7. **Household income.** "Household income" means all income received by all persons of a household in a calendar year while members of the household.

[1987, c. 516, §§3, 6 (NEW) .]

8. **Household income eligibility adjustment factor.** "Household income eligibility adjustment factor" means one plus the annualized cost-of-living adjustments for Social Security retirement benefits during the year for which relief is requested.

[1987, c. 516, §§3, 6 (NEW) .]

9. **Income.** "Income" means Maine adjusted gross income determined in accordance with Part 8, modified as provided by this subsection.

A. Maine adjusted gross income must be increased by the following amounts, to the extent not included in Maine adjusted gross income:

(1) Contributions, including catch-up contributions, to any pension, annuity or retirement plan, including contributions to an individual retirement account under Section 408 of the Code, a simplified employee pension plan, a salary reduction simplified employee pension plan, a savings incentive match plan for employees plan and a deferred compensation plan under Section 457 of the Code and cash or deferred arrangements under Section 401 of the Code and qualified, or "Keogh," accounts;

(2) Nontaxable contributions to a flexible spending arrangement under Section 125 of the Code;

(3) Amounts excluded from gross income under Section 129 of the Code;

(4) Distributions from a ROTH IRA;

(5) Capital gains;

(6) The absolute value of the amount of trade or business loss, net operating loss carry-over, capital loss, rental loss, farm loss, partnership or S Corporation loss included in Maine adjusted gross income;

(7) Inheritance;

(8) Life insurance proceeds paid on death of an insured;

(9) Nontaxable lawsuit rewards resulting from lawsuits for actions such as slander, libel and pain and suffering, excluding reimbursements such as medical and legal expenses associated with the case;

(10) Support money;

(11) Nontaxable strike benefits;

(12) The gross amount of any pension or annuity, including railroad retirement benefits;

(13) All payments received under the federal Social Security Act and state unemployment insurance laws;

(14) Veterans' disability pensions;

(15) Nontaxable interest received from the Federal Government or any of its agencies or instrumentalities;

(16) Interest or dividends on obligations or securities of this State and its political subdivisions and authorities;

(17) Workers' compensation and the gross amount of "loss of time" insurance; and

(18) Cash public assistance and relief, but not including relief granted under this chapter. [2007, c. 438, §113 (NEW).]

B. Maine adjusted gross income must be decreased by the following amounts, to the extent included in Maine adjusted gross income:

(1) The first $5,000 of proceeds from a life insurance policy, whether paid in a lump sum or in the form of an annuity;

(2) A rollover from an individual retirement account, pension or annuity fund or plan to an individual retirement account, pension or annuity fund or plan;

(3) Gifts from nongovernmental sources; and

(4) Surplus foods or other relief in kind supplied by a governmental agency. [2007, c. 438, §113 (NEW).]

[2007, c. 438, §113 (RPR) .]

10. **Property taxes accrued.** "Property taxes accrued" means property taxes exclusive of special assessment, delinquent interest and charges for service levied on a claimant's homestead in this State as of April 1, 1972, or any tax year thereafter. If a claimant receives an abatement of property taxes based on hardship or poverty pursuant to section 841, subsection 2 during the year for which relief is requested, "property taxes accrued" means only the portion of property taxes levied that was not abated during the year for which the claimant requests relief. If a homestead is owned by 2 or more persons or entities as joint tenants or tenants in common, and one or more persons or entities are not members of the claimant's household, "property taxes accrued" is that part of property taxes levied on the homestead that reflects the ownership percentage of the claimant and the claimant's household. If a claimant and spouse own their homestead for part of the year for which relief is requested and rent it or a different homestead for part of the same tax year, "property taxes accrued" means taxes levied on the homestead on April 1st, multiplied by the percentage of 12 months that the property was owned and occupied by the household as its homestead during the year for which relief is requested. When a household owns and occupies 2 or more different homesteads in this State in the same calendar year, property taxes accrued relate only to the total of the property taxes owed for the time that each property was occupied by the household as a homestead. To calculate the amount attributable to each property, the April 1st assessment on each homestead is multiplied by the percentage of 12 months that each property was owned and occupied by the claimant as the claimant's homestead during the year for which relief is requested. If a homestead is an integral part of a larger unit such as a farm, or a multipurpose or multidwelling building, property taxes accrued are that percentage of the total property taxes accrued that the value of the homestead is of the total value, except that property taxes accrued do not include any portion of taxes claimed as a business expense for federal income tax purposes. For purposes of this chapter, "unit" refers to the parcel of property separately assessed of which the homestead is a part.

[2013, c. 424, Pt. A, §28 (AMD) .]

11. **Rent constituting property taxes accrued for an elderly household.** "Rent constituting property taxes accrued for an elderly household" means 25% of the gross rent actually paid in cash or its equivalent in any tax year by a claimant and the claimant's household solely for the right of occupancy of their Maine homestead in the tax year and which rent constitutes the basis, in the succeeding calendar year, of a claim for relief under this chapter by the claimant.

[1987, c. 839, §1 (AMD) .]

11-A. **Rent constituting property taxes accrued for nonelderly household.** "Rent constituting property taxes accrued for nonelderly household" means 20% of the gross rent actually paid in cash or its equivalent in any tax year by a claimant and the claimant's household solely for the right of occupancy of their Maine homestead in the tax year and which rent constitutes the basis, in the succeeding calendar year, of a claim for relief under this chapter by the claimant.

[2005, c. 2, Pt. E, §2 (AMD); 2005, c. 2, Pt. E, §§7, 8 (AFF) .]

12. **Year for which relief is requested.** "Year for which relief is requested" means the calendar year preceding that in which the claim is filed. For a claim filed during January to May of any year, or during the extension period allowed under section 6215, "year for which relief is requested" means the calendar year 2 years preceding that in which the claim is filed.

[2005, c. 218, §58 (AMD) .]

SECTION HISTORY
1987, c. 516, §§3,6 (NEW). 1987, c. 839, §§1,2 (AMD). 1989, c. 534, §§A2,A3 (AMD). 1989, c. 871, §20 (AMD). 1991, c. 149, (AMD). 1991, c. 824, §§A80,81 (AMD). RR 1993, c. 1, §109 (COR). 1993, c. 395, §§27-29 (AMD). 1993, c. 670, §9 (AMD). 1995, c. 368, §§CCC5,7 (AMD). 1995, c. 368, §CCC11 (AFF). 1997, c. 504, §20 (AMD). 1997, c. 557, §A1 (AMD). 1997, c. 557, §G1 (AFF). 1997, c. 643, §HHH6 (AMD). 1997, c. 643, §HHH10 (AFF). 1999, c. 16, §D1 (AMD). 1999, c. 16, §D2 (AFF). 1999, c. 401, §R1 (AMD). 1999, c. 401, §R2 (AFF). 1999, c. 414, §54 (AMD). 1999, c. 414, §57 (AFF). 1999, c. 507, §1 (AMD). 1999, c. 507, §3 (AFF). 2001, c. 396, §§40,41 (AMD). 2005, c. 2, §§E1,2 (AMD). 2005, c. 2, §§E7,8 (AFF). 2005, c. 218, §58 (AMD). 2005, c. 457, §EEE1 (AMD). 2005, c. 457, §EEE2 (AFF). 2005, c. 618, §17 (AMD). 2005, c. 618, §22 (AFF). 2007, c. 325, §1 (AMD). 2007, c. 438, §§111-113 (AMD). 2007, c. 539, Pt. BBBB, §1 (AMD). 2007, c. 700, Pt. A, §1 (AMD). 2011, c. 513, §1 (AMD). 2011, c. 552, §2 (AMD). 2013, c. 424, Pt. A, §28 (AMD).

§6201-A. SHORT TITLE

This chapter may be known and may be cited as the "Maine Residents Property Tax Program" and may be referred to as "the Circuitbreaker Program." [2005, c. 618, §18 (AMD).]

SECTION HISTORY
1989, c. 534, §A4 (NEW). 2005, c. 618, §18 (AMD).

§6202. CLAIM IS PERSONAL

The right to file a claim under this chapter is personal to the claimant and does not survive the claimant's death, but the right may be exercised on behalf of a claimant by the claimant's legal guardian or attorney-in-fact. If a claimant dies after having filed a timely claim, the amount thereof must be disbursed to another member of the household as determined by the State Tax Assessor. [1993, c. 395, §30 (AMD).]

If the claimant was the only member of a household, the claim may be paid to the claimant's personal representative, but if one is not appointed within 2 years of the filing of the claim, the amount of the claim escheats to the State. [1993, c. 395, §30 (AMD).]

SECTION HISTORY
1987, c. 516, §§3,6 (NEW). 1993, c. 395, §30 (AMD).

§6203. CLAIM TO BE PAID FROM GENERAL FUND

(REPEALED)

SECTION HISTORY
1987, c. 516, §§3,6 (NEW). 2003, c. 673, §BB1 (RP).

§6203-A. PROCEDURE FOR REIMBURSEMENT

At least monthly on or before the last day of the month, the State Tax Assessor shall determine the benefit for each claimant under this chapter and certify the amount to the State Controller to be transferred to the so-called circuit breaker reserve established, maintained and administered by the State Controller from General Fund undedicated revenue. At least monthly, the assessor shall pay the certified amounts to each approved applicant qualifying for the benefit under this chapter. Interest may not be allowed on any payment made to a claimant pursuant to this chapter. [2009, c. 213, Pt. S, §14 (AMD).]

SECTION HISTORY
2003, c. 673, §BB2 (NEW). 2009, c. 213, Pt. S, §14 (AMD). 2009, c. 213, Pt. S, §16 (AFF).

§6204. FILING DATE

A claim may not be paid unless the claim is filed with the Bureau of Revenue Services on or after August 1st and on or before the following May 31st. [2005, c. 2, Pt. E, §3 (AMD); 2005, c. 2, Pt. E, §§7, 8 (AFF).]

SECTION HISTORY
1987, c. 516, §§3,6 (NEW). 1989, c. 534, §A5 (AMD). 1997, c. 526, §14 (AMD). 1997, c. 557, §A2 (AMD). 1997, c. 557, §G1 (AFF). 1997, c. 562, §A1 (AMD). 2001, c. 396, §42 (AMD). 2005, c. 2, §E3 (AMD). 2005, c. 2, §§E7,8 (AFF).

§6205. ONE CLAIM PER HOUSEHOLD

Only one claimant per household or homestead per year shall be entitled to relief under this chapter. [1987, c. 516, §§ 3 and 6 (NEW).]

SECTION HISTORY
1987, c. 516, §§3,6 (NEW).

§6206. INCOME LIMITATIONS FOR ELDERLY HOUSEHOLDS

A claimant representing an elderly household shall qualify for the following benefits subject to the following income limitations. [1987, c. 516, §§ 3, 6 (NEW).]

1. **Single-member elderly households.** For single-member elderly households, the benefit shall be calculated as follows:

If household income The benefit equals:

equals:

$ 0 to $6,800 100% of the benefit base up

to a maximum of $400

$6,801 to $7,000 75% of the benefit base up

to a maximum of $300

$7,001 to $7,200 50% of the benefit base up

to a maximum of $200

$7,201 to $7,400 25% of the benefit base up

to a maximum of $100

[1987, c. 516, §§ 3, 6 (NEW) .]

2. **Elderly households with 2 or more members.** For elderly households with 2 or more members, the benefit shall be calculated as follows:

If household income The benefit equals:

equals:

$ 0 to $8,100 100% of the benefit base up

to a maximum of $400

$8,101 to $8,500 75% of the benefit base up

to a maximum of $300

$8,501 to $8,800 50% of the benefit base up

to a maximum of $200

$8,801 to $9,200 25% of the benefit base up

to a maximum of $100

[1987, c. 516, §§ 3, 6 (NEW) .]

3. **Minimum benefit.** No claim of less than $5 may be granted.

[1987, c. 516, §§ 3, 6 (NEW) .]

SECTION HISTORY
1987, c. 516, §§3,6 (NEW).

§6207. INCOME LIMITATIONS FOR NONELDERLY HOUSEHOLDS

A claimant representing a nonelderly household qualifies for the following benefits subject to the following income limitations. [1997, c. 557, Pt. A, §3 (AMD); 1997, c. 557, Pt. G, §1 (AFF).]

1. **Benefit calculation.** For claimants representing a nonelderly household, the benefit is calculated as follows:

A. [1989, c. 534, Pt. A, §6 (NEW); 1989, c. 878, Pt. B, §36 (RP).]

A-1. Fifty percent of that portion of the benefit base that exceeds 4% but does not exceed 8% of income plus 100% of that portion of the benefit base that exceeds 8% of income to a maximum payment of $2,000; and [2009, c. 213, Pt. XXX, §1 (AMD).]

B. For application periods beginning on August 1, 2009, August 1, 2010, August 1, 2011 and August 1, 2012, the benefit is limited to 80% of the amount determined under paragraph A-1. [2011, c. 380, Pt. P, §1 (AMD).]

[2011, c. 380, Pt. P, §1 (AMD) .]

2. **Income eligibility.**

[2005, c. 2, Pt. E, §§7, 8 (AFF); 2005, c. 2, Pt. E, §5 (RP) .]

2-A. **Income eligibility.** For application periods beginning on or after August 1, 2008, a single-member household with a household income in excess of $60,000 and a household with 2 or more members with a household income in excess of $80,000 are not eligible for a benefit.

[2007, c. 700, Pt. A, §2 (NEW) .]

3. **Subsidized housing; special needs payment.** A claim may not be granted under this section to claimants:

A. Whose housing costs for the year for which relief is requested were subsidized by government programs that limit housing costs to a percentage of household income, except that the exclusion provided by this paragraph does not apply to persons receiving social security disability or supplemental security income disability benefits. [1999, c. 494, §1 (AMD).]

B. [1997, c. 557, Pt. A, §3 (RP); 1997, c. 557, Pt. G, §1 (AFF); 1997, c. 683, Pt. B, §24 (RP).]

[1999, c. 494, §1 (AMD) .]

4. **Minimum benefit.** A claim of less than $10 may not be granted.

[1997, c. 557, Pt. A, §3 (AMD); 1997, c. 557, Pt. G, §1 (AFF) .]

SECTION HISTORY
1987, c. 516, §§3,6 (NEW). 1987, c. 839, §3 (AMD). 1987, c. 876, §§5,10 (AMD). 1989, c. 534, §§A6-8 (AMD). 1989, c. 878, §§B36,37 (AMD). 1991, c. 780, §Q3 (AMD). 1991, c. 780, §Q5 (AFF). 1993, c. 410, §§C6,7 (AMD). 1995, c. 368, §§CCC8,9 (AMD). 1995, c. 368, §CCC11 (AFF). 1995, c. 395, §S4 (AMD). 1995, c. 639, §32 (AMD). 1997, c. 530, §A33 (AMD). 1997, c. 557, §A3 (AMD). 1997, c. 557, §G1 (AFF). 1997, c. 683, §B24 (AMD). 1999, c. 494, §1 (AMD). 2005, c. 2, §§E4,5 (AMD). 2005, c. 2, §§E7,8 (AFF). 2007, c. 700, Pt. A, §2 (AMD). 2009, c. 213, Pt. XXX, §§1, 2 (AMD). 2011, c. 380, Pt. P, §1 (AMD).

§6208. BENEFIT CALCULATION FOR ELDERLY HOUSEHOLDS

If a claimant representing an elderly household qualifies for a larger benefit under section 6207 than under section 6206, then that claimant's benefit must be calculated under section 6207. [2011, c. 240, §41 (AMD).]

SECTION HISTORY
1987, c. 516, §§3,6 (NEW). 2011, c. 240, §41 (AMD).

§6209. ANNUAL ADJUSTMENT

1. **Household limitation adjustment.** The State Tax Assessor shall determine annually the household income eligibility adjustment factor. That factor must be multiplied by the applicable income limitations in section 6206, as previously adjusted according to this subsection, for the year prior to that for which relief is requested. The result must be rounded to the nearest $100 and applies to the year for which relief is requested corresponding to the year on which the annualized cost of living adjustments were based.

[2005, c. 2, Pt. E, §6 (AMD); 2005, c. 2, Pt. E, §§7, 8 (AFF) .]

2. **Benefit base maximum adjustment.**

[2007, c. 539, Pt. BBBB, §2 (RP) .]

3. **Benefit base maximum adjustment.** Beginning March 1, 2009, the State Tax Assessor shall annually multiply the household income eligibility adjustment factor by the maximum benefit base amounts specified in section 6201, subsection 1, as previously adjusted. The result must be rounded to the nearest $50 and applies to the application period beginning the next August 1st.

[2007, c. 700, Pt. A, §3 (NEW) .]

4. **Income eligibility adjustment.** Beginning March 1, 2009, the State Tax Assessor shall annually multiply the household income eligibility adjustment factor by the maximum income eligibility amounts specified in section 6207, subsection 2-A, as previously adjusted. The result must be rounded to the nearest $50 and applies to the application period beginning the next August 1st.

[2009, c. 434, §81 (AMD) .]

SECTION HISTORY
1987, c. 516, §§3,6 (NEW). 1989, c. 508, §25 (AMD). 2005, c. 2, §E6 (AMD). 2005, c. 2, §§E7,8 (AFF). 2007, c. 539, Pt. BBBB, §2 (AMD). 2007, c. 700, Pt. A, §§3, 4 (AMD). 2009, c. 434, §81 (AMD).

§6210. ADMINISTRATION

The State Tax Assessor shall make available suitable forms with instructions for claimants. The claim must be in the form prescribed by the assessor and must be signed by the claimant. [2005, c. 218, §59 (AMD).]

The assessor shall include a checkoff to request an application for the Maine Residents Property Tax Program on the individual income tax form. The assessor shall also provide a paperless option for filing an application for the Maine Residents Property Tax Program. [2005, c. 218, §59 (AMD).]

SECTION HISTORY
1987, c. 516, §§3,6 (NEW). 1997, c. 557, §A4 (AMD). 1997, c. 557, §G1 (AFF). 2005, c. 218, §59 (AMD).

§6211. AUDIT OF CLAIM

If, on the audit of any claim filed under this chapter, the State Tax Assessor determines the amount to have been incorrectly determined, the assessor shall redetermine the claim and shall notify the claimant of the redetermination and the reasons for it. The redetermination is reviewable in accordance with section 151. If the claim has been paid, the amount paid in excess of that legally due is subject to interest at the rate determined pursuant to section 186. The assessor may credit a benefit payable to a claimant under this chapter against a liability of that claimant pursuant to this section. [2005, c. 332, §27 (AMD).]

SECTION HISTORY
1987, c. 516, §§3,6 (NEW). 2005, c. 332, §27 (AMD).

§6212. DENIAL OF CLAIM

1. **Fraudulent claim.** If the State Tax Assessor determines that a claim under this chapter is excessive and was filed with fraudulent intent, the claim must be disallowed in full. If the claim has been paid, the amount paid may be recovered by assessment, collection and enforcement in the manner provided in chapter 7. A person who, with fraudulent intent, files or prepares an excessive claim, assists in the preparation or filing of an excessive claim or supplies information in support of an excessive claim commits a Class E crime.

[2005, c. 332, §28 (NEW) .]

2. **Negligent claim.** If the State Tax Assessor determines that a claim under this chapter is excessive and was negligently prepared, the amount claimed in excess of that legally due plus 10% of the corrected claim must be disallowed. If the claim has been paid, the amount disallowed may be recovered by assessment, collection and enforcement in the manner provided in chapter 7.

[2005, c. 332, §28 (NEW) .]

3. **Unpaid liability.** A person who has an unpaid liability arising from this section and the spouse of that person are disqualified from receiving benefits under this chapter.

[2005, c. 332, §28 (NEW) .]

SECTION HISTORY
1987, c. 516, §§3,6 (NEW). 1989, c. 534, §A9 (AMD). 2005, c. 332, §28 (RPR).

§6213. APPEAL

A denial in whole or in part of relief claimed under this chapter may be appealed in accordance with section 151. [2011, c. 240, §42 (AMD).]

SECTION HISTORY
1987, c. 516, §§3,6 (NEW). 1995, c. 639, §33 (AMD). 2011, c. 240, §42 (AMD).

§6214. DISALLOWANCE OF CERTAIN CLAIMS

A claim shall be disallowed, if the State Tax Assessor finds that the claimant received title to his homestead primarily for the purpose of receiving benefits under this chapter. [1987, c. 516, §§ 3, 6 (NEW).]

SECTION HISTORY
1987, c. 516, §§3,6 (NEW).

§6215. EXTENSION OF TIME FOR FILING CLAIMS

In case of sickness, absence or other disability, or if, in the judgment of the State Tax Assessor, good cause exists, the assessor may extend, for a period not to exceed 2 months, the time for filing a claim. A request for an extension may be submitted at any time during the 2-month extension period. [2005, c. 218, §60 (AMD).]

SECTION HISTORY
1987, c. 516, §§3,6 (NEW). 1999, c. 708, §50 (AMD). 2005, c. 218, §60 (AMD).

§6216. PROTECTION FROM LOSS OF BENEFITS

It is the intent of the Legislature that any claim paid under this chapter shall supplement any benefits paid under aid to the aged, blind and disabled or any program which succeeds or supplants it. The Department of Health and Human Services shall take any such action as may be necessary to assure that recipients of aid to the aged, blind and disabled shall continue to receive as high a percentage of their current assistance as may be possible. To carry out this legislative directive, the department shall utilize all the state funds expected to be saved by a reduction in benefits of recipients of aid to the aged, blind and disabled resulting from this

chapter to raise the standards of aid to the aged, blind and disabled at a total cost in state funds equivalent to the savings in state funds which would be expected as a result of this chapter. [1987, c. 516, §§3, 6 (NEW); 2003, c. 689, Pt. B, §6 (REV).]

Benefits received under this chapter may not be included as income for purposes of any state or municipally administered public benefit program except for general assistance under Title 22, chapter 1161, unless used for basic necessities as defined in Title 22, section 4301, subsection 1. Benefits received under this chapter may be considered for purposes of determining eligibility for abatement under section 841, subsection 2. [2013, c. 368, Pt. OO, §13 (AMD).]

These benefits do not duplicate and shall not reduce the amount of any individual's payment under the Temporary Assistance for Needy Families program because those payments are insufficient to meet the total amount of money determined to be needed for housing in accordance with the state standard of need under that program. [1987, c. 516, §§3, 6 (NEW); 1997, c. 530, Pt. A, §34 (AMD).]

SECTION HISTORY
1987, c. 516, §§3,6 (NEW). 1989, c. 614, (AMD). 1997, c. 530, §A34 (AMD). 2003, c. 689, §B6 (REV). 2013, c. 368, Pt. OO, §13 (AMD).

§6217. SUNSET

(REPEALED)

SECTION HISTORY
1987, c. 516, §§3,6 (NEW). 1987, c. 839, §4 (RP).

§6218. READABILITY; APPLICATION; INSTRUCTIONS

The application form and instructions used by applicants for assistance under the Maine Residents Property Tax Program and its successor, if any, shall have a readability score, as determined by a recognized instrument for measuring adult literacy levels, equivalent to no higher than a 6th grade reading level. [1989, c. 534, Pt. A, §10 (NEW).]

SECTION HISTORY
1989, c. 534, §A10 (NEW).

§6219. OUTREACH PLAN REQUIRED

The Bureau of Revenue Services shall develop and implement a plan of outreach to ensure that all eligible households are made aware of assistance available under the Maine Residents Property Tax Program and its successor, if any. [1989, c. 534, Pt. A, §10 (NEW); 1997, c. 526, §14 (AMD).]

SECTION HISTORY
1989, c. 534, §A10 (NEW). 1997, c. 526, §14 (AMD).

§6220. COORDINATION REQUIRED

The bureau shall seek the advice and cooperation of the Department of Health and Human Services; advocates for elderly and low-income individuals; and other interested agencies and organizations in developing the application form and instruction booklet for the Maine Residents Property Tax Program and the outreach plan required by section 6219. [2011, c. 657, Pt. BB, §15 (AMD).]

SECTION HISTORY

1989, c. 534, §A10 (NEW). 1989, c. 878, §B38 (AMD). 1991, c. 780, §DDD21 (AMD). 1995, c. 418, §A39 (AMD). 1997, c. 526, §14 (AMD). 1997, c. 668, §40 (AMD). 2011, c. 657, Pt. BB, §15 (AMD).

§6221. TERMINATION OF CIRCUITBREAKER PROGRAM

No benefits are allowed under this chapter for an application filed on or after August 1, 2013. [2013, c. 1, §55 (COR).]

SECTION HISTORY
RR 2013, c. 1, §55 (COR). 2013, c. 368, Pt. L, §2 (NEW).

Chapter 907-A: MUNICIPAL PROPERTY TAX ASSISTANCE

§6231. DEFINITIONS

(REPEALED)

SECTION HISTORY
2005, c. 395, §4 (NEW). 2013, c. 455, §1 (RP).

§6232. MUNICIPAL AUTHORITY

The legislative body of a municipality may by ordinance adopt a program to provide benefits to persons with homesteads in the municipality. A municipality may choose to restrict the program to persons who are at least 62 years of age. [2005, c. 395, §4 (NEW).]

1. **Conditions of program.** Except as provided in subsection 1-A, a program adopted under this section must:

A. Require that the claimant has a homestead in the municipality; [2005, c. 395, §4 (NEW).]

B. Provide benefits for both owners and renters of homesteads; and [2005, c. 395, §4 (NEW).]

C. Calculate benefits in a way that provides greater benefits proportionally to claimants with lower incomes in relation to their property taxes accrued or rent constituting property taxes accrued. [2005, c. 395, §4 (NEW).]

[2007, c. 635, §1 (AMD) .]

1-A. **Volunteer program.** A municipality may by ordinance adopt a program that permits claimants who are at least 60 years of age to earn benefits up to a maximum of $750 by volunteering to provide services to the municipality. A program adopted under this subsection does not need to meet the requirements of subsection 1, paragraph B or C. Benefits provided under this subsection must be related to the amount of volunteer service provided. Benefits received under this subsection may not be considered income for purposes of Part 8. A municipality may by ordinance establish procedures and additional standards of eligibility for a program adopted under this subsection.

[2007, c. 635, §2 (NEW) .]

2. **Relationship to state program.**

[2013, c. 455, §2 (RP) .]

3. **Repeal of program.** A municipality that has adopted a program under this section may repeal it through the same procedure by which the program was adopted.

[2005, c. 395, §4 (NEW) .]

SECTION HISTORY
2005, c. 395, §4 (NEW). 2007, c. 635, §§1, 2 (AMD). 2013, c. 455, §2 (AMD).

§6233. TERMINATION OF PROGRAM

(REPEALED)

SECTION HISTORY
RR 2013, c. 1, §56 (COR). 2013, c. 368, Pt. L, §3 (NEW). 2013, c. 455, §4 (AFF). 2013, c. 455, §3 (RP).

Chapter 908: DEFERRED COLLECTION OF HOMESTEAD PROPERTY TAXES

§6250. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [1989, c. 534, Pt. C, §1 (NEW).]

1. **Benefited property.**

[1989, c. 534, Pt. C, §1 (NEW); 1989, c. 713, §1 (RP) .]

2. **Bureau.** "Bureau" means the Bureau of Revenue Services.

[1989, c. 534, Pt. C, §1 (NEW); 1997, c. 526, §14 (AMD) .]

3. **Homestead.** "Homestead" means the owner-occupied principal dwelling, either real or personal property, owned by the taxpayer and up to 10 contiguous acres upon which it is located. If the homestead is located in a multi-unit building, the homestead is the portion of the building actually used as the principal dwelling and its percentage of the value of the common elements and of the value of the tax lot upon which it is built. The percentage is the value of the unit consisting of the homestead compared to the total value of the building exclusive of the common elements, if any.

[1989, c. 534, Pt. C, §1 (NEW) .]

4. **Tax-deferred property.** "Tax-deferred property" means the property upon which taxes are deferred under this chapter.

[1989, c. 534, Pt. C, §1 (NEW) .]

5. **Taxes.** "Taxes" or "property taxes" means ad valorem taxes, assessments, fees and charges entered on the assessment and tax roll.

[1989, c. 534, Pt. C, §1 (NEW) .]

6. **Taxpayer.** "Taxpayer" means an individual who has filed a claim for deferral under this chapter or individuals who have jointly filed a claim for deferral under this chapter.

[1989, c. 534, Pt. C, §1 (NEW) .]

SECTION HISTORY
1989, c. 534, §C1 (NEW). 1989, c. 713, §1 (AMD). 1997, c. 526, §14 (AMD).

§6251. DEFERRAL OF TAX ON HOMESTEAD; JOINT ELECTION; AGE REQUIREMENT; FILING CLAIM

1. **Filing claim.** Subject to section 6252, an individual or 2 or more individuals jointly may elect to defer the property taxes on their homestead by filing a claim for deferral with the municipal assessor after January 1st but no later than April 1st of the first year in which deferral is claimed if:

A. The individual or each individual, in the case of 2 or more individuals filing a claim jointly, is 65 years of age or older on April 1st of the year in which the claim is filed; and [1993, c. 395, §31 (RPR).]

B. The individual or, in the case of 2 or more individuals filing a claim jointly, all the individuals together have household income, as defined in section 6201, subsection 7, of less than $32,000 for the calendar year immediately preceding the calendar year in which the claim is filed. [1993, c. 395, §31 (RPR).]

The municipal assessor shall forward each claim filed under this subsection to the bureau within 30 days of receipt and the bureau shall determine if the property is eligible for deferral.

Claims from new applicants may not be filed pursuant to this chapter prior to January 1, 1994. For purposes of this section, "new applicants" means any person or persons that have not filed claims prior to April 1, 1991.

[1993, c. 395, §31 (RPR) .]

2. **Property tax deferral.** When the taxpayer elects to defer property taxes for any year by filing a claim for deferral under subsection 1, it shall have the effect of:

A. Deferring the payment of the property taxes levied on the homestead for the municipal fiscal year beginning on or after April 1st of that year; [1989, c. 534, Pt. C, §1 (NEW).]

B. Continuing deferral of the payment by the taxpayer of any property taxes deferred under this chapter for previous years that have not become delinquent under section 6260; and [1989, c. 534, Pt. C, §1 (NEW).]

C. Continuing the deferral of the payment by the taxpayer of any future property taxes for as long as the provisions of section 6252 are met. [1989, c. 534, Pt. C, §1 (NEW).]

[1989, c. 534, Pt. C, §1 (NEW) .]

3. **Guardian compliance.** If a guardian or conservator has been appointed for an individual otherwise qualified to obtain deferral of taxes under this chapter, the guardian or conservator may act for that individual in complying with this chapter.

[1989, c. 534, Pt. C, §1 (NEW) .]

4. **Trustee compliance.** If a trustee of an inter vivos trust which was created by and is revocable by an individual, who is both the trustor and a beneficiary of the trust and who is otherwise qualified to obtain a deferral of taxes under this chapter, owns the fee simple estate under a recorded instrument of sale, the trustee may act for the individual in complying with this chapter.

[1989, c. 534, Pt. C, §1 (NEW) .]

5. **Spouse not required to claim.** Nothing in this section may be construed to require a spouse of an individual to file a claim jointly with the individual even though the spouse may be eligible to claim the deferral jointly with the individual.

[1989, c. 534, Pt. C, §1 (NEW) .]

6. **Appeal.** Any person aggrieved by the denial of a claim for deferral of homestead property taxes or disqualification from deferral of homestead property taxes may file an appeal of the State Tax Assessor's determination, within 30 days of notification of denial or disqualification by the State Tax Assessor, with the State Board of Property Tax Review as provided in chapter 101, subchapter II-A.

[1989, c. 534, Pt. C, §1 (NEW); 1989, c. 713, §3 (AMD) .]

SECTION HISTORY
1989, c. 534, §C1 (NEW). 1989, c. 713, §§2,3 (AMD). 1989, c. 875, §E50 (AMD). 1993, c. 395, §31 (AMD).

§6252. PROPERTY ENTITLED TO DEFERRAL

In order to qualify for tax deferral under this chapter, the property must meet all of the following requirements when the claim is filed and thereafter as long as the payment of taxes by the taxpayer is deferred. [1989, c. 534, Pt. C, §1 (NEW).]

1. **Claimant's homestead.** The property must be the homestead of the individual or individuals who file the claim for deferral, except for an individual required to be absent from the homestead by reason of health.

[1989, c. 534, Pt. C, §1 (NEW) .]

2. **Fee simple estate.** The person claiming the deferral must, solely or together with the person's spouse, own the fee simple estate or be purchasing the fee simple estate under a recorded instrument of sale, or 2 or more persons must together own or be purchasing the fee simple estate with rights of survivorship under a recorded instrument of sale if all owners live in the homestead and if all owners apply for the deferral jointly.

[1989, c. 534, Pt. C, §1 (NEW) .]

3. **No prohibitions.** There must be no prohibition to the deferral of property taxes contained in any provision of federal law, rule or regulation applicable to a mortgage, trust deed, land sale contract or conditional sale contract for which the homestead is security.

[1989, c. 534, Pt. C, §1 (NEW) .]

SECTION HISTORY
1989, c. 534, §C1 (NEW).

§6253. CLAIM FORMS; CONTENTS

1. **Administration.** A taxpayer's claim for deferral under this chapter shall be in writing on a form supplied by the bureau and shall:

A. Describe the homestead; [1989, c. 534, Pt. C, §1 (NEW).]

B. Recite facts establishing the eligibility for the deferral under the provisions of this chapter, including facts that establish that the household income as defined in section 6201, subsection 7, of the individual, or, in the case of 2 or more individuals claiming the deferral jointly, was less than $32,000 for the calendar year immediately preceding the calendar year in which the claim is filed; and [1989, c. 534, Pt. C, §1 (NEW).]

C. Have attached any documentary proof required by the bureau to show that the requirements of section 6252 have been met. [1989, c. 534, Pt. C, §1 (NEW).]

[1989, c. 534, Pt. C, §1 (NEW) .]

2. **Statement verification.** There shall be annexed to the claim a statement verified by a written declaration of the applicant making the claim to the effect that the statements contained in the claim are true.

[1989, c. 534, Pt. C, §1 (NEW) .]

SECTION HISTORY
1989, c. 534, §C1 (NEW).

§6254. STATE LIENS AGAINST TAX-DEFERRED PROPERTY

1. **Lien.** The lien provided in section 552 must continue for purposes of protecting the State's deferred tax interest in tax deferred property. When it is determined that one of the events set out in section 6259 has occurred and that a property is no longer eligible for property tax deferral under this chapter, the State Tax Assessor shall send notice by certified mail to the owner, or the owner's heirs or devisees, listing the total amount of deferred property taxes, including accrued interest and costs of all the years and demanding payment on or before April 30th of the year following the tax year in which the circumstances causing withdrawal from the provisions of this chapter occur.

When the circumstances listed in section 6259, subsection 4 occur, the amount of deferred taxes is due and payable 5 days before the date of removal of the property from the State.

If the deferred tax liability of a property has not been satisfied by the April 30th demand date, the State Tax Assessor shall, within 30 days, record in the registry of deeds in the county where the real estate is located a tax lien certificate signed by the State Tax Assessor or bearing the assessor's facsimile signature, setting forth the total amount of deferred tax liability, a description of the real estate on which the tax was deferred and an allegation that a tax lien is claimed on the real estate to secure payment of the tax, that a demand for payment of the tax has been made in accordance with this section and that the tax remains unpaid.

At the time of the recording of the tax lien certificate in the registry of deeds, the State Tax Assessor shall send by certified mail, return receipt requested, to each record holder of a mortgage on the real estate, to the holder's last known address, a true copy of the tax lien certificate. The cost to be paid by the property owner, or the owner's heirs or devisees, is the sum of the fees for recording and discharging of the lien as established by Title 33, section 751, plus $13. Upon redemption, the State Tax Assessor shall prepare and record a discharge of the tax lien mortgage. The lien described in section 552 is the basis of this tax lien mortgage procedure.

The filing of the tax lien certificate, provided for in this section, in the registry of deeds creates a mortgage on the real estate to the State and has priority over all other mortgages, liens, attachments and encumbrances of any nature and gives to the State all rights usually instant to a mortgage, except that the mortgagee does not have any right of possession of the real estate until the right of redemption expires.

Payments accepted during the redemption period may not interrupt or extend the redemption period or in any way affect the foreclosure procedures.

[2007, c. 695, Pt. A, §45 (AMD) .]

2. **Foreclosure.** If the mortgage, including interest and costs, is not paid within 12 months of the date on which the certificate was filed in the registry of deeds, as provided in this section, the mortgage is deemed foreclosed and the right of redemption expired.

[1989, c. 534, Pt. C, §1 (NEW); 1989, c. 713, §4 (RPR) .]

2-A. **Inventory.** The filing of the certificate in the registry of deeds is sufficient notice of the existence of the mortgage. Whenever the State acquires title to real estate, the State Tax Assessor shall cause an inventory to be made of all such real estate. The inventory must contain a description of the real estate, amount of accrued taxes by years and any information necessary to the administration and supervision of the real estate.

[2001, c. 652, §11 (AMD) .]

2-B. **Sale; legislative authorization.** After authorization by the Legislature, the State Tax Assessor shall, sell or convey any such real estate, but shall in all cases of sales, except sales to former owners of the real estate, give public notice of the proposal to sell the real estate and shall ask for competitive bids and sell to the highest bidder with the right of rejecting all bids. Sales of any such real estate may not be made by the State Tax Assessor except by authorization of the Legislature.

The supervision, administration, utilization and vindication of the right of the State in any such real estate is vested in the State Tax Assessor until the title is conveyed or otherwise disposed of by the Legislature.

[1989, c. 713, §4 (NEW) .]

3. **Foreclosure receipts.** Following the sale by the State Tax Assessor of real property acquired through the tax lien certificate procedure outlined in this chapter, all claims of the State evolving from the homestead property tax exemption are satisfied, as well as any tax delinquencies relative to the property in question in the municipality where located. The residual amount resulting from the sale of the property is to be returned to the former owner or to the owner's heirs or devisees.

[1989, c. 534, Pt. C, §1 (NEW); 1989, c. 713, §4 (RPR) .]

SECTION HISTORY
1989, c. 534, §C1 (NEW). 1989, c. 713, §4 (RPR). 2001, c. 652, §11 (AMD). 2007, c. 695, Pt. A, §45 (AMD).

§6255. LISTING OF TAX-DEFERRED PROPERTY; INTEREST ACCRUAL

1. **Tax-deferred property list.** If eligibility for deferral of homestead property is established as provided in this chapter, the bureau shall notify the municipal assessor and the municipal assessor shall show on the current ad valorem assessment and tax roll which property is tax-deferred property by an entry clearly designating that property as tax-deferred property.

[1989, c. 534, Pt. C, §1 (NEW) .]

2. **Tax statement.** When requested by the bureau, the municipal tax collector shall send to the bureau as soon as the taxes are extended upon the roll the tax statement for each tax-deferred property.

[1989, c. 534, Pt. C, §1 (NEW) .]

3. **Interest.** Interest shall accrue on the actual amount of taxes advanced to the municipality for the tax-deferred property at the rate of 6% per annum.

[1989, c. 534, Pt. C, §1 (NEW) .]

SECTION HISTORY
1989, c. 534, §C1 (NEW).

§6256. RECORDING LIENS IN COUNTY; RECORDING CONSTITUTES NOTICE OF STATE LIEN

1. **Recording of liens.** For each municipality in which there is tax-deferred property, the bureau shall cause to be recorded in the mortgage records of the county, a list of tax-deferred properties of that municipality. The list must contain a description of the property as listed in the municipal valuation together with the name of the owner listed on the valuation. The list must be corrected annually to reflect the addition or deletion of deferred properties as well as partial payments received.

[1989, c. 534, Pt. C, §1 (NEW); 1989, c. 713, §5 (AMD) .]

2. **Notice of recording.** The recording of the tax-deferred properties under subsection 1 is notice that the bureau claims a lien against those properties in the amount of the deferred taxes plus interest together with any fees paid to the county register of deeds in connection with the recording, release or satisfaction of the lien, even though the amount of taxes, interest or fees is not listed.

[1989, c. 534, Pt. C, §1 (NEW); 1989, c. 713, §5 (AMD) .]

SECTION HISTORY
1989, c. 534, §C1 (NEW). 1989, c. 713, §5 (AMD).

§6257. MUNICIPAL TAX COLLECTOR TO RECEIVE AMOUNT EQUIVALENT TO DEFERRED TAXES FROM STATE

1. **Payment of deferred taxes.** Within 30 days of the receipt of information from a municipal tax collector concerning the amount of deferred property taxes in the respective municipality, the State Tax Assessor shall certify that amount to the Treasurer of the State who shall make payment on or before the 15th day of the following month.

[1989, c. 534, Pt. C, §1 (NEW); 1989, c. 713, §6 (RPR) .]

1-A. **Prorated payment of deferred taxes.** The State Tax Assessor is authorized to prorate payments to municipalities for claims filed pursuant to this chapter if the amount available in the Senior Property Tax Deferral Revolving Account established in section 6266 in any fiscal year is insufficient to make full payments to all municipalities. If the applicant for deferred taxes can not pay the difference due to the municipality, the municipality that does not receive the full amount of deferred property taxes may cause a tax lien certificate to be filed in the county registry of deeds for the amount not received.

[1991, c. 528, Pt. DD, §1 (NEW); 1991, c. 528, Pt. RRR, (AFF); 1991, c. 591, Pt. DD, §1 (NEW) .]

1-B. **Reimbursement to taxpayers.** The State Tax Assessor is authorized to reimburse taxpayers who qualified under this chapter and who have paid property taxes that would have otherwise been deferred but for the prorating of benefits as allowed in subsection 1-A.

[1991, c. 622, Pt. CC, §1 (NEW) .]

2. **Accounts maintained.** The bureau shall maintain accounts for each deferred property and shall accrue interest only on the actual amount of taxes advanced to the municipality.

[1989, c. 534, Pt. C, §1 (NEW) .]

SECTION HISTORY
1989, c. 534, §C1 (NEW). 1989, c. 713, §6 (AMD). 1991, c. 528, §DD1 (AMD). 1991, c. 528, §RRR (AFF). 1991, c. 591, §DD1 (AMD). 1991, c. 622, §CC1 (AMD).

§6258. ANNUAL NOTICE TO TAXPAYER

1. **Annual deferral notice.** On or before December 15th of each year, the bureau shall send a notice to each taxpayer who has claimed deferral of property taxes for the current tax year. The notice must:

A. Inform the taxpayer that the property taxes have been deferred in the current year; [1989, c. 534, Pt. C, §1 (NEW).]

B. Show the total amount of deferred taxes remaining unpaid since initial application for deferral and the interest accruing therein to November 15th of the current year; [1989, c. 534, Pt. C, §1 (NEW).]

C. Inform the taxpayer that voluntary payment of the deferred taxes may be made at any time to the bureau; and [1989, c. 534, Pt. C, §1 (NEW).]

D. Contain any other information that the bureau considers necessary to facilitate administration of the homestead deferral program including, but not limited to, the right of the taxpayer to submit any amount of money to reduce the total amount of the deferred taxes and interest. [1989, c. 534, Pt. C, §1 (NEW).]

[1989, c. 534, Pt. C, §1 (NEW); 1989, c. 713, §7 (AMD) .]

2. **Notice mailed.** The bureau shall give the notice required under subsection 1 by mail sent to the residence address of the taxpayer as shown in the claim for deferral or as otherwise determined by the bureau to be the correct address of the taxpayer.

[1989, c. 534, Pt. C, §1 (NEW) .]

SECTION HISTORY
1989, c. 534, §C1 (NEW). 1989, c. 713, §7 (AMD).

§6259. EVENTS REQUIRING PAYMENT OF DEFERRED TAX AND INTEREST

Subject to section 6261, all deferred property taxes, including accrued interest, become payable as provided in section 6260 when: [1989, c. 534, Pt. C, §1 (NEW).]

1. **Death of claimant.** The taxpayer who claimed deferment of collection of property taxes on the homestead dies or, if there was more than one claimant, the survivor of the taxpayers who originally claimed deferment of collection of property taxes under section 6251 dies;

[1989, c. 534, Pt. C, §1 (NEW) .]

2. **Sale of property.** The property with respect to which deferment of collection of taxes is claimed is sold, a contract to sell is entered into, or some person other than the taxpayer who claimed the deferment becomes the owner of the property;

[1989, c. 534, Pt. C, §1 (NEW) .]

3. **Claimant moves.** The tax-deferred property is no longer the homestead of the taxpayer who claimed the deferral, except in the case of a taxpayer required to be absent from that tax-deferred property by reason of health; or

[1989, c. 534, Pt. C, §1 (NEW) .]

4. **Removal of home.** The tax-deferred property, a mobile or floating home, is moved out of the State.

[1989, c. 534, Pt. C, §1 (NEW) .]

SECTION HISTORY
1989, c. 534, §C1 (NEW).

§6260. TIME FOR PAYMENTS; DELINQUENCIES

Whenever any of the circumstances listed in section 6259 occurs: [1989, c. 534, Pt. C, §1 (NEW).]

1. **Continuation of assessment year.** The deferral of taxes for the assessment year in which the circumstance occurs shall continue for that assessment year;

[1989, c. 534, Pt. C, §1 (NEW) .]

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

[1991, c. 846, §38 (AMD) .]

3. **Out-of-state move.** Notwithstanding the provisions of subsection 2 and section 6263, when the circumstance listed in section 6259, subsection 4, occurs, the amount of deferred taxes shall be due and payable 5 days before the date of removal of the property from the State; and

[1989, c. 534, Pt. C, §1 (NEW) .]

4. **Delinquency.** If the amounts falling due as provided in this section are not paid on the indicated due date or as extended under section 6263, those amounts shall be deemed delinquent as of that date and the property shall be subject to foreclosure as provided in section 6254.

[1989, c. 534, Pt. C, §1 (NEW) .]

SECTION HISTORY
1989, c. 534, §C1 (NEW). 1991, c. 846, §38 (AMD).

§6261. ELECTION BY SPOUSE TO CONTINUE TAX DEFERRAL

1. **Continuation by spouse.** When one of the circumstances listed in section 6259, subsections 1 to 3 occurs, the spouse who did not or was not eligible to file a claim jointly with the taxpayer may continue the property in its deferred tax status by filing a claim within the time and in the manner provided under section 6251 if:

A. The spouse of the taxpayer is or will be 65 years of age or older not later than 6 months from the day the circumstance listed in section 6259, subsections 1 to 3 occurs; and [1989, c. 534, Pt. C, §1 (NEW).]

B. The property is the homestead of the spouse of the taxpayer and meets the requirements of section 6252, subsection 2. [1989, c. 534, Pt. C, §1 (NEW).]

[1989, c. 534, Pt. C, §1 (NEW) .]

2. **Continuation of deferral by spouse.** A spouse who does not meet the age requirements of subsection 1, paragraph A, but is otherwise qualified to continue the property in its tax-deferred status under subsection 1 may continue the deferral of property taxes deferred for previous years by filing a claim within the time and in the manner provided under section 6251. If a spouse eligible for and continuing the deferral of taxes previously deferred under this subsection becomes 65 years of age prior to April 1st of any year, the spouse may elect to continue the deferral of previous years' taxes deferred under this subsection and may elect to defer the current assessment year's taxes on the homestead by filing a claim within the time and in the manner provided under section 6251. Thereafter, payment of the taxes levied on the homestead and deferred under this subsection and payment of taxes levied on the homestead in the current assessment year and in future years may be deferred in the manner provided in and subject to this chapter.

[1989, c. 534, Pt. C, §1 (NEW) .]

3. **Filing extension.** Notwithstanding that section 6251 requires that a claim be filed no later than April 1st, if the bureau determines that good and sufficient cause exists for the failure of a spouse to file a claim under this section on or before April 1st, the claim may be filed within 90 days after notice of taxes due and payable under section 6260 is mailed or delivered by the department to the taxpayer or spouse.

[1989, c. 534, Pt. C, §1 (NEW) .]

SECTION HISTORY
1989, c. 534, §C1 (NEW).

§6262. VOLUNTARY PAYMENT OF DEFERRED TAX AND INTEREST

1. **Payments.** All payments of deferred taxes shall be made to the bureau.

[1989, c. 534, Pt. C, §1 (NEW) .]

2. **Taxes and interest.** Subject to subsection 3, all or part of the deferred taxes and accrued interest may at any time be paid to the bureau by:

A. The taxpayer or the spouse of the taxpayer; or [1989, c. 534, Pt. C, §1 (NEW).]

B. The next of kin of the taxpayer, heir at law of the taxpayer, child of the taxpayer or any person having or claiming a legal or equitable interest in the property. [1989, c. 534, Pt. C, §1 (NEW).]

[1989, c. 534, Pt. C, §1 (NEW) .]

3. **Notice of payment.** A person listed in subsection 2, paragraph B, may make the payments only if no objection is made by the taxpayer within 30 days after the bureau deposits in the mail notice to the taxpayer of the fact that the payment has been tendered.

[1989, c. 534, Pt. C, §1 (NEW) .]

4. **Payment application.** Any payment made under this section shall be applied first against accrued interest and any remainder against the deferred taxes. This payment does not affect the deferred-tax status of the property. Unless otherwise provided by law, this payment does not give the person paying the taxes any interest in the property or any claim against the estate, in the absence of a valid agreement to the contrary.

[1989, c. 534, Pt. C, §1 (NEW) .]

5. **Lien discharge.** When the deferred taxes and accrued interest are paid in full and the property is no longer subject to deferral, the bureau shall prepare and record in the county in which the property is located a lien discharge.

[1989, c. 534, Pt. C, §1 (NEW) .]

SECTION HISTORY
1989, c. 534, §C1 (NEW).

§6263. EXTENSION OF TIME FOR PAYMENT UPON DEATH OF CLAIMANT OR SPOUSE

1. **Payment extension.** If the taxpayer who claimed homestead property tax deferral dies, or if a spouse who continued the deferral under section 6261 dies, the bureau may extend the time for payment of the deferred taxes and interest accruing with respect to the taxes becoming due and payable under section 6260, subsection 2, if:

A. The homestead property becomes property of an individual or individuals:

(1) By inheritance or devise; or

(2) If the individual or individuals are heirs or devisees in the course of settlement of the estate; [1989, c. 534, Pt. C, §1 (NEW).]

B. An individual or individuals commence occupancy of the property as a principal residence on or before August 15th of the calendar year following the calendar year of death; or [1989, c. 534, Pt. C, §1 (NEW).]

C. An individual or individuals make application to the bureau for an extension of time for payment of the deferred taxes and interest prior to August 15th of the calendar year following the calendar year of death. [1989, c. 534, Pt. C, §1 (NEW).]

[1989, c. 534, Pt. C, §1 (NEW) .]

2. **Extension terms.** Subject to paragraph B, an extension granted under this section shall be for a period not to exceed 5 years after August 15th of the calendar year following the calendar year of death. The terms and conditions under which the extension is granted shall be in accordance with a written agreement entered into by the bureau and the individual or individuals.

An extension granted under this section shall terminate immediately if:

A. The homestead property is sold or otherwise transferred by any party to the extension agreement; [1989, c. 534, Pt. C, §1 (NEW).]

B. All of the heirs or devisees who are parties to the extension agreement cease to occupy the property as a principal residence; or [1989, c. 534, Pt. C, §1 (NEW).]

C. The homestead property, a mobile or floating home is moved out of the State. [1989, c. 534, Pt. C, §1 (NEW).]

[1989, c. 534, Pt. C, §1 (NEW) .]

3. **Accrued interest.** During the period of extension, and until paid, the deferred taxes shall continue to accrue interest in the same manner and at the same rate as provided under section 6255, subsection 3. No interest may accrue upon interest.

[1989, c. 534, Pt. C, §1 (NEW) .]

SECTION HISTORY

1989, c. 534, §C1 (NEW).

§6264. LIMITATIONS

Nothing in this chapter is intended to or may be construed to: [1989, c. 534, Pt. C, §1 (NEW).]

1. **Foreclosure.** Prevent the collection, by foreclosure, of property taxes which become a lien against tax-deferred property;

[1989, c. 534, Pt. C, §1 (NEW) .]

2. **Benefited property.**

[1989, c. 534, Pt. C, §1 (NEW); 1989, c. 713, §8 (RP) .]

3. **Land provisions.** Affect any provision of any mortgage, or other instrument relating to land, requiring a person to pay property taxes.

[1989, c. 534, Pt. C, §1 (NEW) .]

SECTION HISTORY
1989, c. 534, §C1 (NEW). 1989, c. 713, §8 (AMD).

§6265. DEED OR CONTRACT CLAUSES PREVENTING APPLICATION FOR DEFERRAL PROHIBITED; CLAUSES VOID

After the effective date of this chapter, it shall be unlawful for any mortgage trust deed or land sale contract to contain a clause or statement that prohibits the owner from applying for the benefits of the deferral of homestead property taxes provided in this chapter. Any such clause or statement in a mortgage trust deed or land sale contract executed after the effective date of this chapter shall be void. [1989, c. 534, Pt. C, §1 (NEW).]

SECTION HISTORY
1989, c. 534, §C1 (NEW).

§6266. SENIOR PROPERTY TAX DEFERRAL REVOLVING ACCOUNT; SOURCES; USES

1. **Revolving account.** This section establishes in the State Treasury the Senior Property Tax Deferral Revolving Account to be used by the bureau for the purpose of making the payments to municipal tax collectors of property taxes deferred for tax years beginning on or after April 1, 1990, as required by section 6257.

[1989, c. 534, Pt. C, §1 (NEW) .]

2. **Advancement of funds.** The funds necessary to make payments under subsection 1 shall be advanced to the bureau from time to time as necessary by the Treasurer of State as an appropriation from the General Fund.

[1989, c. 534, Pt. C, §1 (NEW) .]

3. **Payments credited.** All sums of money received by the bureau under this chapter as repayments of deferred property taxes including the interest accrued under section 6255, subsection 3, shall, upon receipt, be credited to the revolving account and shall be available for the purposes of subsection 1.

[1989, c. 534, Pt. C, §1 (NEW) .]

4. **Appropriation request.** If there is not sufficient money in the revolving account to make the payments required by subsection 1, the State Tax Assessor shall request an appropriation from the General Fund which together with the money in the revolving account will provide an amount sufficient to make the required payments.

[1989, c. 534, Pt. C, §1 (NEW) .]

5. **General Fund reimbursement.** When the bureau determines that funds in sufficient amounts are available in the revolving account, the bureau shall repay to the General Fund the amounts advanced as appropriations under subsection 2, plus accrued interest.

[1989, c. 534, Pt. C, §1 (NEW) .]

SECTION HISTORY
1989, c. 534, §C1 (NEW).

§6267. PHASE OUT OF ELDERLY TAX DEFERRAL PROGRAM

New taxpayer claims for participation in the deferral program provided pursuant to this chapter are not allowed regarding an application filed on or after April 1, 1991. [1993, c. 707, Pt. G, §10 (NEW).]

SECTION HISTORY
1993, c. 707, §G10 (NEW).

Chapter 908-A: MUNICIPAL PROPERTY TAX DEFERRAL FOR SENIOR CITIZENS

§6271. MUNICIPAL AUTHORITY

1. **Definitions.** As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

A. "Eligible homestead" means the owner-occupied principal dwelling, either real or personal property, owned by a taxpayer and the land upon which it is located. If the dwelling is located in a multiunit building, the eligible homestead is the portion of the building actually used as the principal dwelling and its percentage of the value of the common elements and of the value of the tax lot upon which it is built. The percentage is the value of the dwelling compared to the total value of the building exclusive of the common elements, if any. [2009, c. 489, §5 (NEW).]

B. "Federal poverty level" means the nonfarm income official poverty line for a family of the size involved, as defined by the federal Office of Management and Budget and revised annually in accordance with the United States Omnibus Budget Reconciliation Act of 1981, Section 673, Subsection 2. [2009, c. 489, §5 (NEW).]

C. "Household income" has the meaning set out in section 6201, subsection 7. [2009, c. 489, §5 (NEW).]

D. "Program" means a tax deferral program adopted by a municipality pursuant to subsection 2. [2009, c. 489, §5 (NEW).]

E. "Tax-deferred property" means the property upon which taxes are deferred under this chapter. [2009, c. 489, §5 (NEW).]

F. "Taxes" or "property taxes" means ad valorem taxes, assessments, fees and charges entered on the assessment and tax roll. [2009, c. 489, §5 (NEW).]

G. "Taxpayer" means an individual who is responsible for payment of property taxes and has applied to participate or is currently participating in the program under this chapter. [2009, c. 489, §5 (NEW).]

[2009, c. 489, §5 (NEW) .]

2. **Authority.** The legislative body of a municipality may by ordinance adopt a property tax deferral program for senior citizens, referred to in this section as "the program." Upon application by a taxpayer, a municipality may defer property taxes on property if the following conditions are met:

A. The property is an eligible homestead where the taxpayer has resided for at least 10 years prior to application; [2009, c. 489, §5 (NEW).]

B. The taxpayer is an owner of the eligible homestead, is at least 70 years of age on April 1st of the first year of eligibility and occupies the eligible homestead; and [2009, c. 489, §5 (NEW).]

C. The household income of the taxpayer does not exceed 300% of the federal poverty level. [2009, c. 489, §5 (NEW).]

An application, information submitted in support of an application and files and communications relating to an application for deferral of taxes under the program are confidential. Hearings and proceedings held by a municipality on an application must be held in executive session unless otherwise requested by the applicant. Nothing in this paragraph applies to the recording of liens or lists under subsection 3 or any enforcement proceedings undertaken by the municipality pursuant to this chapter or other applicable law.

The municipality shall make available upon request the most recent list of tax-deferred properties of that municipality required to be filed under subsection 3. The municipality may publish and release as public information statistical summaries concerning the program as long as the release of the information does not jeopardize the confidentiality of individually identifiable information.

[2009, c. 489, §5 (NEW) .]

3. **Effect of deferral.** If property taxes are deferred under the program, the lien established on the eligible homestead under section 552 continues for the purpose of protecting the municipal interest in the tax-deferred property. Interest on the deferred taxes accrues at the rate of 0.5% above the otherwise applicable rate for delinquent taxes. In order to preserve the right to enforce the lien, the municipality shall record in the county registry of deeds a list of the tax-deferred properties of that municipality. The list must contain a description of each tax-deferred property as listed in the municipal valuation together with the name of the taxpayer listed on the valuation. The list must be updated annually to reflect the addition or deletion of tax-deferred properties, the amount of deferred taxes accrued for each property and payments received.

The recording of the tax-deferred properties under this subsection is notice that the municipality claims a lien against those properties in the amount of the deferred taxes plus interest together with any fees paid to the county registry of deeds in connection with the recording. For a property deleted from the list, the recording serves as notice of release or satisfaction of the lien, even though the amount of taxes, interest or fees is not listed.

[2009, c. 489, §5 (NEW) .]

4. **Notice.** The State Tax Assessor shall prepare a one-page notice of the effect of the deferral of property taxes under this section, of the right of the municipality to file a tax lien mortgage pursuant to chapter 105 and that the deferred taxes become due and payable as established in subsection 5. This notice must have a readability score, as determined by a recognized instrument for measuring adult literacy levels, equivalent to no higher than a 6th grade reading level. A municipality that adopts the program shall provide a copy of this notice to each taxpayer applying to the program at the time of application and shall also annually provide to each taxpayer in the program, in lieu of a property tax bill, a copy of this notice together with an accounting of taxes deferred and interest accrued.

[2009, c. 489, §5 (NEW) .]

5. **Lien.** When it is determined that one of the events set out in subsection 6 has occurred and that a property is no longer eligible for property tax deferral under this chapter, the municipality shall send notice by certified mail to the taxpayer, or the taxpayer's heirs or devisees, listing the total amount of deferred property taxes, including accrued interest and costs of all the years and establishing a due and payable date. For events listed in subsection 6, paragraphs A, B and C, payment is due within 45 days of the date of the notice. When the event listed in subsection 6, paragraph D occurs, the total amount of deferred taxes is due and payable 5 days before the date of removal of the property from the State. The municipality shall include in the notice a statement that the lien enforcement procedures pursuant to chapter 105, subchapter 9 apply.

If the deferred tax liability of a property has not been satisfied by the date established pursuant to this subsection, the municipality may enforce the lien according to procedures in chapter 105, subchapter 9.

Partial payments accepted during the 18-month redemption period provided for in section 943 may not interrupt or extend the redemption period or in any way affect foreclosure procedures.

[2009, c. 489, §5 (NEW) .]

6. **Events requiring the payment of deferred tax and interest.** Subject to subsection 7, all deferred taxes and accrued interest must be paid pursuant to subsection 5 when:

A. The taxpayer dies; [2009, c. 489, §5 (NEW).]

B. Some person other than the taxpayer becomes the owner of the property; [2009, c. 489, §5 (NEW).]

C. The tax-deferred property is no longer occupied by the taxpayer as a principal residence, except that this paragraph does not apply if the taxpayer is required to be absent from the eligible homestead for health reasons; or [2009, c. 489, §5 (NEW).]

D. The tax-deferred property, a mobile home, is moved out of the State. [2009, c. 489, §5 (NEW).]

[2009, c. 489, §5 (NEW) .]

7. **Election to continue deferral.** If one of the events listed in subsection 6 occurs, and the ownership of the eligible homestead is transferred to another member of the same household, the transferee may apply to the municipality for continuation of the deferral of taxes if the transferee meets the conditions in subsection 2, paragraphs B and C.

[2009, c. 489, §5 (NEW) .]

8. **Repeal of program.** A municipality that has adopted the program under this section may discontinue it through the same procedure by which the program was adopted; however, any taxes deferred under the program continue to be deferred under the conditions of the program on the date it was ended.

[2009, c. 489, §5 (NEW) .]

SECTION HISTORY
2009, c. 489, §5 (NEW).

Chapter 909: 1987 TAX REBATE ACT

§6301. SHORT TITLE

(REPEALED)

SECTION HISTORY
1987, c. 832, §2 (NEW). 1995, c. 281, §38 (RP).

§6302. REBATE PROCEDURE

(REPEALED)

SECTION HISTORY
1987, c. 832, §2 (NEW). 1987, c. 876, §6 (AMD). 1995, c. 281, §38 (RP).

§6303. REBATE CHECKS

(REPEALED)

SECTION HISTORY
1987, c. 832, §2 (NEW). 1995, c. 281, §38 (RP).

§6304. RETURNS PROCESSED AFTER JULY 1, 1988

(REPEALED)

SECTION HISTORY
1987, c. 832, §2 (NEW). 1995, c. 281, §38 (RP).

Chapter 910: 1988 INDIVIDUAL SURPLUS RETURN ACT

§6401. SHORT TITLE

(REPEALED)

SECTION HISTORY
1987, c. 876, §7 (NEW). 1995, c. 281, §39 (RP).

§6402. SURPLUS RETURN PROCEDURE

(REPEALED)

SECTION HISTORY
1987, c. 876, §7 (NEW). 1995, c. 281, §39 (RP).

Chapter 911: 1988 CORPORATE SURPLUS RETURN ACT

§6501. SHORT TITLE

(REPEALED)

SECTION HISTORY
1987, c. 876, §8 (NEW). 1995, c. 281, §40 (RP).

§6502. RETURN RATES

(REPEALED)

SECTION HISTORY
1987, c. 876, §8 (NEW). 1995, c. 281, §40 (RP).

§6503. ELIGIBLE TAXPAYER

(REPEALED)

SECTION HISTORY
1987, c. 876, §8 (NEW). 1995, c. 281, §40 (RP).

§6504. SURPLUS RETURN CHECKS

(REPEALED)

SECTION HISTORY
1987, c. 876, §8 (NEW). 1995, c. 281, §40 (RP).

Chapter 913: TAX AMNESTY

§6551. MAINE TAX AMNESTY PROGRAM

(REPEALED)

SECTION HISTORY
1989, c. 880, §A1 (NEW). 1995, c. 281, §41 (RP).

§6552. DEFINITIONS

(REPEALED)

SECTION HISTORY
1989, c. 880, §A1 (NEW). 1995, c. 281, §41 (RP).

§6553. ADMINISTRATION

(REPEALED)

SECTION HISTORY
1989, c. 880, §A1 (NEW). 1995, c. 281, §41 (RP).

§6554. EXEMPTION; LEASED VEHICLES IN INTERSTATE COMMERCE

(REPEALED)

SECTION HISTORY
1989, c. 880, §A1 (NEW). 1995, c. 281, §41 (RP).

§6555. UNDISCLOSED LIABILITIES

(REPEALED)

SECTION HISTORY
1989, c. 880, §A1 (NEW). 1995, c. 281, §41 (RP).

§6556. AMNESTY PERIOD

(REPEALED)

SECTION HISTORY
1989, c. 880, §A1 (NEW). 1995, c. 281, §41 (RP).

§6557. AMNESTY RETURN

(REPEALED)

SECTION HISTORY
1989, c. 880, §A1 (NEW). 1995, c. 281, §41 (RP).

§6558. PAYMENT PLAN

(REPEALED)

SECTION HISTORY
1989, c. 880, §A1 (NEW). 1995, c. 281, §41 (RP).

§6559. AMNESTY RECEIPTS

(REPEALED)

SECTION HISTORY
1989, c. 880, §A1 (NEW). 1995, c. 281, §41 (RP).

Chapter 914: 2003 TAX AMNESTY PROGRAM

§6571. 2003 MAINE TAX AMNESTY PROGRAM ESTABLISHED

There is established the 2003 Maine Tax Amnesty Program. This program is intended to encourage delinquent taxpayers to comply with the State's tax law and to enable the assessor to identify and collect previously unreported taxes and to accelerate collection of certain delinquent tax liabilities. The long-term goal of this program is to improve taxpayer compliance with the State's tax law. [2003, c. 20, Pt. AA, §4 (NEW).]

SECTION HISTORY
2003, c. 20, §AA4 (NEW).

§6572. ADMINISTRATION

The assessor shall administer the 2003 Maine Tax Amnesty Program. The amnesty program applies to tax liabilities delinquent as of August 31, 2003, including tax due for which a return has not been filed. A taxpayer may participate in the tax amnesty program whether or not the taxpayer is under audit and without regard to whether the amount due is subject to a pending administrative or judicial proceeding, except that this does not include pending criminal action or debts for which the State has secured a warrant or civil judgment in its favor in Superior Court. A taxpayer may participate in the tax amnesty program to the extent of the uncontested portion of an assessed liability. Participation in the program is conditioned upon the taxpayer's agreement to forgo the right to protest or pursue an administrative or judicial proceeding with regard to returns filed under the tax amnesty program or to claim any refund of money paid under the tax amnesty program. A taxpayer with a tax liability within the limitations of this chapter is absolved from criminal or civil prosecution or civil penalties plus 1/2 of the interest associated with any such liability except as otherwise provided in this chapter if the taxpayer: [2003, c. 451, Pt. E, §9 (AMD).]

1. **Return filed.** Properly completes and files a 2003 amnesty tax return as described in section 6575 and as required by the assessor;

[2003, c. 20, Pt. AA, §4 (NEW) .]

2. **Tax and interest paid.** Pays all tax and interest as determined on the 2003 amnesty tax return, described in section 6575, before the end of the amnesty period;

[2003, c. 20, Pt. AA, §4 (NEW) .]

3. **No criminal action pending.** Is not currently charged with, and has not been accepted by the Attorney General for criminal prosecution arising from, a violation of the state tax law as provided in this Title or Title 17-A, or is not applying for relief on a debt that is the result of a criminal conviction; and

[2003, c. 20, Pt. AA, §4 (NEW) .]

4. **No collection by warrant or civil action.** Is not applying for relief with respect to a tax liability for which the State has secured a warrant or civil judgment in its favor in Superior Court.

[2003, c. 20, Pt. AA, §4 (NEW) .]

SECTION HISTORY
2003, c. 20, §AA4 (NEW). 2003, c. 451, §E9 (AMD).

§6573. UNDISCLOSED LIABILITIES

Nothing in this chapter may be construed to prohibit the assessor from instituting civil or criminal proceedings against any taxpayer with respect to any amount of tax that is not disclosed either on the 2003 amnesty return, described in section 6575, or on any other return filed with the assessor. [2003, c. 20, Pt. AA, §4 (NEW).]

SECTION HISTORY
2003, c. 20, §AA4 (NEW).

§6574. AMNESTY PERIOD

The time period during which a 2003 amnesty return, described in section 6575, may be filed is September 1, 2003 to November 30, 2003. [2003, c. 451, Pt. E, §10 (AMD).]

SECTION HISTORY
2003, c. 20, §AA4 (NEW). 2003, c. 451, §E10 (AMD).

§6575. AMNESTY RETURN

The assessor shall prepare and make available the 2003 amnesty return. The return and associated guidelines prepared by the assessor, which govern participation in the 2003 Maine Tax Amnesty Program, are exempt from the Maine Administrative Procedure Act. The application requires the approval of the assessor. The assessor may deny any applications not consistent with the 2003 Maine Tax Amnesty Program. [2003, c. 20, Pt. AA, §4 (NEW).]

SECTION HISTORY
2003, c. 20, §AA4 (NEW).

§6576. PREAMNESTY SETTLEMENTS

Notwithstanding any other provision of this chapter, the assessor shall, during the period beginning on the effective date of this chapter to August 31, 2003, make a settlement offer that requires full payment of tax and 1/2 of the accrued interest to any taxpayer that has a recorded and recognized delinquent State tax liability as of the effective date of this chapter. The settlement offer authorized under this section does not apply to a taxpayer whose liability is the result of a criminal conviction or is currently charged with a criminal offense arising from a violation of the state tax law as provided in this Title or Title 17-A, or has been referred to the Attorney General for criminal prosecution. [2003, c. 20, Pt. AA, §4 (NEW).]

SECTION HISTORY
2003, c. 20, §AA4 (NEW).

Chapter 914-A: MAINE USE TAX COMPLIANCE PROGRAM

§6581. PROGRAM ESTABLISHED

The Maine Use Tax Compliance Program, referred to in this chapter as "the program," is established to encourage delinquent taxpayers to comply with the provisions of chapter 215, to enable the State Tax Assessor to identify and collect previously unreported use tax and to improve compliance with the State's use tax laws. The program applies to use tax liabilities incurred by a person prior to January 1, 2006. [2005, c. 519, Pt. TT, §1 (NEW).]

SECTION HISTORY
2005, c. 519, §TT1 (NEW).

§6582. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [2005, c. 519, Pt. TT, §1 (NEW).]

1. **Lookback period.** "Lookback period" means the period from January 1, 2000 to December 31, 2005.

[2005, c. 519, Pt. TT, §1 (NEW) .]

2. **Program period.** "Program period" means the period from July 1, 2006 to December 31, 2006.

[2005, c. 519, Pt. TT, §1 (NEW) .]

SECTION HISTORY
2005, c. 519, §TT1 (NEW).

§6583. ADMINISTRATION; CONDITIONS FOR PARTICIPATION

The State Tax Assessor shall administer the program. Participation in the program is conditioned upon each participating taxpayer's agreement to forgo the right to protest or pursue an administrative or judicial proceeding with regard to use taxes paid under the program. A participating taxpayer that timely submits the special use tax return as required by subsection 2 with no material misrepresentations or material omissions and that timely makes the use tax payment or payments required by subsections 3 and 4 is absolved from further liability for use taxes incurred prior to January 1, 2006 and is also absolved from liability for criminal prosecution and civil penalties and interest related to those taxes. The following conditions apply to the program. [2005, c. 519, Pt. TT, §1 (NEW).]

1. **Limited to unknown liabilities.** The program is limited to unknown liabilities only. For purposes of this subsection, an "unknown liability" is a use tax liability that has not been assessed at the time the special use tax return described in section 6584 is received by the assessor.

[2005, c. 519, Pt. TT, §1 (NEW) .]

2. **Return filed and tax liability reported.** A participating taxpayer must properly complete and file with the assessor, before the end of the program period, a special use tax return as described in section 6584 reporting all previously unreported and unpaid State of Maine use tax liabilities incurred by the taxpayer during the lookback period.

[2005, c. 519, Pt. TT, §1 (NEW) .]

3. **Tax paid; 3 high years.** Except as provided by subsection 4, a participating taxpayer must pay in full, by the end of the program period, the use tax liability incurred by the taxpayer during the 3 calendar years of the lookback period with the highest use tax liability as reported on the special use tax return described in section 6584. A participating taxpayer must agree to forgo the right to seek a refund of, or file a petition for reconsideration with respect to, the tax paid with the return.

[2005, c. 519, Pt. TT, §1 (NEW) .]

4. **Payment plans allowed; interest.** A participating taxpayer may elect to make payment of the taxes reported under the program after the expiration of the program period, but only pursuant to a payment plan approved by the assessor. A payment plan approved by the assessor may not provide for payments beyond December 31, 2007. Interest at the rate established pursuant to section 186 accrues on any payments made after the expiration of the program period.

[2005, c. 519, Pt. TT, §1 (NEW) .]

SECTION HISTORY
2005, c. 519, §TT1 (NEW).

§6584. PROGRAM RETURN

The State Tax Assessor shall prepare and make available special use tax returns for taxpayers who wish to participate in the program. The return must be signed by the taxpayer under penalty of perjury. The return and associated program guidelines prepared by the assessor are not rules within the meaning of that term in the Maine Administrative Procedure Act. The assessor shall deny any special use tax return that is inconsistent with the provisions of this chapter or that is filed after the conclusion of the program period. [2005, c. 519, Pt. TT, §1 (NEW).]

SECTION HISTORY
2005, c. 519, §TT1 (NEW).

§6585. UNDISCLOSED AND FUTURE USE TAX LIABILITIES; OTHER SETTLEMENTS

Nothing in this chapter may be construed to prohibit the State Tax Assessor from instituting civil or criminal proceedings, including but not limited to an audit, against any taxpayer with respect to any amount of use tax incurred during or after the lookback period that is not disclosed on either the special use tax return filed by the taxpayer in connection with the program or another return filed by the taxpayer with the assessor. Nothing in this chapter may be construed to limit a taxpayer's right to protest or pursue an administrative or judicial proceeding with regard to an assessment of such undisclosed taxes. Notwithstanding any other provision of law, the assessor may, prior to July 1, 2006, compromise an unknown use tax liability on terms substantially equal to the terms set forth in this chapter, and in such a case the taxpayer is absolved from liability for criminal prosecution and civil penalties related to those taxes. [2005, c. 519, Pt. TT, §1 (NEW).]

SECTION HISTORY
2005, c. 519, §TT1 (NEW).

Chapter 914-B: 2009 TAX RECEIVABLES REDUCTION INITIATIVE

§6591. 2009 TAX RECEIVABLES REDUCTION INITIATIVE ESTABLISHED

There is established the 2009 Tax Receivables Reduction Initiative, referred to in this chapter as "the initiative." The initiative is intended to encourage delinquent taxpayers to pay existing tax obligations. The goal of the initiative is to raise revenue during fiscal year 2009-10 and to reduce the increasing tax receivables. [2009, c. 213, Pt. PPP, §1 (NEW).]

SECTION HISTORY
2009, c. 213, Pt. PPP, §1 (NEW).

§6592. ADMINISTRATION

The State Tax Assessor shall administer the initiative. The initiative applies to tax liabilities that are assessed as of September 1, 2009. A taxpayer may participate in the initiative without regard to whether the amount due is subject to a pending administrative or judicial proceeding. Participation in the initiative is conditioned upon the taxpayer's agreement to forgo or to withdraw a protest or an administrative or judicial proceeding with regard to liabilities paid under the tax initiative and not to claim a refund of money paid under the initiative. This initiative is available to a taxpayer if the taxpayer: [2009, c. 213, Pt. PPP, §1 (NEW).]

1. **Application.** Properly completes and files a 2009 tax initiative application as described in section 6595 and as required by the assessor;

[2009, c. 213, Pt. PPP, §1 (NEW) .]

2. **Tax, interest and penalty paid.** Pays all tax, interest and penalty as described in section 6595 by the end of the initiative period under section 6594;

[2009, c. 213, Pt. PPP, §1 (NEW) .]

3. **No criminal action pending.** Is not currently charged with, and has not been accepted by the Attorney General for criminal prosecution arising from, a violation of the state tax law as provided in this Title or Title 17-A, or is not applying for relief on a debt that is the result of a criminal conviction; and

[2009, c. 213, Pt. PPP, §1 (NEW) .]

4. **No collection by warrant or civil action.** Is not applying for relief with respect to a tax liability for which the State has secured a warrant or civil judgment in its favor in Superior Court.

[2009, c. 213, Pt. PPP, §1 (NEW) .]

SECTION HISTORY
2009, c. 213, Pt. PPP, §1 (NEW).

§6593. UNDISCLOSED LIABILITIES

This chapter may not be construed to prohibit the assessor from instituting civil or criminal proceedings against any taxpayer with respect to any amount of tax that is not paid with the 2009 tax initiative application described in section 6595 or on any other return filed with the assessor. [2009, c. 213, Pt. PPP, §1 (NEW).]

SECTION HISTORY
2009, c. 213, Pt. PPP, §1 (NEW).

§6594. INITIATIVE PERIOD

The time period during which a 2009 tax initiative application described in section 6595 may be filed is September 1, 2009 to November 30, 2009. [2009, c. 213, Pt. PPP, §1 (NEW).]

SECTION HISTORY
2009, c. 213, Pt. PPP, §1 (NEW).

§6595. INITIATIVE APPLICATION

The assessor shall prepare and make available the 2009 tax initiative application. The application and associated guidelines prepared by the assessor, which govern participation in the initiative, are exempt from the Maine Administrative Procedure Act. The application requires the approval of the assessor and must include the amount of tax, interest and penalty to be paid and the periods to which the liability applies. The assessor may deny any applications not consistent with the initiative. Participation in the initiative qualifies the taxpayer to a waiver by the assessor of 90% of the penalties otherwise due. [2009, c. 213, Pt. PPP, §1 (NEW).]

SECTION HISTORY
2009, c. 213, Pt. PPP, §1 (NEW).

Chapter 914-C: 2010 TAX RECEIVABLES REDUCTION INITIATIVES

§6601. 2010 TAX RECEIVABLES REDUCTION INITIATIVES ESTABLISHED

There are established the 2010 Tax Receivables Reduction Initiatives, referred to in this chapter as "the initiatives" and consisting of 2 separate initiatives, referred to in this chapter as "the short-term initiative" and "the 5-year initiative." The initiatives are intended to encourage delinquent taxpayers to pay existing tax obligations. The goal of the initiatives is to raise revenue during fiscal year 2010-11 and to reduce existing tax receivables. [2009, c. 571, Pt. HH, §1 (NEW).]

SECTION HISTORY
2009, c. 571, Pt. HH, §1 (NEW).

§6602. ADMINISTRATION

The State Tax Assessor shall administer the initiatives. The short-term initiative applies to tax liabilities that are assessed as of December 31, 2009 and interest and penalties subsequently assessed on such tax liabilities. The 5-year initiative applies to tax liabilities that were assessed as of June 30, 2005 and interest and penalties subsequently assessed on such tax liabilities. A taxpayer may participate in the initiatives without regard to whether the amount due is subject to a pending administrative or judicial proceeding. Participation in the initiatives is conditioned upon the taxpayer's agreement to forgo or withdraw a protest or an administrative or judicial proceeding with regard to liabilities paid under the initiatives and not to claim a refund of money paid under the initiatives. These initiatives are available to a taxpayer if the taxpayer: [2009, c. 571, Pt. HH, §1 (NEW).]

1. **Application.** Properly completes and files a 2010 tax initiatives application as described in section 6605 and as required by the assessor;

[2009, c. 571, Pt. HH, §1 (NEW) .]

2. **Tax, interest and penalty paid.** Pays all tax, interest and penalty for the respective initiative as described in section 6606 by the end of the initiatives period under section 6604;

[2009, c. 571, Pt. HH, §1 (NEW) .]

3. **No criminal action pending.** Is not currently charged with, and has not been accepted by the Attorney General for criminal prosecution arising from, a violation of the state tax law as provided in this Title or Title 17-A or is not applying for relief on a debt that is the result of a criminal conviction; and

[2009, c. 571, Pt. HH, §1 (NEW) .]

4. **No collection by warrant or civil action.** Is not applying for relief with respect to a tax liability for which the State has secured a warrant or civil judgment in its favor in Superior Court.

[2009, c. 571, Pt. HH, §1 (NEW) .]

SECTION HISTORY
2009, c. 571, Pt. HH, §1 (NEW).

§6603. UNDISCLOSED LIABILITIES

This chapter does not prohibit the State Tax Assessor from instituting civil or criminal proceedings against any taxpayer with respect to any amount of tax that is not paid with the 2010 tax initiatives application described in section 6605 or on any other return filed with the assessor. [2009, c. 571, Pt. HH, §1 (NEW).]

SECTION HISTORY
2009, c. 571, Pt. HH, §1 (NEW).

§6604. INITIATIVES PERIOD

A 2010 tax initiatives application described in section 6605 may be filed from September 1, 2010 to November 30, 2010. [2009, c. 571, Pt. HH, §1 (NEW).]

SECTION HISTORY
2009, c. 571, Pt. HH, §1 (NEW).

§6605. INITIATIVES APPLICATION

The State Tax Assessor shall prepare and make available the 2010 tax initiatives application. The application and associated guidelines prepared by the assessor, which govern participation in the initiatives, are exempt from the Maine Administrative Procedure Act. Each application requires the approval of the assessor and must include the amount of tax, interest and penalty to be paid, as determined pursuant to section 6606, the initiative being applied for and the periods to which the liability applies. The assessor may deny any application not consistent with this chapter. [2009, c. 571, Pt. HH, §1 (NEW).]

SECTION HISTORY
2009, c. 571, Pt. HH, §1 (NEW).

§6606. WAIVER OF PENALTIES OR INTEREST

1. **Short-term initiative.** A taxpayer who participates in the short-term initiative and whose application is approved by the State Tax Assessor is entitled to a waiver by the assessor of 95% of the penalties otherwise due.

[2009, c. 571, Pt. HH, §1 (NEW) .]

2. **Five-year initiative.** A taxpayer who participates in the 5-year initiative and whose application is approved by the assessor is entitled to a waiver by the assessor of 95% of the penalties and interest otherwise due.

[2009, c. 571, Pt. HH, §1 (NEW) .]

SECTION HISTORY
2009, c. 571, Pt. HH, §1 (NEW).

§6607. COLLECTION ACTION NOT STAYED

An enforced collection action, including, but not limited to, a wage levy, bank levy or refund setoff, is not stayed until a taxpayer's tax initiatives application under section 6605 has been accepted by the State Tax Assessor and the taxpayer has paid all the tax, interest and penalties due pursuant to section 6602, subsection 2. [2009, c. 571, Pt. HH, §1 (NEW).]

SECTION HISTORY
2009, c. 571, Pt. HH, §1 (NEW).

Chapter 914-D: 2012 MAINE USE TAX COMPLIANCE PROGRAM

§6611. PROGRAM ESTABLISHED

The 2012 Maine Use Tax Compliance Program, referred to in this chapter as "the program," is established to encourage delinquent taxpayers to comply with the provisions of chapter 215, to enable the State Tax Assessor to identify and collect previously unreported use tax and to improve compliance with the State's use tax laws. The program applies to use tax liabilities incurred by a person prior to January 1, 2012. [2011, c. 657, Pt. Q, §1 (NEW).]

SECTION HISTORY
2011, c. 657, Pt. Q, §1 (NEW).

§6612. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [2011, c. 657, Pt. Q, §1 (NEW).]

1. **Lookback period.** "Lookback period" means the period from January 1, 2006 to December 31, 2011.

[2011, c. 657, Pt. Q, §1 (NEW) .]

2. **Program period.** "Program period" means the period from October 1, 2012 to November 30, 2012.

[2011, c. 657, Pt. Q, §1 (NEW) .]

SECTION HISTORY
2011, c. 657, Pt. Q, §1 (NEW).

§6613. ADMINISTRATION; CONDITIONS FOR PARTICIPATION

The State Tax Assessor shall administer the program. Participation in the program is conditioned upon each participating taxpayer's agreement to forgo the right to protest or pursue an administrative or judicial proceeding with regard to use taxes paid under the program. A participating taxpayer that timely submits the special use tax return as required by subsection 2 with no material misrepresentations or material omissions and that timely makes the use tax payment or payments required by subsection 3 is absolved from further liability for use taxes incurred prior to January 1, 2012 and is also absolved from liability for criminal prosecution and civil penalties related to those taxes. The following conditions apply to the program. [2011, c. 657, Pt. Q, §1 (NEW).]

1. **Limited to unknown liabilities.** The program is limited to unknown liabilities only. For purposes of this subsection, "unknown liability" means a use tax liability that has not been assessed at the time the special use tax return described in section 6614 is received by the assessor.

[2011, c. 657, Pt. Q, §1 (NEW) .]

2. **Return filed and tax liability reported.** A participating taxpayer must properly complete and file with the assessor, before the end of the program period, a special use tax return as described in section 6614 reporting all previously unreported and unpaid State of Maine use tax liabilities incurred by the taxpayer during the lookback period.

[2011, c. 657, Pt. Q, §1 (NEW) .]

3. **Tax paid; 3 high years.** A participating taxpayer must pay in full, by the end of the program period or the approved payment plan period as provided in accordance with subsection 4, the use tax liability incurred by the taxpayer during the 3 calendar years of the lookback period with the highest use tax liability as reported on the special use tax return described in section 6614, plus any interest associated with an approved payment plan. A participating taxpayer must agree to forgo the right to seek a refund of, or file a petition for reconsideration with respect to, the tax paid with the return.

[2011, c. 657, Pt. Q, §1 (NEW) .]

4. **Payment plans allowed; interest.** A participating taxpayer may elect to make payment of the taxes reported under the program after the expiration of the program period, but only pursuant to a payment plan approved by the assessor. A payment plan approved by the assessor may not provide for payments beyond May 31, 2013. Interest at the rate established pursuant to section 186 accrues on any payments made after the expiration of the program period.

[2011, c. 657, Pt. Q, §1 (NEW) .]

SECTION HISTORY
2011, c. 657, Pt. Q, §1 (NEW).

§6614. PROGRAM RETURN

The State Tax Assessor shall prepare and make available special use tax returns for taxpayers who wish to participate in the program. The return must be signed by the taxpayer under penalty of perjury. The return and associated program guidelines prepared by the assessor are not rules within the meaning of that term in the Maine Administrative Procedure Act. The assessor shall deny any special use tax return that is inconsistent with the provisions of this chapter or that is filed after the conclusion of the program period. [2011, c. 657, Pt. Q, §1 (NEW).]

SECTION HISTORY
2011, c. 657, Pt. Q, §1 (NEW).

§6615. UNDISCLOSED AND FUTURE USE TAX LIABILITIES; OTHER SETTLEMENTS

This chapter may not be construed to prohibit the State Tax Assessor from instituting civil or criminal proceedings, including but not limited to an audit, against any taxpayer with respect to any amount of use tax incurred during or after the lookback period that is not disclosed on either the special use tax return filed by the taxpayer in connection with the program or another return filed by the taxpayer with the assessor. This chapter may not be construed to limit a taxpayer's right to protest or pursue an administrative or judicial proceeding with regard to an assessment of such undisclosed taxes. Notwithstanding any other provision of law, the assessor may, prior to October 1, 2012, compromise an unknown use tax liability on terms substantially equal to the terms set forth in this chapter, and in such a case the taxpayer is absolved from liability for criminal prosecution and civil penalties related to those taxes. [2011, c. 657, Pt. Q, §1 (NEW).]

SECTION HISTORY
2011, c. 657, Pt. Q, §1 (NEW).

Chapter 915: REIMBURSEMENT FOR TAXES PAID ON CERTAIN BUSINESS PROPERTY

§6651. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [1995, c. 368, Pt. FFF, §2 (NEW).]

1. **Eligible property.** "Eligible property" means qualified business property first placed in service in the State, or constituting construction in progress commenced in the State, after April 1, 1995 but does not include property that is eligible business equipment as defined in section 691, subsection 1. "Eligible property" includes, without limitation, repair parts, replacement parts, additions, accessions and accessories to other qualified business property placed in service on or before April 1, 1995 if the part, addition, accession

or accessory is first placed in service, or constitutes construction in progress, in the State after April 1, 1995, unless that property is eligible business equipment as defined in section 691, subsection 1. "Eligible property" includes used qualified business property if the qualified business property was first placed in service in the State, or constituted construction in progress commenced in the State, after April 1, 1995 but does not include property that is eligible business equipment as defined in section 691, subsection 1. "Eligible property" also includes inventory parts.

[2007, c. 627, §95 (RPR) .]

2. **Inventory parts.** "Inventory parts" includes repair parts, replacement parts, replacement equipment, additions, accessions and accessories on hand but not in service and stocks or inventories of repair parts, replacement parts, replacement equipment, additions, accessions and accessories on hand but not in service if acquired after April 1, 1995, regardless of when placed in service.

[1995, c. 368, Pt. FFF, §2 (NEW) .]

2-A. **Primarily.** "Primarily" means more than 50% of the time.

[2005, c. 12, Pt. BBB, §1 (NEW); 2005, c. 12, Pt. BBB, §6 (AFF) .]

3. **Qualified business property.** "Qualified business property" means tangible personal property that:

A. Is used or held for use exclusively for a business purpose by the person in possession of it or, in the case of construction in progress or inventory parts, is intended to be used exclusively for a business purpose by the person who will possess that property; and [1995, c. 368, Pt. FFF, §2 (NEW).]

B. Either:

(1) Was subject to an allowance for depreciation under the Code on April 1st of the property tax year to which the claim for reimbursement relates or would have been subject to an allowance for depreciation under the Code as of that date but for the fact that the property has been fully depreciated; or

(2) In the case of construction in progress or inventory parts, would be subject under the Code to an allowance for depreciation when placed in service or would have been subject to an allowance for depreciation under the Code as of that date but for the fact that the property has been fully depreciated. [1995, c. 368, Pt. FFF, §2 (NEW).]

"Qualified business property" also includes all property that is affixed or attached to a building or other real estate if it is used to further a particular trade or business activity taking place in that building or on that real estate. "Qualified business property" does not include components or attachments to a building if used primarily to serve the building as a building, regardless of the particular trade or activity taking place in or on the building. "Qualified business property" also does not include land improvements if used primarily to further the use of the land as land, regardless of the particular trade or business activities taking place in or on the land. In the case of construction in progress or inventory parts, the term "used" means intended to be used. "Qualified business property" also does not include any vehicle registered for on-road use on which a tax assessed pursuant to chapter 111 has been paid or any watercraft registered for use on state waters on which a tax assessed pursuant to chapter 112 has been paid.

[2001, c. 396, §44 (AMD) .]

4. **Retail sales activity.** "Retail sales activity" means an activity associated with the selection and purchase of goods or the rental of tangible personal property.

[2005, c. 12, Pt. BBB, §1 (NEW); 2005, c. 12, Pt. BBB, §6 (AFF) .]

5. **Retail sales facility.** "Retail sales facility" means a structure used to serve customers who are physically present at the facility for the purpose of selecting and purchasing goods at retail or for renting tangible personal property. "Retail sales facility" does not include a separate structure that is used as a warehouse or call center facility.

[2005, c. 12, Pt. BBB, §1 (NEW); 2005, c. 12, Pt. BBB, §6 (AFF) .]

SECTION HISTORY
1995, c. 368, §FFF2 (NEW). 1997, c. 24, §C13 (AMD). 1997, c. 24, §C17 (AFF). 1997, c. 557, §B11 (AMD). 1997, c. 557, §G1 (AFF). 2001, c. 396, §§43-44 (AMD). 2005, c. 12, §BBB1 (AMD). 2005, c. 12, §BBB6 (AFF). 2005, c. 623, §2 (AMD). 2007, c. 372, §1 (AMD). 2007, c. 437, §21 (AMD). 2007, c. 627, §95 (AMD).

§6652. REIMBURSEMENT ALLOWED; LIMITATION

1. **Generally.** A person against whom taxes have been assessed pursuant to Part 2, except for chapters 111 and 112, with respect to eligible property and who has paid those taxes is entitled to reimbursement of a portion of those taxes from the State as provided in this chapter. The reimbursement under this chapter is the percentage of the taxes assessed and paid with respect to eligible property specified in subsection 4. For purposes of this chapter, a tax applied as a credit against a tax assessed pursuant to chapter 111 or 112 is a tax assessed pursuant to chapter 111 or 112. A taxpayer that included eligible property in its investment credit base under section 5219-M and claimed the credit provided in section 5219-M on its income tax return may not be reimbursed under this chapter for taxes assessed on that same eligible property in a year in which that credit is taken. A successor in interest of a person against whom taxes have been assessed with respect to eligible property is entitled to reimbursement pursuant to this section, whether the tax was paid by the person assessed or by the successor, as long as a transfer of the property in question to the successor has occurred and the successor is the owner of the property as of August 1st of the year in which a claim for reimbursement may be filed pursuant to section 6654. For purposes of this subsection, "successor in interest" includes the initial successor and any subsequent successor. When an eligible successor in interest exists, the successor is the only person to whom reimbursement under this chapter may be made with respect to the transferred property. For an item of eligible property that is first subject to assessment under Part 2 on or after April 1, 2008, and for any item of eligible property for which reimbursement is paid under subsection 4, paragraph B, the reimbursement otherwise payable under this section may not exceed the actual property taxes paid less any tax increment financing refund received with respect to that property.

[2009, c. 496, §27 (AMD) .]

1-A. **Certain persons excluded.** Notwithstanding any other provision of law, the following persons are not eligible for reimbursement pursuant to this chapter:

A. A public utility as defined by Title 35-A, section 102; [1997, c. 24, Pt. C, §14 (NEW).]

B. A person that provides radio paging services as defined by Title 35-A, section 102; [1997, c. 24, Pt. C, §14 (NEW).]

C. A person that provides mobile telecommunications services as defined by Title 35-A, section 102; [1997, c. 24, Pt. C, §14 (NEW).]

D. A cable television company as defined by Title 30-A, section 2001; [1997, c. 24, Pt. C, §14 (NEW).]

E. A person that provides satellite-based direct television broadcast services; and [1997, c. 24, Pt. C, §14 (NEW).]

F. A person that provides multichannel, multipoint television distribution services. [1997, c. 24, Pt. C, §14 (NEW).]

This subsection applies retroactively to property tax years beginning after April 1, 1995.

[1997, c. 24, Pt. C, §14 (NEW) .]

1-B. **Certain property excluded.** Notwithstanding any other provision of law, reimbursement pursuant to this chapter may not be made with respect to the following property:

A. Office furniture, including, without limitation, tables, chairs, desks, bookcases, filing cabinets and modular office partitions; [2003, c. 625, §1 (AMD); 2003, c. 625, §3 (AFF); 2003, c. 687, Pt. A, §10 (AMD); 2003, c. 687, Pt. B, §11 (AFF).]

B. Lamps and lighting fixtures; [2009, c. 571, Pt. II, §2 (AMD); 2009, c. 571, Pt. II, §5 (AFF).]

C. Gambling machines or devices, including any device, machine, paraphernalia or equipment that is used or usable in the playing phases of any gambling activity as that term is defined in Title 8, section 1001, subsection 15, whether that activity consists of gambling between persons or gambling by a person involving the playing of a machine. "Gambling machines or devices" includes, without limitation:

(1) Associated equipment as defined in Title 8, section 1001, subsection 2;

(2) Computer equipment used directly and primarily in the operation of a slot machine as defined in Title 8, section 1001, subsection 39;

(3) An electronic video machine as defined in Title 17, section 1831, subsection 4;

(4) Equipment used in the playing phases of lottery schemes; and

(5) Repair and replacement parts of a gambling machine or device; or [2009, c. 571, Pt. II, §3 (AMD); 2009, c. 571, Pt. II, §5 (AFF).]

D. Personal property that would otherwise be entitled to reimbursement under this chapter used primarily to support a telecommunications antenna used by a telecommunications business subject to the tax imposed by section 457. [2009, c. 571, Pt. II, §4 (NEW); 2009, c. 571, Pt. II, §5 (AFF).]

Property affected by this subsection that was eligible for reimbursement pursuant to this chapter of property taxes paid for the 1996 property tax year is grandfathered into the program and continues to be eligible for reimbursements unless it subsequently becomes ineligible.

[2011, c. 240, §43 (AMD) .]

1-C. **Certain energy facilities.** Reimbursement for certain energy facilities under this chapter is limited as follows.

A. Reimbursement may not be made for a natural gas pipeline, including pumping or compression stations, storage depots and appurtenant facilities used in the transportation, delivery or sale of natural gas, but not including a pipeline that is less than a mile in length and is owned by a consumer of natural gas delivered through the pipeline. [1997, c. 729, Pt. B, §2 (NEW).]

B. Except as provided in paragraph C, reimbursement may not be made for property used to produce or transmit energy primarily for sale. Energy is primarily for sale if during the property tax year immediately preceding the property tax year for which a claim is being made 2/3 or more of the useful energy is directly or indirectly sold and transmitted through the facilities of a transmission and distribution utility as defined in Title 35-A, section 102, subsection 20-B. [2001, c. 396, §47 (AMD).]

C. A cogeneration facility is eligible for reimbursement on that portion of property taxes paid multiplied by a fraction, the numerator of which is the total amount of useful energy produced by the facility during the property tax year immediately preceding the property tax year for which a claim is being made that is directly used by a manufacturing facility without transmission over the facilities of a transmission and distribution utility as defined in Title 35-A, section 102, subsection 20-B and the denominator of which is the total amount of useful energy produced by the facility during the property tax year immediately preceding the property tax year for which a claim is being made. [2001, c. 396, §47 (AMD).]

D. For purposes of this subsection, unless the context indicates otherwise, the following terms have the following meanings.

(1) "Cogeneration facility" means the eligible property within a facility that produces electrical energy, thermal energy or both for commercial or industrial use when less than 2/3 of the useful energy produced by the facility during the property tax year is sold and transmitted directly or indirectly through the facilities of a transmission and distribution utility, as defined in Title 35-A, section 102, subsection 20-B. "Cogeneration facility" includes eligible property within a heat recovery steam generator.

(2) "Useful energy" is energy in any form that does not include waste heat, efficiency losses, line losses or other energy dissipation. [1999, c. 398, Pt. A, §103 (AMD); 1999, c. 398, Pt. A, §§104, 105 (AFF).]

[2001, c. 396, §47 (AMD) .]

1-D. **Retail sales facilities.** Reimbursement pursuant to this chapter may not be made with respect to property that is located in a retail sales facility exceeding 100,000 square feet of interior customer selling space and used primarily in a retail sales activity, unless the facility is owned by a business whose Maine-based operation derives less than 50% of its total annual revenue on a calendar-year basis from sales that are subject to Maine sales tax. This subsection applies to property tax years beginning after April 1, 2006. Property affected by this subsection that was eligible for reimbursement pursuant to this chapter for property taxes paid for the 2006 property tax year is grandfathered into the program and continues to be eligible for reimbursement to the extent permitted by this chapter as it existed on April 1, 2006, unless that property subsequently becomes ineligible.

[2005, c. 12, Pt. BBB, §2 (NEW); 2005, c. 12, Pt. BBB, §6 (AFF) .]

2. **Limitation.** Reimbursement may not be made by the State Tax Assessor pursuant to this chapter with respect to the payment of taxes assessed against property that is entitled to exemption pursuant to section 656, subsection 1, paragraph E or any other provision of law except that reimbursement must be made with respect to the payment of taxes assessed against property that has not been certified for exemption pursuant to section 656, subsection 1, paragraph E but that is entitled to exemption pursuant to that provision if that property has been placed in service after the December 1st immediately preceding April 1st of the tax year for which reimbursement is sought but prior to April 1st of the property tax year for which reimbursement is sought. The claimant may seek reconsideration, pursuant to section 151, of the assessor's denial of reimbursement under this subsection. If the assessor denies a reimbursement claim on the ground that the property in question is entitled to exemption under section 656, subsection 1, paragraph E and the claimant seeks reconsideration of the denial, the assessor shall, at the claimant's request, allow the claimant up to one year to obtain a statement from the Commissioner of Environmental Protection that the property at issue is not exempt. If the claimant timely produces such a statement or otherwise demonstrates that the property is not exempt, the assessor shall allow the reimbursement.

[1999, c. 398, Pt. A, §103 (AMD); 1999, c. 398, Pt. A, §§104, 105 (AFF) .]

3. **Withholding for failure to report.**

[2009, c. 337, §10 (RP) .]

4. **Reimbursement percentage.** The reimbursement under this chapter is an amount equal to the percentage specified in paragraphs A and B of taxes assessed and paid with respect to each item of eligible property, except that for claims filed for application periods that begin on August 1, 2006, August 1, 2009, August 1, 2010 or August 1, 2013 the reimbursement is 90% of that amount and for claims filed for the application period that begins on August 1, 2014, the reimbursement is 80% of that amount.

A. For each of the first to 12th years for which reimbursement is made, the percentage is 100%. [2005, c. 623, §5 (NEW).]

B. Pursuant to section 699, subsection 2, reimbursement under this chapter after the 12th year for which reimbursement is made is according to the following percentages of taxes assessed and paid with respect to each item of eligible property.

(1) For the 13th year for which reimbursement is made, the percentage is 75%.

(2) For the 14th year for which reimbursement is made, the percentage is 70%.

(3) For the 15th year for which reimbursement is made, the percentage is 65%.

(4) For the 16th year for which reimbursement is made, the percentage is 60%.

(5) For the 17th year for which reimbursement is made, the percentage is 55%.

(6) For the 18th year for which reimbursement is made and for subsequent years, the percentage is 50%. [2005, c. 623, §5 (NEW).]

[2013, c. 368, Pt. K, §1 (AMD) .]

SECTION HISTORY
1995, c. 368, §FFF2 (NEW). 1995, c. 639, §34 (AMD). 1995, c. 639, §35 (AFF). 1997, c. 24, §C14 (AMD). 1997, c. 729, §§B1,2 (AMD). 1999, c. 398, §A103 (AMD). 1999, c. 398, §§A104,105 (AFF). 1999, c. 768, §6 (AMD). 2001, c. 396, §§45-47 (AMD). 2003, c. 391, §12 (AMD). 2003, c. 625, §§1,2 (AMD). 2003, c. 625, §3 (AFF). 2003, c. 687, §§A10,11 (AMD). 2003, c. 687, §B11 (AFF). 2005, c. 12, §BBB2 (AMD). 2005, c. 12, §BBB6 (AFF). 2005, c. 218, §61 (AMD). 2005, c. 218, §63 (AFF). 2005, c. 457, §BBB1 (AMD). 2005, c. 618, §19 (AMD). 2005, c. 623, §§3-5 (AMD). 2007, c. 438, §114 (AMD). 2009, c. 213, Pt. U, §1 (AMD). 2009, c. 337, §10 (AMD). 2009, c. 487, Pt. B, §15 (AMD). 2009, c. 496, §§27, 28 (AMD). 2009, c. 571, Pt. II, §§2-4 (AMD). 2009, c. 571, Pt. II, §5 (AFF). 2011, c. 240, §43 (AMD). 2013, c. 368, Pt. K, §1 (AMD).

§6653. TAXPAYER TO OBTAIN INFORMATION

Before filing a request for reimbursement with the State Tax Assessor pursuant to section 6654, a taxpayer must notify the assessor or assessors for any taxing jurisdiction in which eligible property is subject to tax and for which the taxpayer intends to claim reimbursement that the taxpayer intends to file a reimbursement request. The notification must also include a list of the property that the taxpayer believes constitutes eligible property, the original cost of that property, the date that property was acquired and whether the property was acquired new or used. The taxpayer must submit to the assessor or assessors of each taxing jurisdiction at the same time a request that the assessor or assessors of the taxing jurisdiction provide to the taxpayer a statement identifying the assessed just value of eligible property for which reimbursement will be requested and the associated tax attributed to that property. If the taxpayer submits the request to the assessor or assessors 60 days or more before the commitment date for the property tax year at issue, the assessor or assessors of the taxing jurisdiction shall make the statement available to the taxpayer at the

time the taxing jurisdiction first bills the taxpayer for property taxes for the property tax year at issue. If the taxpayer submits the request to the assessor or assessors less than 60 days before the commitment date or after the commitment date, the assessor or assessors shall make the statement available to the taxpayer within 60 days after the request is made. [1995, c. 368, Pt. FFF, §2 (NEW).]

SECTION HISTORY
1995, c. 368, §FFF2 (NEW).

§6654. CLAIM FOR REIMBURSEMENT

A person entitled to reimbursement of property taxes paid with respect to eligible property pursuant to section 6652 may file a claim for reimbursement with the State Tax Assessor. The reimbursement claim must be filed with the State Tax Assessor on or after August 1st and on or before the following December 31st for property taxes paid during the preceding calendar year for which no previous reimbursement pursuant to this chapter has been made. For good cause, the State Tax Assessor may at any time extend the time for filing a claim for reimbursement for a period not exceeding 60 days from the original due date. Except as otherwise provided, the claim must be accompanied by the statement obtained by the claimant pursuant to section 6653. If the claimant requests reimbursement of an amount of tax that differs from the amount of tax specified for the eligible property in the statement provided by the assessor or assessors of the taxing jurisdiction, the claimant must attach to the claim form an explanation of the reasons for that difference and the State Tax Assessor shall determine the correct amount of reimbursement to which the claimant is entitled, taking into consideration both the statement from the assessor or assessors and the taxpayer's explanation. If, for any reason, the claimant is unable to obtain the statement specified in section 6653 from the assessor or assessors within the time specified in section 6653, the claimant must attach to the claim form an explanation of the amount of reimbursement requested and the State Tax Assessor shall process the claim without that statement. [2001, c. 714, Pt. BB, §1 (AMD); 2001, c. 714, Pt. BB, §4 (AFF).]

SECTION HISTORY
1995, c. 368, §FFF2 (NEW). 2001, c. 358, §H1 (AMD). 2001, c. 358, §H3 (AFF). 2001, c. 714, §BB1 (AMD). 2001, c. 714, §BB4 (AFF).

§6655. FORMS

The State Tax Assessor shall prescribe forms for the notice of claim and statement of the assessor or assessors provided in section 6653 and the claim for reimbursement, with instructions, and make those forms available to taxpayers and taxing jurisdictions. The forms must include a checkoff to indicate if the applicant is also receiving tax increment financing. [2005, c. 12, Pt. BBB, §3 (AMD).]

SECTION HISTORY
1995, c. 368, §FFF2 (NEW). 2005, c. 12, §BBB3 (AMD).

§6656. PAYMENT OF CLAIMS

1. **Reimbursement claim.** Notwithstanding any other provision of law, except as provided in section 6652 and section 6662, upon receipt of a timely and properly completed claim for reimbursement, the State Tax Assessor shall certify that the claimant is eligible for reimbursement under this chapter. The assessor shall determine the benefit for each claimant and shall certify to the State Controller the amounts to be transferred to the Business Equipment Tax Reimbursement reserve account established, maintained and administered by the State Controller from General Fund undedicated revenue.

[2009, c. 213, Pt. S, §15 (AMD); 2009, c. 213, Pt. S, §16 (AFF) .]

2. **Pay certified amounts.** The assessor shall pay the certified amounts to each approved applicant that qualifies for the benefit under this chapter by November 1st or within 90 days after receipt of the claim, whichever is later. Interest is not allowed on any payment made to a claimant pursuant to this chapter.

[2009, c. 337, §11 (AMD) .]

3. **Assignment of reimbursement payments.** A claimant may assign its right to payments under this chapter to secure a loan from the Finance Authority of Maine, and such an assignment, notwithstanding any contrary provision of law, is a legally valid assignment binding upon the claimant and its successors in interest. Upon notice of such an assignment given to the assessor by the Finance Authority of Maine and written confirmation of such an assignment signed by the claimant, the assessor shall pay to the Finance Authority of Maine any payments due to the claimant pursuant to this chapter and assigned to the Finance Authority of Maine until the Finance Authority of Maine notifies the assessor that the assignment has been released.

[2013, c. 67, §2 (NEW) .]

SECTION HISTORY
1995, c. 368, §FFF2 (NEW). 1999, c. 768, §7 (AMD). 2001, c. 358, §H2 (AMD). 2001, c. 358, §H3 (AFF). 2001, c. 714, §BB2 (AMD). 2001, c. 714, §BB4 (AFF). 2005, c. 12, §BBB4 (AMD). 2005, c. 618, §22 (AFF). 2005, c. 618, §20 (RPR). 2009, c. 213, Pt. S, §15 (AMD). 2009, c. 213, Pt. S, §16 (AFF). 2009, c. 337, §11 (AMD). 2013, c. 67, §2 (AMD).

§6657. AUDIT OF CLAIM

The State Tax Assessor has the authority to audit any claim filed under this chapter and take any action provided in section 384. If the State Tax Assessor determines that the amount of the claimed reimbursement is incorrect, the State Tax Assessor shall redetermine the claim and notify the claimant in writing of the redetermination and the State Tax Assessor's reasons. If the claimant has received reimbursement of an amount that the State Tax Assessor concludes should not have been reimbursed, the State Tax Assessor may issue an assessment for that amount within 3 years from the date the reimbursement claim was filed or at any time if a fraudulent reimbursement claim was filed. The claimant may seek reconsideration, pursuant to section 151, of the redetermination or assessment. [1995, c. 368, Pt. FFF, §2 (NEW).]

SECTION HISTORY
1995, c. 368, §FFF2 (NEW).

§6658. SUBSEQUENT CHANGES

If, after a claim for reimbursement has been filed, the associated property tax assessment is reduced or abated for any reason, or the property tax paid is applied as a credit against the tax assessed pursuant to chapter 111 or 112, the claimant shall file, within 60 days after receipt of the reduction, abatement or credit, an amended claim for reimbursement reflecting the reduction, abatement or credit. If a claimant has received reimbursement for property tax that is reduced, abated or credited against the tax assessed pursuant to chapter 111 or 112, the claimant shall, within 60 days of receipt of the reduction, abatement or credit, refund to the Bureau of Revenue Services the amount of the reimbursement attributable to the property tax that has been reduced, abated or credited. If the claimant fails to make the refund within the 60-day period, the State Tax Assessor, within 3 years from the claimant's receipt of reimbursement, may issue an assessment for the amount that the claimant owes to the Bureau of Revenue Services. The claimant may seek reconsideration, pursuant to section 151, of the assessment. [2005, c. 457, Pt. BBB, §2 (AMD).]

SECTION HISTORY
1995, c. 368, §FFF2 (NEW). 1997, c. 526, §14 (AMD). 2001, c. 396, §48 (AMD). 2005, c. 457, §BBB2 (AMD).

§6659. LEGISLATIVE FINDINGS

The Legislature finds that encouragement of the growth of capital investment in this State is in the public interest and promotes the general welfare of the people of the State. The Legislature further finds that the high cost of owning qualified business property in this State is a disincentive to the growth of capital investment in this State. The Legislature further finds that the program set forth in this chapter is a reasonable means of overcoming this disincentive and will encourage capital investment in this State. [1995, c. 368, Pt. FFF, §2 (NEW).]

SECTION HISTORY
1995, c. 368, §FFF2 (NEW).

§6660. AVAILABILITY OF INFORMATION

Notwithstanding section 191, information contained in applications for reimbursement, the names of persons receiving reimbursement and the amount of reimbursement paid to an applicant may be publicly disclosed by the bureau. This section does not permit the disclosure of taxpayer identification numbers. [1997, c. 761, §5 (NEW).]

SECTION HISTORY
1997, c. 761, §5 (NEW).

§6661. CERTAIN LEASED PROPERTY

A lessor of eligible property shall pay over to the lessee of that property reimbursement of property taxes received by the lessor under this chapter with respect to that property to the extent that the lessor has been reimbursed for those taxes by the lessee. [2001, c. 392, §1 (NEW); 2001, c. 392, §3 (AFF).]

§6661. Program name

(As enacted by PL 2001, c. 396, §49 is REALLOCATED TO TITLE 36, SECTION 6663)

SECTION HISTORY
RR 2001, c. 1, §46 (RAL). 2001, c. 392, §1 (NEW). 2001, c. 392, §3 (AFF). 2001, c. 396, §49 (NEW).

§6662. DISALLOWANCE OF REIMBURSEMENT FOR CERTAIN PROPERTY

Reimbursement under this chapter may not be made for property tax payments made with respect to property located at a facility that has permanently ceased all productive operations on April 1st of the year for which the property taxes are assessed and where no productive operations have been conducted for at least 12 months before the date that reimbursement is requested. This section does not apply if the owner of the facility has publicly advertised that the facility is available for sale or lease and has made a good faith effort to market and sell or lease the facility to prospective buyers or lessees. [2001, c. 392, §1 (NEW); 2001, c. 392, §3 (AFF).]

SECTION HISTORY
2001, c. 392, §1 (NEW). 2001, c. 392, §3 (AFF).

§6663. PROGRAM NAME

(REALLOCATED FROM TITLE 36, SECTION 6661)

The procedure for business property tax reimbursement provided by this chapter may be referred to as the "Business Equipment Tax Reimbursement" or "BETR" program. [2001, c. 1, §46 (RAL).]

SECTION HISTORY
RR 2001, c. 1, §46 (RAL).

§6664. REPORT

1. **Report to Legislature.** By April 1st annually, the State Tax Assessor shall submit to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs and the joint standing committee of the Legislature having jurisdiction over taxation matters a report that contains the following information with regard to persons receiving benefits under this chapter:

A. A list of persons receiving reimbursement for property taxes both under this chapter and under a tax increment financing agreement; [2005, c. 12, Pt. BBB, §5 (NEW).]

B. The total tax increment financing district property value for each person; [2007, c. 693, §35 (AMD).]

C. The municipality of each tax increment financing district and the property tax rate for that municipality; [2005, c. 12, Pt. BBB, §5 (NEW).]

D. The total tax increment financing district property taxes paid, categorized by real property and personal property; [2005, c. 12, Pt. BBB, §5 (NEW).]

E. The total tax increment financing credit enhancement agreement reimbursement for property taxes paid categorized by real property and personal property; [2005, c. 12, Pt. BBB, §5 (NEW).]

F. The total reimbursement received by each person under this chapter; and [2005, c. 12, Pt. BBB, §5 (NEW).]

G. The extent of overlap between reimbursement for property taxes on personal property under this chapter and under a tax increment financing agreement. [2005, c. 12, Pt. BBB, §5 (NEW).]

[2007, c. 693, §35 (AMD) .]

2. **Cooperation.** Claimants for reimbursement under this chapter, the Department of Economic and Community Development and municipalities shall provide any information requested by the State Tax Assessor for the completion of the report required by this section.

[2005, c. 622, §31 (AMD); 2005, c. 622, §34 (AFF) .]

SECTION HISTORY
2005, c. 12, §BBB5 (NEW). 2005, c. 622, §31 (AMD). 2005, c. 622, §34 (AFF). 2007, c. 693, §35 (AMD).

§6665. FINANCIAL PROJECTIONS REPORT

(REPEALED)

SECTION HISTORY
2005, c. 12, §BBB5 (NEW). 2009, c. 361, §33 (RP).

Chapter 917: EMPLOYMENT TAX INCREMENT FINANCING

§6751. SHORT TITLE

This chapter may be known and cited as the "Maine Employment Tax Increment Financing Act." [1995, c. 669, §5 (NEW).]

SECTION HISTORY
1995, c. 669, §5 (NEW).

§6752. PROGRAM ESTABLISHED; DECLARATION OF PUBLIC PURPOSE

The Maine Employment Tax Increment Financing Program is established to encourage the creation of net new quality jobs in this State, improve and broaden the tax base and improve the general economy of the State. The Legislature declares that the actions required to assist the implementation of development programs are a public purpose and that the execution and financing of these programs are a public purpose. [1995, c. 669, §5 (NEW).]

SECTION HISTORY
1995, c. 669, §5 (NEW).

§6753. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [1995, c. 669, §5 (NEW).]

1. **Affiliated businesses.**

[2005, c. 351, §17 (RP) .]

1-A. **Affiliated business.** "Affiliated business" means a member of a group of 2 or more businesses in which more than 50% of the voting stock of each member corporation or more than 50% of the ownership interest in a business other than a corporation is directly or indirectly owned by a common owner or owners, either corporate or noncorporate, or by one or more of the member businesses.

[2005, c. 351, §18 (NEW) .]

2. **Affiliated group.**

[2005, c. 351, §19 (RP) .]

3. **Applicant.** "Applicant" means a qualified business that has submitted an application to the commissioner for approval of an employment tax increment financing development program.

[1995, c. 669, §5 (NEW) .]

3-A. **Average employment during base period.** "Average employment during the base period" for a business means the total number of employees of that business as of each March 31st, June 30th, September 30th and December 31st of the base period, divided by 12.

[2005, c. 351, §20 (NEW) .]

4. **Base level of employment.** "Base level of employment" means the greater of either the total employment of a business as of the March 31st, June 30th, September 30th and December 31st of the calendar year immediately preceding the application for approval of the employment tax increment financing development program divided by 4 or its average employment during the base period.

A. Pursuant to Title 30-A, section 5250-J, subsection 4-A, "base level of employment" may be adjusted to mean 25% of the average number of employees of that business over the 3 months immediately preceding the catastrophic occurrence. [2009, c. 461, §26 (NEW).]

B. Pursuant to Title 30-A, section 5250-J, subsection 4-C, "base level of employment" must be adjusted to be calculated from the location where the business produced the significant employment expansion of 250 jobs or more. [2009, c. 461, §26 (NEW).]

[2009, c. 461, §26 (RPR) .]

5. **Base period.** "Base period" means the 3 calendar years prior to the year in which an applicant's employment tax increment financing development program is approved by the commissioner.

[1995, c. 669, §5 (NEW) .]

6. **Commissioner.** "Commissioner" means the Commissioner of Economic and Community Development.

[1995, c. 669, §5 (NEW) .]

7. **Employment tax increment.** "Employment tax increment" means that level of employment, payroll and state income withholding taxes attributed to qualified employees employed by a qualified business above the base level for the qualified business, adjusted pursuant to subsection 12 for shifts in employment by affiliated businesses.

[2005, c. 351, §22 (AMD); 2005, c. 351, §26 (AFF) .]

8. **Employment tax increment financing development program.** "Employment tax increment financing development program" means a statement describing:

A. An applicant's employment growth and capital investment plans over the 5-year period beginning on the date an application is submitted to the commissioner; and [1995, c. 669, §5 (NEW).]

B. A description of how funds reimbursed under this Act are necessary to the achievement of those plans. [1995, c. 669, §5 (NEW).]

[1995, c. 669, §5 (NEW) .]

9. **Gross employment tax increment.** "Gross employment tax increment" means that level of employment, payroll and State income tax withholding taxes attributed to qualified employees employed by a qualified business that is greater than the base level for the qualified business.

[1995, c. 669, §5 (NEW) .]

10. **Labor market unemployment rate.** "Labor market unemployment rate" means the average unemployment rate as published by the Department of Labor for the labor market or markets in which potential qualified employees are located and in which reimbursement is claimed under this chapter for the 12 most recently reported months preceding the date of application for employment tax increment financing and for the 12 most recently reported months preceding the beginning of the 6th year of an approved employment tax increment financing development program.

[1999, c. 388, §1 (AMD) .]

11. **Qualified business.** "Qualified business" means any for-profit business in this State, other than a public utility as defined by Title 35-A, section 102, that adds 5 or more qualified employees above its base level of employment in this State within any 2-year period commencing on or after January 1, 1996 and that meets one of the following criteria:

A. The business is not engaged in retail operations; [1995, c. 669, §5 (NEW).]

B. The business is engaged in retail operations but less than 50% of its total annual revenues from Maine-based operations are derived from sales taxable in this State; or [1995, c. 669, §5 (NEW).]

C. The business is engaged in retail operations and can demonstrate to the commissioner by a preponderance of the evidence that any increased sales will not include sales tax revenues derived from a transferring or shifting of retail sales from other businesses in this State. [1995, c. 669, §5 (NEW).]

For purposes of this subsection, "retail operations" means sales of consumer goods for household use to consumers who personally visit the business location to purchase the goods.

[2001, c. 157, §1 (AMD) .]

12. **Qualified employee.** "Qualified employee" means a new, full-time employee hired in this State by a qualified business, for whom a retirement program subject to the Employee Retirement Income Security Act of 1974, 29 United States Code, Chapter 18 and group health insurance are provided, and whose income derived from employment with the applicant, calculated on a calendar year basis, is greater than the most recent annual per capita personal income in the county in which the qualified employee is employed, as long as Maine income tax withholding attributed to the qualified employee is subject to reimbursement to the qualified business under this chapter. "Qualified employee" does not include an employee who is shifted to a qualified business from an affiliated business. The commissioner shall determine whether a shifting of employees has occurred.

[2009, c. 434, §82 (AMD) .]

13. **State unemployment rate.** "State unemployment rate" means the average unemployment rate published by the Department of Labor for the State as a whole for the 12 most recently reported months preceding the date of application for employment tax increment financing and for the 12 most recently reported months preceding the beginning of the 6th year of an approved employment tax increment financing development program.

[1999, c. 388, §3 (AMD) .]

SECTION HISTORY
1995, c. 669, §5 (NEW). 1997, c. 766, §§1,2 (AMD). 1999, c. 388, §§1-3 (AMD). 2001, c. 157, §1 (AMD). 2003, c. 391, §13 (AMD). 2005, c. 351, §§17-23 (AMD). 2005, c. 351, §26 (AFF). 2009, c. 21, §6 (AMD). 2009, c. 434, §82 (AMD). 2009, c. 461, §26 (AMD).

§6754. REIMBURSEMENT ALLOWED

1. **Generally.** Subject to the provisions of subsection 2, a qualified business is entitled to reimbursement of Maine income tax withheld during the calendar year for which reimbursement is requested and attributed to qualified employees after July 1, 1996 in the following amounts.

A. For qualified employees employed by a qualified business in labor market areas in this State in which the labor market unemployment rate is at or below the State's unemployment rate at the time of application, the reimbursement is equal to 30% of Maine income tax withheld during each of the first 5 calendar years for which reimbursement is requested and attributed to those qualified employees. The percentage of reimbursement for the 6th to 10th years of the employment tax increment financing development program is established based upon the labor market unemployment rate at the beginning of the 6th year. [2009, c. 496, §29 (RPR).]

B. For qualified employees employed by a qualified business in labor market areas in this State in which the labor market unemployment rate is greater than the State's unemployment rate at the time of application, the reimbursement is equal to 50% of Maine income tax withheld during each of the first 5 calendar years for which reimbursement is requested and attributed to those qualified employees. The percentage of reimbursement for the 6th to 10th years of the employment tax increment financing development program is established based upon the labor market unemployment rate at the beginning of the 6th year. [2009, c. 496, §29 (RPR).]

C. For qualified employees employed by a qualified business in labor market areas in this State in which the labor market unemployment rate is greater than 150% of the State's unemployment rate at the time of application, the reimbursement is equal to 75% of Maine income tax withheld during each of the first 5 calendar years for which reimbursement is requested and attributed to those qualified employees. The percentage of reimbursement for the 6th to 10th years of the employment tax increment financing development program is established based upon the labor market unemployment rate at the beginning of the 6th year. [2009, c. 496, §29 (RPR).]

D. For qualified Pine Tree Development Zone employees, as defined in Title 30-A, section 5250-I, subsection 18, employed directly in the qualified business activity of a qualified Pine Tree Development Zone business, as defined in Title 30-A, section 5250-I, subsection 17, for whom a certificate of qualification has been issued in accordance with Title 30-A, section 5250-O, the reimbursement under this subsection is equal to 80% of Maine income tax withheld each year for which reimbursement is requested and attributed to those qualified employees for a period of no more than 10 years for a tier 1 location as defined in Title 30-A, section 5250-I, subsection 21-A and no more than 5 years for a tier 2 location as defined in Title 30-A, section 5250-I, subsection 21-B. Reimbursement under this paragraph may not be paid for years beginning after December 31, 2028. [2011, c. 240, §44 (AMD).]

[2011, c. 240, §44 (AMD) .]

2. **Limitations.** Reimbursement to a qualified business under this chapter is subject to the following limitations.

A. A business previously qualified and approved by the commissioner may not receive reimbursement under this chapter for any period of time in which it failed to maintain the minimum requirements for initial approval as a qualified business. [1995, c. 669, §5 (NEW).]

B. Reimbursement to a qualified business approved pursuant to this chapter expires 10 years after the date on which benefits commenced under the employment tax increment financing development program. [1999, c. 388, §4 (AMD).]

C. A business electing to take the jobs and investment tax credit under section 5215 may not claim reimbursement under this chapter until the full amount of allowable jobs and investment tax credit benefits have been claimed. This limitation does not apply to claims for reimbursement of withholding for qualified Pine Tree Development Zone employees as defined in Title 30-A, section 5250-I, subsection 18, if those employees and any investment in the related Pine Tree Development Zone are not included in calculating the jobs and investment tax credit under section 5215. [2005, c. 622, §32 (AMD); 2005, c. 622, §33 (AFF).]

D. A business may not claim reimbursement under this chapter for income withholding taxes attributed to employees employed within any state tax increment financing district approved under Title 30-A, chapter 206. [2001, c. 669, §4 (AMD).]

E. Employee payroll withholding amounts are limited to the standard amount required to be withheld pursuant to chapter 827 and may not include any excess withholding. [1995, c. 669, §5 (NEW).]

F. The aggregate annual retained employment tax increment revenues for all employment tax increment financing programs may not exceed $20,000,000, adjusted by a factor equal to the percentage change in the United States Bureau of Labor Statistics Consumer Price Index, United States City Average, from January 1, 1996 to the date of calculation. [1995, c. 669, §5 (NEW).]

[2005, c. 622, §32 (AMD); 2005, c. 622, §33 (AFF) .]

3. **Multiple labor market areas.** The commissioner may by rule establish procedures for equitably apportioning reimbursement to a qualified business employing qualified employees in multiple labor market areas in the State.

[1995, c. 669, §5 (NEW) .]

SECTION HISTORY
1995, c. 669, §5 (NEW). 1997, c. 766, §§3,4 (AMD). 1999, c. 388, §4 (AMD). 2001, c. 669, §4 (AMD). 2003, c. 451, §NNN6 (AMD). 2003, c. 451, §NNN8 (AFF). 2003, c. 688, §D6 (AMD). 2005, c. 622, §32 (AMD). 2005, c. 622, §33 (AFF). 2009, c. 434, §83 (AMD). 2009, c. 461, §27 (AMD). 2009, c. 496, §29 (AMD). 2011, c. 240, §44 (AMD).

§6755. PROCEDURES FOR APPLICATION

A qualified business that applies to the commissioner for approval of its employment tax increment financing program shall submit, in a form acceptable to the commissioner, the following information: [1995, c. 669, §5 (NEW).]

1. **Base level data.** Employment, payroll and state withholding data necessary to calculate the base level;

[1995, c. 669, §5 (NEW) .]

2. **Number of qualified employees.** The number of qualified employees that the applicant has added or will add in the State that qualify the business for reimbursement under this chapter, including additional associated payroll and withholding data necessary to calculate the gross employment tax increment and establish the appropriate reimbursement percentage;

[1995, c. 669, §5 (NEW) .]

3. **Certification.** Certification that a retirement program subject to the Employee Retirement Income Security Act of 1974, 29 United States Code, Sections 1001 to 1461 and group health insurance have been made available to all of the applicant's qualified employees;

[1995, c. 669, §5 (NEW) .]

4. **Employment locations.** A listing of all of the applicant's employment locations within the State and the number of employees at each location; and

[1995, c. 669, §5 (NEW) .]

5. **Affiliations and data.** A listing of all affiliated business and affiliated groups, data regarding current employment, payroll and state income withholding taxes for each affiliated business in the State.

[1995, c. 669, §5 (NEW) .]

Upon receipt of the information required by this section, the commissioner shall review the information in a timely fashion. If the commissioner determines that the criteria provided in section 6756 are satisfied, the commissioner must issue a certificate of approval to the applicant. [1995, c. 669, §5 (NEW).]

SECTION HISTORY
1995, c. 669, §5 (NEW).

§6756. CRITERIA FOR APPROVAL

Prior to issuing a certificate of approval for an employment tax increment financing program, the commissioner must find that: [1995, c. 669, §5 (NEW).]

1. **Approval needed.** The economic development described in the program will not go forward without the approval;

[1995, c. 669, §5 (NEW) .]

2. **Contribution to State.** The program will make a contribution to the economic well-being of the State; and

[1995, c. 669, §5 (NEW) .]

3. **No substantial harm to existing businesses.** The economic development described in the program will not result in a substantial detriment to existing businesses in the State. In order to make this determination, the commissioner shall consider, pursuant to Title 5, chapter 375, subchapter II, those factors the commissioner determines necessary to measure and evaluate the effect of the proposed program on existing businesses, including whether any adverse economic effect of the proposed program on existing businesses is outweighed by the contribution described in subsection 2.

[1995, c. 669, §5 (NEW) .]

The State Economist shall review applications for employment tax increment financing and provide an advisory opinion to assist the commissioner in making findings under this section. [1995, c. 669, §5 (NEW).]

SECTION HISTORY
1995, c. 669, §5 (NEW).

§6757. CALCULATION OF EMPLOYMENT TAX INCREMENT

(REPEALED)

SECTION HISTORY
1995, c. 669, §5 (NEW). 2005, c. 351, §26 (AFF). 2005, c. 351, §24 (RP).

§6758. PROCEDURE FOR REIMBURSEMENT

1. **Reporting by qualified businesses.** On or before April 15th of each year, each qualified business approved by the commissioner pursuant to this chapter shall report the number of employees, the state income taxes withheld for the immediately preceding calendar year and any further information the State Tax Assessor may reasonably require.

[1995, c. 669, §5 (NEW) .]

2. **Determination by assessor.** On or before June 30th of each year, the assessor shall determine the employment tax increment of each qualified business for the preceding calendar year. A qualified business may receive up to 80% of the employment tax increment generated by that business as determined by the assessor, subject to the further limitations in section 6754, subsection 2. That amount is referred to as "retained employment tax increment revenues."

[2005, c. 351, §25 (AMD); 2005, c. 351, §26 (AFF) .]

3. **Deposit and payment of revenue.** On or before July 15th of each year, the assessor shall certify to the State Controller the total retained employment tax increment revenues for the preceding calendar year for approved employment tax increment financing programs to be transferred to the state employment tax increment contingent account established, maintained and administered by the State Controller from General Fund undedicated revenue within the withholding tax category. On or before July 31st of each year, the assessor shall pay to each approved qualified business an amount equal to the retained employment tax increment revenues of that qualified business for the preceding calendar year.

[2009, c. 571, Pt. LL, §2 (RPR) .]

4. **Assignment of payments.** A qualified business may assign its right to payments under this chapter to secure a loan from the Finance Authority of Maine, and such an assignment, notwithstanding any contrary provision of law, is a legally valid assignment binding upon the qualified business and its successors in interest. Upon notice of such an assignment given to the assessor by the Finance Authority of Maine and written confirmation of such an assignment signed by the qualified business, the assessor shall pay to the Finance Authority of Maine any payments due to the qualified business pursuant to this chapter and assigned to the Finance Authority of Maine until the Finance Authority of Maine notifies the assessor that the assignment has been released.

[2013, c. 67, §3 (NEW) .]

SECTION HISTORY
1995, c. 669, §5 (NEW). 1997, c. 668, §41 (AMD). 1997, c. 766, §5 (AMD). 1999, c. 127, §A51 (AMD). 2005, c. 351, §25 (AMD). 2005, c. 351, §26 (AFF). 2009, c. 361, §34 (AMD). 2009, c. 461, §28 (AMD). 2009, c. 571, Pt. LL, §2 (AMD). 2013, c. 67, §3 (AMD).

§6759. PROGRAM ADMINISTRATION

The commissioner shall administer this Act. The commissioner and the State Tax Assessor may adopt rules pursuant to the Maine Administrative Procedure Act for implementation of the program, including, but not limited to, rules for determining and certifying eligibility. The commissioner may also by rule establish fees, including fees payable to the State Tax Assessor for obligations under this chapter. Any fees collected pursuant to this chapter must be deposited into a special revenue account administered by the State Tax Assessor and those fees may be used only to defray the actual costs of administering this Act. [2011, c. 655, Pt. DD, §16 (AMD); 2011, c. 655, Pt. DD, §24 (AFF).]

SECTION HISTORY
1995, c. 669, §5 (NEW). 2011, c. 655, Pt. DD, §16 (AMD). 2011, c. 655, Pt. DD, §24 (AFF).

§6760. CONFIDENTIALITY

The following records are designated as confidential for purposes of Title 1, section 402, subsection 3, paragraph A: [1995, c. 669, §5 (NEW).]

1. **Records used for designation or approval of program.** Any record obtained or developed by the commissioner or the State Tax Assessor for designation or approval of an employment tax increment financing program. After receipt by the commissioner or the State Tax Assessor of the application or proposal, a record pertaining to the application or proposal is not considered confidential unless it meets the requirements of subsections 2 to 6;

[1995, c. 669, §5 (NEW) .]

2. **Records requested confidential or causing detriment.** Any record obtained or developed by the commissioner or the State Tax Assessor that:

A. A person, which may include a qualified business, to whom the record belongs or pertains has requested be designated confidential; or [1995, c. 669, §5 (NEW).]

B. The commissioner has determined contains information that gives the owner or a user of that information an opportunity to obtain business or competitive advantage over another person who does not have access to the information or access to which by others would result in a business or competitive disadvantage, loss of business or other significant detriment to any person to whom the record belongs or pertains; [1995, c. 669, §5 (NEW).]

[1995, c. 669, §5 (NEW) .]

3. **Private records.** Any record, including any financial statement or tax return, obtained or developed by the commissioner or the State Tax Assessor, the disclosure of which would constitute an invasion of personal privacy, as determined by the governmental entity in possession of that record or information;

[1995, c. 669, §5 (NEW) .]

4. **Employment tax increment program records.** Any record, including any financial statement or tax return, obtained or developed by the commissioner or the State Tax Assessor in connection with any monitoring or servicing activity by the commissioner or the State Tax Assessor that pertains to an employment tax increment program;

[1995, c. 669, §5 (NEW) .]

5. **Creditworthiness records.** Any record, including any financial statement or tax return obtained or developed by the commissioner or the State Tax Assessor, containing an assessment by a person not employed by the State of the creditworthiness or financial condition of any person or project; and

[1995, c. 669, §5 (NEW) .]

6. **Confidential financial statements.** Any financial statement, if the person to whom the statement belongs or pertains has requested that the record be designated confidential.

[1995, c. 669, §5 (NEW) .]

SECTION HISTORY
1995, c. 669, §5 (NEW).

§6761. AUDIT PROCESS

This chapter may not be construed to limit the authority of the State Tax Assessor to conduct an audit of a qualified business. When it is determined by the State Tax Assessor upon audit that a qualified business has received a distribution larger than that to which it is entitled under this chapter, the overpayment must be applied against subsequent distributions, unless it is determined that the overpayment is the result of fraud on the part of the qualified business, in which case the State Tax Assessor may disqualify the business from

receiving any future distributions. When there is no subsequent distribution, the qualified business to which overpayments were made is liable for the amount of the overpayments and may be assessed pursuant to provisions of Part 1. [1995, c. 669, §5 (NEW).]

SECTION HISTORY
1995, c. 669, §5 (NEW).

Chapter 919: SHIPBUILDING FACILITY CREDIT

§6850. PURPOSE AND INTENT

The Legislature finds that encouragement of major investments in shipbuilding facilities in this State and the preservation of substantial numbers of jobs are in the public interest and promote the general welfare of the people of the State. The Legislature further finds that the enactment of incentives as set forth in this chapter to promote major shipbuilding investments in the State and substantial job retention is necessary in order to ensure the long-term survival of the shipbuilding industry in this State, to preserve numerous opportunities for jobs for the people of the State, to make this State more competitive in the shipbuilding industry and thus to ensure the preservation and betterment of the economy of the State for the benefit of its people. The Legislature further finds that the foregoing benefits to the State and its people far exceed the costs to the State of providing the incentives set forth in this chapter. The Legislature further finds that the provisions of this chapter are necessary to accomplish these objectives. [1997, c. 449, §1 (NEW).]

The Legislature recognizes that the incentives offered by the State pursuant to this chapter are intended to induce major investments in shipbuilding facilities and that any party who accepts and reasonably relies upon these inducements in making qualified investments is entitled to the full realization of these incentives without impairment by subsequent changes in law. The Legislature recognizes that when determining whether a project is financially feasible, an investing party must rely in good faith upon the Legislature to assure that the promised incentives of this law will be available for a period of up to 20 years and that a party's confidence in the full realization of these benefits is a critical factor in inducing it to make the desired investment. It is the intent of this Legislature that all successor Legislatures honor the commitments held out by this chapter. [1997, c. 449, §1 (NEW).]

SECTION HISTORY
1997, c. 449, §1 (NEW).

§6851. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [1997, c. 449, §1 (NEW).]

1. **Certified applicant.** "Certified applicant" means a qualified applicant that has received a certificate of approval from the commissioner pursuant to this chapter and does not participate in the Employment Tax Increment Financing Program established in section 6752 while receiving this credit.

[1997, c. 449, §1 (NEW) .]

2. **Commissioner.** "Commissioner" means the Commissioner of Economic and Community Development.

[1997, c. 449, §1 (NEW) .]

3. **Employment.** "Employment" means, for each calendar year, the amount determined by adding the total number of qualified employees of a certified applicant on each of 6 consecutive measurement days of that calendar year as chosen by the certified applicant and then dividing that sum by 6.

[1997, c. 449, §1 (NEW) .]

4. **Exception year.** "Exception year" means the first calendar year in which a certified applicant has employment of less than 5,000 if the total Maine income taxes deducted and withheld by the certified applicant from qualified employees for that year totals at least $6,000,000. Beginning January 1, 2003, "exception year" means the first calendar year in which a certified applicant has employment of less than 3,500 if the total Maine income taxes deducted and withheld by the certified applicant from qualified employees for that year totals at least $6,000,000. A certified applicant is allowed 2 exception years between January 1, 1999 and December 31, 2018.

[1997, c. 449, §1 (NEW) .]

5. **Facility.** "Facility" includes real estate, tangible personal property, fixtures, machinery and equipment.

[1997, c. 449, §1 (NEW) .]

6. **Measurement day.** "Measurement day" means the last business day of every other month of any calendar year.

[1997, c. 449, §1 (NEW) .]

7. **Qualified applicant.** "Qualified applicant" means an applicant for benefits under this chapter that satisfies each of the following tests.

A. The applicant owns or operates or proposes to construct a shipbuilding facility within the State. [1997, c. 449, §1 (NEW).]

B. The applicant proposes to make a qualified investment. [1997, c. 449, §1 (NEW).]

C. The applicant employs at least 6,500 qualified employees at the time the application is filed. [1997, c. 449, §1 (NEW).]

D. The applicant does not otherwise qualify for the Maine Employment Tax Increment Financing Program set forth in section 6751 at the time the application is filed. [1997, c. 449, §1 (NEW).]

[1997, c. 449, §1 (NEW) .]

8. **Qualified employee.** "Qualified employee" means a person:

A. Who is a full-time employee of the certified or qualified applicant as the case may be; [1997, c. 449, §1 (NEW).]

B. Whose income from that employment is taxable under Title 36, chapter 803; [1997, c. 449, §1 (NEW).]

C. For whom a retirement program is provided subject to the Employee Retirement Income Security Act of 1974, 29 United States Code, Sections 101 to 1461, as amended; [1997, c. 449, §1 (NEW).]

D. For whom group health insurance is provided; and [1997, c. 449, §1 (NEW).]

E. Whose income calculated on a calendar year basis is greater than the average annual per capita income in the State. [1997, c. 449, §1 (NEW).]

[1997, c. 449, §1 (NEW) .]

9. **Qualified investment.** "Qualified investment" means expenditures incurred after October 1, 1996 totaling at least $200,000,000 related to the construction, improvement, modernization or expansion of a shipbuilding facility within the State that results in, supports or enables the utilization of an approximately 10-acre facility that will enable the applicant to erect ships on a flat surface and launch them on an abutting dry dock, including, without limitation, all expenditures for investigation; planning; design; engineering; permitting; acquisition; financing; construction; demolition; alteration; relocation; remodeling; repair; reconstruction; clearing; filling; grading; reclamation of land; activities undertaken to upgrade a waterway serving the facility; capitalized interest; professional services, including, but not limited to, architectural, engineering, legal, accounting or financial services; administration; environmental and utility costs, including, without limitation, sewerage treatment plants, water, air and solid waste equipment and treatment plants, environmental protection devices, electrical facilities, storm or sanitary sewer lines, water lines or amenities, any other utility services, preparation of environmental impact studies, informing the public about the facility and environmental impact and environmental remediation, mitigation, clean-up and protection costs; related offices, support facilities and structures; and any of the foregoing expenditures made or costs incurred prior to or after the effective date of this chapter or certification of an applicant and regardless of whether the expenditure relates to an activity or improvement within or outside of the approximately 10-acre facility. "Qualified investment" includes only expenditures that are capitalized for federal income tax purposes. Except for employees who are engaged in the design, engineering and construction of the facility, "qualified investment" does not include the salaries or other compensation paid to the employees of the qualified applicant or of any affiliate of the qualified applicant.

[1997, c. 449, §1 (NEW) .]

10. **Qualified ship.** "Qualified ship" means any new ship launched by a certified applicant during or after 1998:

A. Built at a facility constructed, expanded, modified or modernized as part of a qualified investment; and [1997, c. 449, §1 (NEW).]

B. For which the certified applicant has a contract with an original contract value of at least $200,000,000. [1997, c. 449, §1 (NEW).]

[1997, c. 449, §1 (NEW) .]

SECTION HISTORY
1997, c. 449, §1 (NEW).

§6852. PROCEDURES FOR APPLICATION; CERTIFICATE OF APPROVAL

1. **Application.** A qualified applicant may apply to the commissioner for a certificate of approval. Applicants shall submit to the commissioner information demonstrating that the applicant is a qualified applicant. A certified applicant may hold only one certificate at any time.

[1997, c. 449, §1 (NEW) .]

2. **Determination by commissioner.** The commissioner, within 30 days of receipt of the application, shall review the information contained in the application and issue a written determination as to whether the applicant is a qualified applicant. If the commissioner determines that the applicant is a qualified

applicant, the commissioner shall issue a certificate of approval to the qualified applicant at the time of the determination. If the commissioner determines that the applicant is not a qualified applicant, the commissioner shall issue a denial of the application at the time of the determination.

[1997, c. 449, §1 (NEW) .]

3. **Memorandum of agreement.** Upon issuance of a certificate of approval to a qualified applicant, the commissioner shall enter into an agreement on behalf of the State with the qualified applicant. That agreement must provide that the State shall allow the credit provided for in this chapter as it is in effect on the date the certificate of approval issues for as long as the applicant qualifies for the credit provided for in this chapter on the date the certificate issues.

[1997, c. 449, §1 (NEW) .]

4. **Transfer of certificate.** If a certified applicant proposes to transfer, including, without limitation, transfer by operation of law, all or substantially all of the shipbuilding facility in which a qualified investment was made to another person, or a person proposes to acquire 50% or more of the voting stock of the certified applicant, application may be made to the commissioner to approve transfer of the certificate to that person in connection with the transfer of the stock or facility. The commissioner shall grant the transfer of the certificate only if one of the following conditions is satisfied.

A. The transferee of the shipbuilding facility or of the certified applicant's stock is a member of the certified applicant's affiliated group as defined in section 5102, subsection 1-B at the time of the transfer. [1997, c. 449, §1 (NEW).]

B. The transferee of the shipbuilding facility or of the certified applicant's stock is not a member of the certified applicant's affiliated group as defined in section 5102, subsection 1-B at the time of the transfer and the commissioner finds that the transferee intends to continue the operations of the shipbuilding facility in substantially the same manner as prior to the transfer and has the financial capability to do so. In addition, prior to approval of any transfer, the commissioner may request and be provided with the report and audit of the transferor pursuant to section 6854. The commissioner may condition the approval of the transfer based upon the findings of the report and audit. [1997, c. 449, §1 (NEW).]

If the commissioner grants a transfer of the certificate, the transferee must be treated as the certified applicant for all purposes of this chapter. For purposes of calculation of employment, withholding taxes, qualified investment expenditures and the number of qualified ships of the certified applicant, the qualified employees of the transferor prior to transfer, the state income taxes deducted and withheld by the transferor from the wages of those qualified employees pursuant to chapter 827 prior to transfer, the qualified investment expenditures of the transferor prior to transfer and the qualified ships of the transferor prior to transfer must be considered the qualified employees, withholding taxes, qualified investment expenditures and qualified ships of the transferee, respectively.

[1997, c. 449, §1 (NEW) .]

5. **Revocation of certificate.** A certificate of approval must be revoked by the commissioner if the certified applicant has not made qualified investment expenditures of at least $150,000,000 within 5 years and $200,000,000 within 10 years after issuance of the certificate of approval or if the shipbuilding facility is closed or transferred in an unapproved transfer within 5 years after issuance of the certificate of approval. A certified applicant whose certificate of approval is revoked within 5 years after issuance of the certificate of approval shall pay to the State the amount of any credits claimed by the certified applicant under this chapter prior to revocation of the certificate. A certified applicant whose certificate of approval is revoked between

6 and 10 years after issuance of the certificate of approval shall pay to the State the amount of any credit claimed by the certified applicant under this chapter between the 6th year and the year in which the certificate is revoked.

[1997, c. 449, §1 (NEW) .]

6. **Appeal.** The applicant or certified applicant may appeal in accordance with Title 5, chapter 375, subchapter VII any determination, action or failure to act by the commissioner or the State Tax Assessor.

[1997, c. 449, §1 (NEW) .]

SECTION HISTORY
1997, c. 449, §1 (NEW).

§6853. CREDIT AGAINST WITHHOLDING TAXES ALLOWED

1. **Generally.** Subject to the provisions of subsection 2 and notwithstanding any contrary provisions of chapter 827, a certified applicant is allowed a credit equal to $3,000,000 for each calendar year, beginning with the 1999 calendar year, against $3,000,000 that otherwise would be required to be remitted to the State Tax Assessor on or after July 1st of each calendar year by the certified applicant pursuant to chapter 827 for state income taxes deducted and withheld from wages of qualified employees by the certified applicant. The credit taken with respect to withholding taxes not remitted must be reflected on the withholding returns submitted by the certified applicant pursuant to chapter 827 and constitutes a credit against the applicant's liability for and obligation to remit the withholding tax against which the credit is taken.

[1997, c. 449, §1 (NEW) .]

1-A. **Calendar year 1999 credit.** Notwithstanding subsection 1, the credit to be taken in calendar year 1999 may be taken in 2 parts. The first part is a credit against the first $1,000,000 that otherwise would be required to be remitted to the assessor on or after January 1, 1999. The remainder of the credit allowed for 1999 pursuant to this section and section 6856, if applicable, may not be taken until after July 1, 1999.

[1997, c. 449, §1 (NEW) .]

2. **Limitations.** The following are limitations on the credit allowed under subsection 1.

A. A credit is not allowed for any calendar year beginning after the earlier of the following:

(1) December 31, 2018; or

(2) December 31st of the calendar year during which the certified applicant has launched its 30th qualified ship. [1997, c. 449, §1 (NEW).]

B. A credit is not allowed for a calendar year in which the qualified applicant has employment of less than 5,000 unless that calendar year is an exception year. Beginning January 1, 2003, a credit is not allowed for a calendar year in which the qualified applicant has employment of less than 3,500 unless that calendar year is an exception year. [1997, c. 449, §1 (NEW).]

C. Total credits under this section may not exceed $60,000,000 to any certified applicant or transferee. [1997, c. 449, §1 (NEW).]

[1997, c. 449, §1 (NEW) .]

3. **Effect on employee.** Notwithstanding any contrary provisions of chapter 827, the amount of income tax deducted and withheld by a certified applicant from the wages of a person pursuant to chapter 827 in any calendar year is considered paid to the State Tax Assessor on behalf of the person from whom the income tax was withheld without regard to any credit taken by a certified applicant under this chapter, and that person

is credited with having paid that amount of tax for the taxable year beginning in the calendar year without regard to any credit taken by a certified applicant under this chapter. If more than one taxable year begins in a calendar year, that person may claim that amount as a credit for the most recent taxable year.

[1997, c. 449, §1 (NEW) .]

SECTION HISTORY
1997, c. 449, §1 (NEW).

§6854. REPORTING REQUIRED

1. **Annual reporting by certified applicant.** On or before March 1st of each year a certified applicant shall file a report with the State Tax Assessor and the commissioner for the immediately preceding calendar year, referred to in this section as the "report year," containing the following information:

A. The employment of the certified applicant for the calendar year immediately preceding the report year; [1997, c. 449, §1 (NEW).]

B. The number of qualified ships launched by the certified applicant from January 1, 1998 to December 31st of the report year; and [1997, c. 449, §1 (NEW).]

C. The incremental level of qualified investments made for the calendar year immediately preceding the report year. [1997, c. 449, §1 (NEW).]

The State Tax Assessor may prescribe forms for the annual reports described in this section.

[1997, c. 449, §1 (NEW) .]

2. **Audit of report.** The State Tax Assessor has the authority to audit any report or return filed under this chapter or chapter 827 to ensure the certified applicant was eligible for the credit claimed by the certified applicant. If the certified applicant has claimed a credit in an amount that the State Tax Assessor concludes exceeded the amount that the certified applicant was entitled to claim for that calendar year, the State Tax Assessor shall issue an assessment for that amount within 3 years after the date of the certified applicant's last withholding return on which the credit for that calendar year was claimed. A certified applicant may seek reconsideration of any determination or assessment pursuant to section 151.

[1997, c. 449, §1 (NEW) .]

3. **Report to Legislature.** The State Tax Assessor shall report, to the joint standing committee of the Legislature having jurisdiction over taxation matters, aggregate data on employment levels and qualified investment amounts of a certified applicant for each year beginning with expenditures incurred after October 1, 1996. The report must be made during the first regular session of each Legislature beginning with the 120th Legislature.

[1997, c. 449, §1 (NEW) .]

SECTION HISTORY
1997, c. 449, §1 (NEW).

§6855. LAND

1. **Public benefit.** The Legislature, recognizing that the submerged and intertidal lands as those terms are defined in Title 12, chapters 202-A and 220, respectively, are owned by the State for the benefit of the public and are impressed with a public trust and having considered all factors relevant to that public trust and the impact that conveying or leasing the submerged and intertidal land described in this subsection to a certified applicant would have on the public trust and the benefits to the State and its people from the

conveyance or lease, finds that a conveyance or lease to a certified applicant of all or any part of the State's right, title and interest in and to no more than 15 acres of submerged and intertidal lands owned by the State, and located on the westerly side of the Kennebec River between the southerly side of the Carlton Bridge and a point 2 miles southerly of the Carlton Bridge, in order to construct, improve, modernize or expand a shipbuilding facility, is necessary to ensure the long-term survival of the shipbuilding industry in this State, to preserve numerous opportunities for jobs for the people of this State, to make the State more competitive in the shipbuilding industry and thus to ensure the preservation and betterment of the economy of the State for the benefit of its people and the Legislature further finds that the grant or lease will benefit a class of persons much greater than the certified applicant and that the impact, if any, on the public trust in what remains would be minimal and that the foregoing benefits to the State and its people resulting from the conveyance or lease far exceed any impact on the public trust in submerged and intertidal lands.

[1999, c. 127, Pt. A, §52 (AMD) .]

2. **Conveyance by State.** The State is authorized to lease to a certified applicant for a period of up to 5 years or until a qualified investment of $150,000,000 is made, whichever is sooner, all or any part of the State's right, title and interest in the submerged and intertidal lands not exceeding 15 acres located as described in subsection 1 as necessary or convenient for the certified applicant to construct, improve, modernize or expand a shipbuilding facility. At the end of the lease period, the State is authorized to convey to a certified applicant the same property that was leased. The conveyance must be made for consideration equal to the fair market value of submerged lands at the time of conveyance. The provisions of Title 12, chapters 202-A and 220 do not apply to any conveyance or lease. Failure on the part of the certified applicant to purchase any submerged or intertidal lands under this subsection does not relieve the certified applicant of liability for violation of any state or federal environmental laws or regulations or local ordinances affecting submerged or intertidal lands during the lease period.

[1999, c. 127, Pt. A, §52 (AMD) .]

SECTION HISTORY
1997, c. 449, §1 (NEW). 1999, c. 127, §A52 (AMD).

§6856. ACCELERATED CREDIT

Beginning July 1, 1999, if a certified applicant has employment in any calendar year of at least 5,500, the credit authorized in section 6853 must be increased to $3,125,000. If employment is at least 6,000, the credit must be increased to $3,250,000. If employment is at least 6,500, the credit must be increased to $3,375,000. If employment is 7,000 or more, the credit must be increased to $3,500,000. [1997, c. 449, §1 (NEW).]

SECTION HISTORY
1997, c. 449, §1 (NEW).

§6857. DECELERATED CREDIT

Beginning July 1, 2003, if a certified applicant has employment in any calendar year of less than 5,000 but equal to or greater than 4,500, the credit authorized in section 6853 must be decreased to $2,875,000. If employment is less 4,500 but equal to or greater than 4,000, the credit must be decreased to $2,750,000. If employment is less than 4,000 but equal to or greater than 3,500, the credit must be reduced to $2,625,000. [1997, c. 449, §1 (AMD).]

SECTION HISTORY
1997, c. 449, §1 (NEW).

§6858. MAINE PREFERENCE

As part of the contractual inducement for the qualified applicant to make a qualified investment and for the State to provide the credit pursuant to this chapter, the qualified applicant agrees when awarding contracts, purchasing supplies or subcontracting work related to a qualified investment or qualified ship to give, to the greatest extent possible, preference to Maine workers, companies and bidders provided the supplies, products and bids meet the standards required by the qualified applicant for best value, including, without limitation, quality and delivery, and are competitively priced. [1997, c. 449, §1 (NEW).]

The qualified applicant further agrees in conjunction with the Department of Economic and Community Development to sponsor regional seminars for Maine businesses on how to do business with the qualified applicant. [1997, c. 449, §1 (NEW).]

SECTION HISTORY
1997, c. 449, §1 (NEW).

Chapter 919-A: VISUAL MEDIA PRODUCTION REIMBURSEMENT

§6901. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [2005, c. 519, Pt. GG, §3 (NEW).]

1. **Certified visual media production.** "Certified visual media production" means a visual media production that has been certified by the Department of Economic and Community Development as eligible for reimbursement under this chapter in accordance with Title 5, section 13090-L.

[2009, c. 470, §6 (AMD) .]

2. **Certified production wages.** "Certified production wages" means wages subject to withholding under section 5250, subsection 1 that are paid by a visual media production company for work on a certified visual media production, an amount paid to a temporary employee-leasing company for personal services rendered in this State by a leased employee in connection with a certified visual media production, an amount paid for the services of a performing artist working in the State in connection with a certified visual media production and other contractual payments for the services of individuals working in the State in connection with a certified visual media production. "Certified production wages" includes only the first $50,000 paid to or with respect to a particular individual for personal services rendered in connection with a particular certified visual media production.

[2013, c. 546, §16 (AMD) .]

3. **Commissioner.** "Commissioner" means the Commissioner of Administrative and Financial Services.

[2005, c. 519, Pt. GG, §3 (NEW) .]

3-A. **Temporary employee-leasing company.** "Temporary employee-leasing company" means a business that contracts with a visual media production company to supply workers to perform services for a certified visual media production or a private employment agency that contracts with a visual media production company to supply workers to perform services for a certified visual media production on a temporary help basis.

[2009, c. 470, §6 (NEW) .]

4. **Visual media production.** "Visual media production" has the same meaning as in Title 5, section 13090-L, subsection 2-A, paragraph D.

[2009, c. 470, §6 (AMD) .]

5. **Visual media production company.** "Visual media production company" has the same meaning as in Title 5, section 13090-L, subsection 2-A, paragraph E.

[2009, c. 470, §6 (AMD) .]

6. **Project period.**

[2009, c. 470, §6 (RP) .]

7. **Resident of Maine.** "Resident of Maine" means a person who:

A. Filed as a resident individual under Part 8 on that person's most recently filed Maine income tax return; [2005, c. 519, Pt. GG, §3 (NEW).]

B. Could have filed as a resident individual under Part 8 if a return had been required in a case where no income tax return was required; or [2009, c. 470, §6 (AMD).]

C. Was claimed, or could have been claimed, as a dependent on the Maine income tax return of an individual who filed as a resident individual under Part 8 on the filer's most recently filed Maine income tax return. [2005, c. 519, Pt. GG, §3 (NEW).]

[2009, c. 470, §6 (AMD) .]

SECTION HISTORY
2005, c. 519, §GG3 (NEW). 2009, c. 470, §6 (AMD). 2011, c. 240, §45 (AMD). 2011, c. 240, §47 (AFF). 2013, c. 546, §16 (AMD).

§6902. REIMBURSEMENT ALLOWED; PROCEDURE; AUDITS

1. **Generally.** A visual media production company is allowed a reimbursement equal to 12% of certified production wages paid to or with respect to an individual who is a resident of Maine and 10% of certified production wages paid to or with respect to an individual who is not a resident of Maine.

[2011, c. 240, §46 (AMD) .]

2. **Procedure for reimbursement.** Within 6 weeks following submission of the certified visual media production report pursuant to Title 5, section 13090-L, subsection 4, a visual media production company shall report to the State Tax Assessor that portion of certified production wages paid for the certified visual media production, together with any additional information the assessor may reasonably require. The assessor shall certify to the State Controller the amounts to be transferred to the visual media production reimbursement account established, maintained and administered by the State Controller from General Fund undedicated revenue within the withholding tax category. The assessor shall pay those amounts to each visual media production company within 90 days of the receipt by the assessor of the visual media production company's report.

[2009, c. 470, §7 (AMD) .]

3. **Audit process.** This chapter may not be construed to limit the authority of the State Tax Assessor to conduct an audit of any visual media production company certified pursuant to Title 5, section 13090-L. When the assessor determines that a distribution larger than that authorized by this chapter has been received by any person, the assessor may enforce repayment of the overpayment by assessment pursuant to

the provisions of chapter 7 or may apply the overpayment against subsequent reimbursements made pursuant to this chapter. If the assessor determines that an overpayment is the result of fraud on the part of a visual media production company, the assessor may disqualify that company from receiving any future distributions pursuant to this chapter.

[2009, c. 470, §7 (AMD) .]

SECTION HISTORY
2005, c. 519, §GG3 (NEW). 2007, c. 693, §36 (AMD). 2009, c. 361, §35 (AMD). 2009, c. 470, §7 (AMD). 2011, c. 240, §46 (AMD).

Part 10: INTERSTATE TAX COMPACTS
HEADING: PL 1997, C. 411, §2 (NEW)

Chapter 920: MULTISTATE TAX COMPACT

§7101. STATEMENT OF PURPOSE

(REPEALED)

SECTION HISTORY
1997, c. 411, §2 (NEW). 2005, c. 332, §29 (RP).

§7102. DEFINITIONS

(REPEALED)

SECTION HISTORY
1997, c. 411, §2 (NEW). 2005, c. 332, §29 (RP).

§7103. REPRESENTATION ON COMMISSION

(REPEALED)

SECTION HISTORY
1997, c. 411, §2 (NEW). 2005, c. 332, §29 (RP).

§7104. MULTISTATE TAX COMPACT ADVISORY COMMITTEE

(REPEALED)

SECTION HISTORY
1997, c. 411, §2 (NEW). 2003, c. 643, §8 (AMD). 2005, c. 294, §26 (RP). 2005, c. 332, §29 (RP).

§7105. MULTISTATE TAX COMPACT

(REPEALED)

SECTION HISTORY
1997, c. 411, §2 (NEW). 2005, c. 332, §29 (RP).

§7106. PURPOSES

(REPEALED)

SECTION HISTORY
1997, c. 411, §2 (NEW). 2005, c. 332, §29 (RP).

§7106-A. INCOME TAX APPORTIONMENT RULES

(REPEALED)

SECTION HISTORY
1997, c. 411, §2 (NEW). 2005, c. 332, §29 (RP).

§7107. ELEMENTS OF SALES AND USE TAX LAWS

(REPEALED)

SECTION HISTORY
1997, c. 411, §2 (NEW). 2005, c. 332, §29 (RP).

§7108. COMMISSION; ORGANIZATION AND MANAGEMENT

(REPEALED)

SECTION HISTORY
1997, c. 411, §2 (NEW). 2005, c. 332, §29 (RP).

§7109. COMMITTEES

(REPEALED)

SECTION HISTORY
1997, c. 411, §2 (NEW). 2005, c. 332, §29 (RP).

§7110. POWERS

(REPEALED)

SECTION HISTORY
1997, c. 411, §2 (NEW). 2005, c. 332, §29 (RP).

§7111. FINANCE

(REPEALED)

SECTION HISTORY
1997, c. 411, §2 (NEW). 2005, c. 332, §29 (RP).

§7112. UNIFORM RULES AND FORMS

(REPEALED)

SECTION HISTORY
1997, c. 411, §2 (NEW). 2005, c. 332, §29 (RP).

§7113. INTERSTATE AUDITS

(REPEALED)

SECTION HISTORY
1997, c. 411, §2 (NEW). 2005, c. 332, §29 (RP).

§7114. ARBITRATION

(REPEALED)

SECTION HISTORY
1997, c. 411, §2 (NEW). 2005, c. 332, §29 (RP).

§7115. ENTRY INTO FORCE AND WITHDRAWAL

(REPEALED)

SECTION HISTORY
1997, c. 411, §2 (NEW). 2005, c. 332, §29 (RP).

§7116. EFFECT ON OTHER LAWS AND JURISDICTION

(REPEALED)

SECTION HISTORY
1997, c. 411, §2 (NEW). 2005, c. 332, §29 (RP).

§7117. CONSTRUCTION

(REPEALED)

SECTION HISTORY
1997, c. 411, §2 (NEW). 2005, c. 332, §29 (RP).

Chapter 921: UNIFORM SALES AND USE TAX ADMINISTRATION ACT

§7121. SHORT TITLE

This chapter may be known and cited as the "Uniform Sales and Use Tax Administration Act." [2001, c. 496, §1 (NEW).]

SECTION HISTORY
2001, c. 496, §1 (NEW).

§7122. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [2001, c. 496, §1 (NEW).]

1. **Agreement.** "Agreement" means the Streamlined Sales and Use Tax Agreement.

[2001, c. 496, §1 (NEW) .]

2. **Certified automated system.** "Certified automated system" means software certified jointly by the states that are signatories to the agreement to calculate the tax imposed by each jurisdiction on a transaction, determine the amount of tax to remit to the appropriate state and maintain a record of the transaction.

[2001, c. 496, §1 (NEW) .]

3. **Certified service provider.** "Certified service provider" means an agent certified jointly by the states that are signatories to the agreement to perform all of the seller's sales tax functions.

[2001, c. 496, §1 (NEW) .]

4. **Sales tax.** "Sales tax" means the tax imposed by section 1811.

[2001, c. 496, §1 (NEW) .]

5. **Seller.** "Seller" means any person making sales, leases or rentals of personal property or services.

[2001, c. 496, §1 (NEW) .]

6. **State.** "State" means any state of the United States or the District of Columbia.

[2001, c. 496, §1 (NEW) .]

7. **Use tax.** "Use tax" means the tax imposed by section 1861.

[2001, c. 496, §1 (NEW) .]

SECTION HISTORY
2001, c. 496, §1 (NEW).

§7123. PURPOSE AND INTENT

The Legislature finds that this State should enter with one or more states into the agreement in order to simplify and modernize sales and use tax administration and to substantially reduce the burden of tax compliance for all sellers and for all types of commerce. [2001, c. 496, §1 (NEW).]

SECTION HISTORY
2001, c. 496, §1 (NEW).

§7124. AUTHORITY TO ENTER AGREEMENT

The State Tax Assessor shall enter into the agreement on behalf of this State, subject to the provisions of section 7126. The assessor is authorized to act jointly with other states that are members of the agreement to establish standards for certification of a certified service provider and certified automated system and to establish performance standards for multistate sellers. The assessor may take other actions reasonably required to implement the provisions of this chapter. Other actions authorized by this section include, but are not limited to, the adoption of rules and the joint procurement, with other member states, of goods and services in furtherance of the agreement. Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter II-A. The assessor or the assessor's designee may represent this State before the other states that are signatories to the agreement. [2001, c. 496, §1 (NEW).]

SECTION HISTORY
2001, c. 496, §1 (NEW).

§7125. RELATIONSHIP TO STATE LAW

No provision of the agreement in whole or in part invalidates or amends any other provision of this Title or of any other law of this State. Adoption of the agreement by the State Tax Assessor does not amend or modify any law of this State. Implementation of any condition of the agreement in this State, whether implemented before, upon or after membership of this State in the agreement must be by the action of the Legislature. [2001, c. 496, §1 (NEW).]

SECTION HISTORY
2001, c. 496, §1 (NEW).

§7126. AGREEMENT REQUIREMENTS

The State Tax Assessor may not enter into the agreement unless the agreement requires each state to abide by the following requirements. [2001, c. 496, §1 (NEW).]

1. **Uniform state rate.** The agreement must set restrictions to achieve over time more uniform state rates through:

A. Limiting the number of state rates; [2001, c. 496, §1 (NEW).]

B. Limiting the application of maximums on the amount of state tax that is due on a transaction; and [2001, c. 496, §1 (NEW).]

C. Limiting the application of thresholds on the application of state tax. [2001, c. 496, §1 (NEW).]

[2001, c. 496, §1 (NEW) .]

2. **Uniform standards.** The agreement must establish uniform standards for:

A. The sourcing of transactions to taxing jurisdictions; [2001, c. 496, §1 (NEW).]

B. The administration of exempt sales; [2001, c. 496, §1 (NEW).]

C. The allowances a seller can take for bad debts; and [2001, c. 496, §1 (NEW).]

D. Sales and use tax returns and remittances. [2001, c. 496, §1 (NEW).]

[2001, c. 496, §1 (NEW) .]

3. **Uniform definitions.** The agreement must require states to develop and adopt uniform definitions of sales and use tax terms. The definitions must enable each state to preserve its ability to make policy choices not inconsistent with the uniform definitions.

[2001, c. 496, §1 (NEW) .]

4. **Central registration.** The agreement must provide for a central, electronic registration system that allows a seller to register to collect and remit sales and use taxes for all signatory states to the agreement.

[2001, c. 496, §1 (NEW) .]

5. **No nexus attribution.** The agreement must provide that registration with the central registration system described in subsection 4 and the collection of sales and use taxes in the signatory states to the agreement are not factors in determining whether a seller has a nexus with a state for any tax.

[2001, c. 496, §1 (NEW) .]

6. **Local sales and use taxes.** The agreement must provide for reduction of the burdens of complying with local sales and use taxes through:

A. Restricting variances between the state and local tax bases; [2001, c. 496, §1 (NEW).]

B. Requiring a state to administer any sales and use taxes levied by local jurisdictions within the state so that sellers collecting and remitting these taxes do not have to register or file returns with, remit funds to or be subject to independent audits from local taxing jurisdictions; [2001, c. 496, §1 (NEW).]

C. Restricting the frequency of changes in the local sales and use tax rates and setting effective dates for the application of local jurisdictional boundary changes to local sales and use taxes; and [2001, c. 496, §1 (NEW).]

D. Providing notice of changes in local sales and use tax rates and of changes in the boundaries of local taxing jurisdictions. [2001, c. 496, §1 (NEW).]

[2001, c. 496, §1 (NEW) .]

7. **Monetary allowances.** The agreement must outline any monetary allowances that are to be provided by the states to sellers or certified service providers.

[2001, c. 496, §1 (NEW) .]

8. **State compliance.** The agreement must require each state to certify compliance with the terms of the agreement prior to joining and to maintain compliance under its laws with all provisions of the agreement while a member.

[2001, c. 496, §1 (NEW) .]

9. **Taxpayer privacy.** The agreement must require each state to adopt a uniform policy for certified service providers that protects the privacy of taxpayers and maintains the confidentiality of tax information.

[2001, c. 496, §1 (NEW) .]

10. **Advisory councils.** The agreement must provide for the appointment of an advisory council of private sector representatives and an advisory council of nonmember state representatives to consult with the signatory states to the agreement in the administration of the agreement.

[2001, c. 496, §1 (NEW) .]

SECTION HISTORY
2001, c. 496, §1 (NEW).

§7127. COOPERATING SOVEREIGNS

The agreement is an accord among individual cooperating sovereigns in furtherance of their governmental functions. The agreement provides a mechanism among the member states to establish and maintain a cooperative, simplified system for the application and administration of sales and use taxes under the duly adopted law of each member state. [2001, c. 496, §1 (NEW).]

SECTION HISTORY
2001, c. 496, §1 (NEW).

§7128. LIMITED BINDING AND BENEFICIAL EFFECT

1. **Generally.** The agreement binds and inures only to the benefit of this State and the other member states. A person, other than a member state, may not be an intended beneficiary of the agreement. Any benefit to a person other than a state is established by the laws of this State and the other member states and not by the terms of the agreement.

[2001, c. 496, §1 (NEW) .]

2. **No cause of action.** A person does not have any cause of action or defense under the agreement or by virtue of this State's approval of the agreement. A person may not challenge, in any action brought under any provision of law, any action or inaction by any department, agency or other instrumentality of this State, or any political subdivision of this State, on the ground that the action or inaction is inconsistent with the agreement.

[2001, c. 496, §1 (NEW) .]

3. **Other laws of State.** A law of this State, or the application of a law of this State, may not be declared invalid as to any person or circumstance on the ground that the provision or application is inconsistent with the agreement.

[2001, c. 496, §1 (NEW) .]

SECTION HISTORY
2001, c. 496, §1 (NEW).

§7129. SELLER AND 3RD-PARTY LIABILITY

1. **Certified service provider agent of seller.** A certified service provider is the agent of the seller with whom the certified service provider has contracted for the collection and remittance of sales and use taxes. As the seller's agent, the certified service provider is liable for sales and use taxes due each signatory state to the agreement on all sales transactions the certified service provider processes for the seller, except as set forth in this section. A seller that contracts with a certified service provider is not liable to the state for sales or use taxes due on transactions processed by the certified service provider unless the seller misrepresents the type of items the seller sells or commits fraud. In the absence of probable cause to believe that the seller has committed fraud or made a material misrepresentation, the seller is not subject to audit on the transactions processed for the seller by a certified service provider. A seller is subject to audit for transactions not processed by a certified service provider. The signatory states to the agreement acting jointly may perform a system check of the seller and review the seller's procedures to determine if the certified service provider's system is functioning properly and the extent to which the seller's transactions are being processed by a certified service provider.

[2001, c. 496, §1 (NEW) .]

2. **Responsibility for errors.** A person that provides a certified automated system is responsible for the proper functioning of that system and is liable to the State for underpayments of tax attributable to errors in the functioning of the certified automated system. A seller that uses a certified automated system remains responsible and is liable to the State for reporting and remitting tax.

[2001, c. 496, §1 (NEW) .]

3. **Proprietary system of seller.** A seller that has a proprietary system for determining the amount of tax due on transactions and has signed an agreement with this State establishing a performance standard for that system is liable for the failure of the system to meet the performance standard.

[2001, c. 496, §1 (NEW) .]

SECTION HISTORY
2001, c. 496, §1 (NEW).

Part 11: STATE TAX POLICY GOALS
HEADING: PL 2005, C. 2, PT. H, §2 (NEW)

Chapter 931: TAX BURDEN REDUCTION GOALS

§7301. TAX BURDEN REDUCTION GOALS

It is the goal and policy of the State that by 2015 the State's total state and local tax burden be ranked in the middle 1/3 of all states, as determined by the United States Census Bureau's most recent tax burden analysis, adjusted by the assessor to reflect the State's unique expenditure tax relief programs. [2005, c. 2, Pt. H, §2 (NEW).]

It is the goal and policy of the State that additional state funds provided to municipalities through increases in the state share of education funding under the essential programs and services funding model must, to the greatest possible extent, be available for statewide property tax reduction. [2005, c. 2, Pt. H, §2 (NEW).]

SECTION HISTORY
2005, c. 2, §H2 (NEW).

§7302. PROGRESS REPORTING AND DATA

1. **Assessment and report.** The Governor's Office of Policy and Management shall separately assess and report on the progress made by the State, municipalities, counties and school administrative units, respectively, in achieving the tax burden reduction goals established in section 7301.

[2011, c. 655, Pt. DD, §17 (AMD); 2011, c. 655, Pt. DD, §24 (AFF) .]

2. **Indicators; annual report.** With reference to Title 5, chapter 142; Title 20-A, section 15671, subsection 1; and Title 30-A, sections 706-A and 5721-A, the Governor's Office of Policy and Management shall develop and apply specific, quantifiable performance indicators against which the progress in achieving the tax burden reduction goals established in section 7301 can be measured. On January 15, 2013 and annually thereafter, the Governor's Office of Policy and Management shall report to the Governor and to the joint standing committee of the Legislature having jurisdiction over taxation matters on the progress made by the State, counties, municipalities and school administrative units, respectively, in achieving the tax burden reduction goals. The report required by this subsection must be comprised of 4 distinct parts reporting on the progress made by the State, municipalities, counties and school administrative units, respectively. The Governor's Office of Policy and Management may also include in its report recommendations on alternative strategies to achieve the tax burden reduction goals established in section 7301 that reflect the best practices in this State, other states and other countries.

[2011, c. 655, Pt. DD, §17 (AMD); 2011, c. 655, Pt. DD, §24 (AFF) .]

3. **Data.** The Governor's Office of Policy and Management shall annually collect and analyze data regarding spending and revenues for municipalities, counties and school administrative units. The Governor's Office of Policy and Management shall submit an annual report that provides information and analysis regarding government spending and revenue behavior and trends to the Governor and the joint standing committee of the Legislature having jurisdiction over taxation matters. The report must include information

that identifies spending and revenue behavior by individual municipalities, counties and school administrative units. Upon request, other departments of State Government shall cooperate and assist the Governor's Office of Policy and Management in the preparation of the report.

[2011, c. 655, Pt. DD, §17 (AMD); 2011, c. 655, Pt. DD, §24 (AFF) .]

SECTION HISTORY
2005, c. 2, §H2 (NEW). 2011, c. 655, Pt. DD, §17 (AMD). 2011, c. 655, Pt. DD, §24 (AFF).

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