

STATE OF MAINE

IN THE YEAR OF OUR LORD  
TWO THOUSAND TWENTY-FIVE

H.P. 1247 - L.D. 1876

**An Act to Change the Name and Duties of the Taxpayer Advocate to Increase  
the Use of State Tax Credits**

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

**PART A**

**Sec. A-1. 36 MRSA §151-C**, as amended by PL 2011, c. 694, §5, is further amended to read:

**§151-C. Taxpayer advocate and experience officer**

**1. Appointment.** The Commissioner of Administrative and Financial Services shall hire the taxpayer advocate and experience officer as an employee of the bureau who is independent of and not subject to the supervision or control of the assessor or any other employee of the bureau. The taxpayer advocate and experience officer is an unclassified employee and serves at the pleasure of the commissioner. The taxpayer advocate and experience officer need not be an attorney.

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

A. Assist taxpayers in resolving problems with the bureau; by:

(1) Establishing a taxpayer's best contact within the bureau to provide an accelerated review of the taxpayer's issues;

(2) Facilitating speedy resolution within the bureau, if possible, including offer in compromise and payment plan options; and

(3) Explaining reconsideration and appeal options, if available, under this Part;

B. ~~Identify areas in which~~ Assist taxpayers have problems in dealings with the bureau, stakeholder advocacy groups, Legislators and other interested parties by describing available tax benefit programs and assisting with simplified access to those programs;

C. Propose to the assessor and the bureau's division directors any recommended changes in the administrative practices of the bureau to mitigate problems identified or arising under ~~paragraph~~ paragraphs A and B; and

D. Identify legislative changes that may be appropriate to mitigate problems identified or arising under ~~paragraph~~ paragraphs A and B and report recommendations in the annual report required under subsection 3.

**3. Annual report.** Beginning in 2012 ~~2026~~, the taxpayer advocate and experience officer shall prepare and submit by ~~August 1st~~ January 15th an annual report of activities and recommendations under subsection 2 of the taxpayer advocate and experience officer to the Governor, ~~commissioner~~, the Associate Commissioner for Tax Policy, the assessor and the joint standing committee of the Legislature having jurisdiction over taxation matters.

**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.~~

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

**Sec. A-2. Taxpayer advocate and experience officer.** The changes to the position title and duties of the taxpayer advocate established in the Maine Revised Statutes, Title 36, section 151-C, as amended in this Part, do not change the position count and funding associated with the taxpayer advocate position within the Department of Administrative and Financial Services, Bureau of Revenue Services.

## PART B

**Sec. B-1. Special report of taxpayer advocate and experience officer.** The taxpayer advocate and experience officer within the Department of Administrative and Financial Services, Bureau of Revenue Services shall:

1. Study the use of state tax credits by:
  - A. Determining the rate at which eligible individuals are accessing available state tax credits;
  - B. Identifying and assessing current barriers that may be negatively affecting the rate at which available state tax credits are being accessed; and
  - C. Developing recommendations to address any eligible individuals not accessing available state tax credits;
2. Study the current practices of large tax preparation firms with respect to offering state tax credits to individuals in this State by:
  - A. Examining the current practices of large tax preparation firms that offer services to individuals in this State with respect to providing information to customers about state tax credits and assisting customers in accessing those credits;
  - B. Examining the efficacy of the software used by large tax preparation firms to prepare and file tax returns with respect to assisting customers in using state tax credits; and

C. Developing recommendations for potential public policy or consumer protection measures to ensure that individual taxpayers in this State are informed of and have access to state tax credits, regardless of which tax preparer the individual taxpayer uses.

For the purposes of this subsection, "large tax preparation firm" means a business that offers tax return preparation services to individuals and families in the State; offers tax return preparation services at multiple franchise locations, or remotely, to customers nationwide or in multiple other states; and has at least 50 employees;

3. Address the role of State Government in promoting public awareness of individual state tax credits by:

A. Identifying existing interactions of State Government with individual taxpayers that include providing information to those individuals about state tax credits;

B. Identifying interactions between State Government and individual taxpayers that do not currently but reasonably could include providing information to those individuals about state tax credits;

C. Identifying and evaluating any potential barriers to incorporating the provision of state tax credit information to individual taxpayers in any interactions identified in paragraph B;

D. Recommending strategies to expand the practice of promoting awareness of state tax credits throughout appropriate state departments and agencies, including through interdepartmental data sharing; and

E. Recommending improvements to the State's free electronic tax filing system, known as the Maine Tax Portal, including recommendations to improve:

(1) Public education efforts to promote the existence and availability of the electronic tax filing system; and

(2) Ease of use and accessibility features, including mobile access, use of plain language and accessibility to non-English speaking individuals; and

4. Study and address current practices of municipalities related to promoting awareness of individual state tax credits and tax relief programs by:

A. Identifying and assessing the current practices of municipalities throughout the State, including with respect to promoting awareness of the following:

(1) The earned income credit under the Maine Revised Statutes, Title 36, section 5219-S;

(2) The property tax fairness credit under the Maine Revised Statutes, Title 36, section 5219-KK;

(3) The dependent exemption tax credit under the Maine Revised Statutes, Title 36, section 5219-SS;

(4) The sales tax fairness credit under the Maine Revised Statutes, Title 36, section 5213-A; and

(5) A deferred collection of homestead property taxes under the Maine Revised Statutes, Title 36, chapter 908; and

B. Evaluate and address any barriers preventing a municipality from expanding the municipality's efforts to promote individual taxpayer awareness of state tax credits.

**Sec. B-2. Report.** By November 4, 2026, the taxpayer advocate and experience officer within the Department of Administrative and Financial Services, Bureau of Revenue Services shall submit to the joint standing committee of the Legislature having jurisdiction over taxation matters a report consisting of the taxpayer advocate and experience officer's findings and recommendations, including any suggested legislation. The joint standing committee of the Legislature having jurisdiction over taxation matters may report out legislation related to the report to the 133rd Legislature in 2027.

## **PART C**

**Sec. C-1. Funding for free volunteer tax assistance.** On or before June 30, 2027, the State Controller shall transfer \$50,000 from the unappropriated surplus of the General Fund to the All Other line category in the University of Maine System, New Ventures Maine program, Other Special Revenue Funds account to support a coalition of approximately 50 organizations providing free volunteer tax assistance and other financial education services to low-income individuals and families statewide.

**Sec. C-2. Report.** No later than December 1, 2027, the Chancellor of the University of Maine System, in maintaining the so-called New Ventures Maine program pursuant to the Maine Revised Statutes, Title 20-A, section 10922, shall submit a report to the joint standing committee of the Legislature having jurisdiction over taxation matters that includes a description of how the coalition receiving the funds transferred pursuant to section 1 of this Part is using those funds, how many individuals and families the coalition has served and how many individuals the coalition assisted in filing their taxes with those funds.

**Sec. C-3. Appropriations and allocations.** The following appropriations and allocations are made.

### **UNIVERSITY OF MAINE SYSTEM, BOARD OF TRUSTEES OF THE**

#### **New Ventures Maine Z169**

Initiative: Allocates one-time funds to support a coalition of approximately 50 organizations providing free volunteer tax assistance and other financial education services to low-income individuals and families statewide.

<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2025-26</b>	<b>2026-27</b>
All Other	\$0	\$50,000
<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<b>\$0</b>	<b>\$50,000</b>