

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

## An Act Concerning Technical Changes to the Tax Laws

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

**Sec. 1. 29-A MRSA §409, sub-§5**, as enacted by PL 1993, c. 683, Pt. A, §2 and affected by Pt. B, §5, is amended to read:

**5. Other taxes.** A motor vehicle, mobile home, camp trailer or truck camper may not be registered until the excise tax or personal property tax or real estate tax has been paid in accordance with Title 36, sections 551, 602, 1482 and 1484. The Secretary of State may provide municipal excise tax collectors with a standard vehicle registration form for the collection of excise tax.

**Sec. 2. 36 MRSA §191, sub-§2, ¶G**, as amended by PL 1997, c. 504, §4, is further amended to read:

G. The disclosure to the Attorney General of information related to ~~anya~~ person underwho is the subject of a criminal investigation or prosecution, and the subsequent ~~sharing of or released disclosure of suchthat~~ information by the Attorney General to a district attorneysattorney, an assistant district attorneysattorney or a state, county or local law enforcement ageneiesagency that areis participating in the criminal investigation or prosecution of ~~suchthat~~ that person. RequestsA request from the Attorney General for information related to ~~anya~~ person underwho 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 ~~taxpayer with respect~~ person to whom the requested return information relates;
- (2) The taxable period or periods to which the ~~return~~ requested information relates;
- (3) The statutory authority under which the ~~proceeding or~~ criminal investigation or prosecution is being conducted; and
- (4) The specific reason ~~or reasons why the disclosurerequested~~ information is, or may be, relevant to a ~~proceeding or~~ the criminal investigation or prosecution.

The Attorney General, or ~~anya~~ district attorney, assistant district attorney or other law enforcement agency with which the Attorney General has shared, or to which the Attorney General has released suchdisclosed tax information pursuantrelated to a person who is the subject of a criminal investigation or prosecution shall retain physical control of ~~thethat~~ that information until the conclusion of the criminal investigation or proceedingprosecution for which the information was requested, after which the information must be returned immediately to the ~~State Tax Assessor~~ assessor;

**Sec. 3. 36 MRSA §191, sub-§2, ¶NN**, as corrected by RR 2009, c. 2, §105, is amended to read:

NN. The disclosure to an authorized representative of the Wild Blueberry Commission of Maine of any information required for or submitted to the assessor in connection with the administration of the tax imposed under chapter 701;

**Sec. 4. 36 MRSA §310, sub-§4**, as repealed and replaced by PL 1973, c. 695, §6, is amended to read:

**4. Level of attainment.** The State Tax Assessor shall ~~determine what~~establish by rule the level of attainment on the examination shall ~~constitute a passing of the test~~required for certification. ~~If more than one type of examination is utilized, the various portions of the examination may be weighted and if only one examination is used, various portions of it may be weighted. The weighting factor must be specified in writing in the agency's rules and regulations.~~Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2#A.

**Sec. 5. 36 MRSA §330, sub-§1**, as enacted by PL 1985, c. 764, §10, is amended to read:

**1. Guidelines for professional assessing firms.** The State Tax Assessor shall establish ~~guidelines by rule in accordance with the Maine Administrative Procedure Act, Title 5, chapter 375,~~guidelines for professional assessing firms which shall ~~The guidelines must~~ include the following requirements:

- A. Each professional assessing firm shall employ at least one certified Maine assessor; and
- B. Each professional assessing firm performing revaluation services for a municipality shall ~~agree to~~ provide the municipality with papers and information necessary to conduct future revaluations.

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

**Sec. 6. 36 MRSA §579**, as amended by PL 2007, c. 438, §17, is further amended to read:

### **§ 579. Schedule, investigation**

The owner or owners of forest land subject to valuation under this subchapter shall submit a signed schedule ~~in duplicate~~, 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 ~~to be~~ prescribed by the State Tax Assessor, identifying the land to be valued ~~hereunder~~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'~~120 days' written notice.

The assessor shall determine whether the land is subject to valuation and taxation ~~hereunder~~under this subchapter and shall classify ~~such~~the land as to forest type.

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 Conservation 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.

Upon notice in writing by certified mail, return receipt requested, or by ~~such other~~ another method ~~as 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 ~~such~~ questions or interrogatories as the assessor ~~may deem~~ considers necessary to obtain material information about those lands.

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 the ~~foregoing~~ provisions of this section or fails to provide information after notice duly received as provided under this section, such owner or owners ~~shall be~~ 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.

It ~~shall be~~ 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 ~~hereunder~~ under this subchapter.

If the owner or owners fail to report to the assessor a change of use as required by the foregoing paragraph, the assessor ~~may collect such~~ shall assess the taxes ~~as that~~ should have been paid, shall ~~collect~~ assess the penalty provided in section 581 and shall assess an additional penalty ~~of equal to 25%~~ of the ~~foregoing~~ penalty amount provided in section 581. The assessor may waive the additional penalty for cause.

For the purposes of this section, the acts of owners specified in this section may be taken by an authorized agent of an owner.

**Sec. 7. 36 MRSA §1109, sub-§1**, as amended by PL 1987, c. 728, §6, is further amended to read:

**1. Schedule.** The owner or owners of farmland subject to taxation under this subchapter shall submit a signed schedule ~~in duplicate~~, on or before April 1st of the year in which the owner or owners wish to first subject ~~such~~ the land to taxation under this subchapter, to the assessor upon a form ~~to be~~ prescribed by the State Tax Assessor identifying the land to be taxed ~~hereunder~~ under this subchapter, ~~listing~~ 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 ~~within the meaning of as defined in~~ section 1102, subsection 4. In determining whether ~~such~~ the land is farmland, ~~there~~ the assessor shall be taken take into account, among other things, the acreage of ~~such~~ the land, the portion ~~thereof in actual use of the land~~ that is actually used for farming or agricultural operations, the productivity of ~~such~~ the land, the gross income derived ~~therefrom~~ from farming or agricultural operations on the land, the nature and value of the

equipment used in connection ~~therewith~~ with farming or agricultural operations on the land and the extent to which the tracts comprising ~~such~~ the land are contiguous. If the assessor ~~finds~~ determines that the land ~~meets the requirements of~~ 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 ~~it shall be~~ 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.

**Sec. 8. 36 MRSA §1109, sub-§3**, as amended by PL 2007, c. 627, §29, is further amended to read:

**3. Open space land qualification.** The owner or owners of land who believe that land falls ~~within the definition of~~ open space land contained as defined in section 1102, subsection 6 shall submit a signed schedule ~~in duplicate~~ 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 ~~may require~~ 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 ~~falls within the definition of~~ is open space land contained 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 ~~making the determination that~~ determining whether the restriction of the use or preservation of the land for which classification is sought provides a public benefit, ~~as required 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. ~~Factors appropriate~~ 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;
- B. The likelihood that development of the land would contribute to degradation of the scenic, natural, historic or archeological character of the area;
- C. The opportunity of the general public to appreciate significant scenic values of the land;
- D. The opportunity for regular and substantial use of the land by the general public for recreational or educational use;
- E. The importance of the land in preserving a local or regional landscape or resource that attracts tourism or commerce to the area;
- 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;

- 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;
- 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;
- 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;
- 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;
- 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;
- 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;
- 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;
- 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
- O. Whether there is a written management agreement between the landowner and the Department of Inland Fisheries and Wildlife or the Department of Conservation as described in section 1102, subsection 10.

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.

**Sec. 9. 36 MRSA §1137, sub-§1**, as enacted by PL 2007, c. 466, Pt. A, §58, is amended to read:

**1. Schedule.** The owner or owners of waterfront land may apply for taxation of that land under this subchapter by submitting a signed schedule ~~in duplicate~~, on or before April 1st of the year in which the owner or owners wish to first subject ~~such~~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 the determination of~~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.

**Sec. 10. 36 MRSA §1482, sub-§1**, as amended by PL 2007, c. 627, §31, is further amended to read:

**1. Annual excise tax.** An annual excise tax ~~shall be levied annually~~ is imposed with respect to each ~~calendar~~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 and are required to register under Title 6 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.

B. For the privilege of operating a mobile home upon the public ways, each mobile home to be so operated shall be 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 shall be \$15.

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): 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.

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.

**Sec. 11. 36 MRSA §1482, sub-§2**, as amended by PL 1991, c. 846, §16, is further amended to read:

**2. Tax 1/2 during certain periods.** The excise tax levied in this section shall be 1/2 of the sum named amount provided in subsection 1 from November 1st to the last day of February, except for during the following periods:

A. The excise tax levied in this section on On a farm motor truck having, as defined in Title 29#A, section 505, subsection 1, with 2 or 3 axles, when such trucks are that is used primarily for transportation of agricultural produce grown by the owner on his the owner's farm or farms, shall be the 1/2 the annual amount during the last 6 months of the a registration year; and

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

**Sec. 12. 36 MRSA §1482, sub-§3**, as amended by PL 1973, c. 588, §9, is further amended to read:

**3. Tax paid for previous registration year.** ~~Whenever~~If an excise tax has ~~been~~was paid for the previous calendar year or registration year by the same person on the same vehicle, the excise tax for the new calendar year or registration year ~~shall~~must be assessed as if the vehicle was in its next year of model.

**Sec. 13. 36 MRSA §1482, sub-§5**, as amended by PL 2007, c. 83, §1, is further amended to read:

**5. Credits.** ~~Any~~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 ~~that is subsequently totally junked or abandoned~~, in the same calendar year or registration year, is entitled to a credit up to the maximum amount of the tax previously paid in that registration year or period 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 ~~the same calendar year or that~~ registration year.

A. The credit must be given in any place in which the excise tax is payable.

B. For each transfer made in the same calendar year or registration year, the owner shall pay \$3 to the place in which the excise tax is payable.

C. ~~From November 1st to the last day of February the credit may not exceed 1/2 the amount of the maximum tax, except that for automobiles, trucks and truck tractors, during~~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.

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.

E. For the purposes of this subsection, ~~the term~~, "owner" includes the surviving spouse of the owner.

**Sec. 14. 36 MRSA §1482, sub-§6, ¶E**, as amended by PL 1979, c. 666, §40, is repealed.

**Sec. 15. 36 MRSA §1504, sub-§1**, as amended by PL 1987, c. 196, §6 and PL 2003, c. 414, Pt. B, §56 and affected by c. 614, §9, is further amended to read:

**1. Payment schedule.** ~~An excise tax is payable annually by the~~The owner of each a watercraft located in this State, ~~except those 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. For 1984, watercraft subject to the watercraft excise tax that are not required to register under Title 12, former chapter 715, are not required to pay the excise tax until June 30, 1984.

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.....   | 149        |
| 39 feet.....   | 167        |
| 40 feet.....   | 177        |
| 41 feet.....   | 187        |
| 42 feet.....   | 198        |
| 43 feet.....   | 210        |
| 44 feet.....   | 223        |

PUBLIC Law, Chapter 240, LD 1468, 125th Maine State Legislature  
An Act Concerning Technical Changes to the Tax Laws

|               |                                      |
|---------------|--------------------------------------|
| 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 |

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.

**Sec. 16. 36 MRSA §1752, sub-§1-C**, as enacted by PL 1987, c. 497, §15, is amended to read:

**1-C. Business.** "Business" includes any activity engaged in ~~by any person or caused to be engaged in by him~~ with the object of gain, benefit or advantage, either direct or indirect.

**Sec. 17. 36 MRSA §1760, sub-§6, ¶E**, as amended by PL 2007, c. 529, §2, is further amended to read:

E. Served by ~~colleges~~ a college to its employees of the college ~~whenif~~ the meals are purchased with debit cards issued by the ~~colleges~~ college; and

**Sec. 18. 36 MRSA §1760, sub-§12-A, ¶A**, as enacted by PL 1995, c. 634, §1 and affected by §2, is repealed and the following enacted in its place:

A. Persons engaged in the business of:

(1) Packing or packaging tangible personal property; and

(2) Shipping or transporting that tangible personal property; or

**Sec. 19. 36 MRSA §1760, sub-§62**, as repealed and replaced by PL 1989, c. 502, Pt. A, §129, is amended to read:

**62. Charitable suppliers of medical equipment.** Sales to local branches of incorporated international nonprofit charitable organizations ~~which provide, on a loan basis and free of charge, that~~ lend medical supplies and equipment to persons free of charge.

**Sec. 20. 36 MRSA §1862**, as amended by PL 1987, c. 772, §24, is further amended to read:

### **§ 1862. Sales or use tax paid to another jurisdiction**

The use tax ~~provisions of chapters 211 to 225 shall imposed by this Part~~ does not apply with respect to the use, storage or other consumption in this State of purchases tangible personal property or taxable services purchased outside the State whereupon which the purchaser has paid a sales or use tax imposed by another taxing jurisdiction that is equal to or greater than the amount tax imposed by chapters 211 to 225 in another taxing jurisdiction, the proof of payment of the tax to be according to rules made by the State Tax Assessor this Part. If the amount of sales or use tax paid into another taxing jurisdiction is not equal to or greater less than the amount of tax imposed by chapters 211 to 225 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 into the other taxing jurisdiction and in this State equal to the amount imposed by chapters 211 to 225 this Part.

**Sec. 21. 36 MRSA §1955-B**, as amended by PL 1995, c. 65, Pt. A, §145 and affected by §153 and Pt. C, §15, is further amended to read:

### **§ 1955-B. Payment of tax on vehicles resulting in protest**

~~Whenever the~~ 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 of dishonor, ~~as defined in Title 11, section 3-508,~~ to the person liable for the payment of the tax ~~and warn~~ warning that person that if payment is not made as demanded within 10 days after the mailing of the notice, ~~suspension of the registration certificate and plates issued for the vehicle may result~~ 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 State Tax Assessor assessor, in addition to enforcing collection by any method authorized by Part 1

or this Part, may immediately 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 ~~any~~the registration certificate and plates issued for the vehicle for which if the tax remains unpaid at the expiration of the 10-day period.

**Sec. 22. 36 MRSA §2727**, as enacted by PL 1985, c. 514, §2, is repealed.

**Sec. 23. 36 MRSA §2860**, as amended by PL 1989, c. 502, Pt. A, §132, is repealed.

**Sec. 24. 36 MRSA §2903, sub-§1**, as amended by PL 2009, c. 413, Pt. W, §1 and affected by §6, is further amended to read:

**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 within 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, as defined in section 2902, 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 within 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 or turbojet engine aircraft. The tax rate provided by this section is subject to annual inflation adjustment pursuant to section 3321 subsection except with respect to the rate of tax imposed upon 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 rate of tax imposed by this section.

**Sec. 25. 36 MRSA §3203, sub-§1-B, ¶B**, as enacted by PL 2007, c. 650, §2, is amended to read:

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<br>gallon equivalent | Tax rate formula (BTU value<br>fuel/BTU value diesel) x base<br>rate diesel |
|--------------------------------|--|---|
| Diesel                         | 128,400  | 100% x base rate  |
| Liquified Natural Gas<br>(LNG) | 73,500   | 57% x base rate   |
| Biodiesel                      | 118,300  | 92% x base rate   |

**Sec. 26. 36 MRSA §3213**, as enacted by PL 1983, c. 94, Pt. D, §6 and amended by PL 1985, c. 127, §1, is further amended to read:

### **§ 3213. Refunds of taxes erroneously or illegally collected**

~~In the event it shall appear to~~ If the State Tax Assessor determines that any taxes or penalties a tax or penalty imposed by this chapter ~~has been erroneously or illegally collected from any~~ user, the State Tax Assessor shall certify the amount thereof to the State Controller, who shall thereupon draw his

warrant for that certified amount on the Treasurer of State to that user is entitled to a refund of the amount that was erroneously or illegally collected. The refund shall must be paid by the Treasurer of State to that user forthwith from the Highway Fund.

~~No refunds~~A refund may not be made under this section unless a written claim ~~therefor setting forth the circumstances by reason of~~ stating the grounds upon which the refund shall be allowed, which claim shall be claimed in such a form as the State Tax Assessor shall ~~prescribe and shall be prescribed by the assessor~~ is filed with the State Tax Assessor assessor within 3 years from the date of the payment of the ~~taxes~~ amount that was erroneously or illegally collected.

**Sec. 27. 36 MRSA §4069-A, sub-§3**, as enacted by PL 1999, c. 414, §36, is amended to read:

**3. Interest and penalties.** The amount of Maine estate tax deferred under this section is subject to interest pursuant to section 186 until it is paid. Interest payable on the unpaid tax attributable to a 5-year deferral period pursuant to ~~Section 6166 of the Code~~ under this section must be paid annually. Interest payable on ~~any~~ the unpaid tax attributable to ~~any~~ a period after the ~~5-year~~ end of the deferral period must be paid annually at the same time as, and as part of, each installment payment of the tax. ~~If any~~ A payment of principal or interest under this section that is not made on or before the due date, is subject to the ~~penalties~~ penalties provided by section 187 ~~#B~~ apply.

**Sec. 28. 36 MRSA §4716**, as repealed and replaced by PL 1987, c. 816, Pt. KK, §24, is repealed.

**Sec. 29. 36 MRSA §4717**, as enacted by PL 1987, c. 551 and amended by PL 1997, c. 526, §14, is repealed.

**Sec. 30. 36 MRSA §5122, sub-§1, ¶G**, as amended by PL 1997, c. 557, Pt. B, §4 and affected by Pt. G, §1 and amended by PL 2007, c. 58, §3, is further amended to read:

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 as ~~defined in Title 5, section 17001, subsection 28#A;~~

**Sec. 31. 36 MRSA §5122, sub-§2, ¶BB**, as amended by PL 2009, c. 213, Pt. BBBB, §7 and c. 434, §68, is further amended to read:

BB. 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; and

**Sec. 32. 36 MRSA §5142, sub-§1**, as amended by PL 2009, c. 434, §71 and affected by §85, is further amended to read:

**1. General.** 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 section 5111 and chapter 805, as if the nonresident were a resident, multiplied by the ratio of the individual's Maine-adjusted~~

~~gross income, as defined in section 5102, subsection 1-C, paragraph B, to the nonresident's entire federal adjusted gross income, as modified by section 5122.~~ 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

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.

**Sec. 33. 36 MRSA §5200-A, sub-§1, ¶U**, as amended by PL 2009, c. 213, Pt. ZZZ, §7 and Pt. BBBB, §11, is further amended to read:

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; ~~and~~

**Sec. 34. 36 MRSA §5200-A, sub-§2, ¶H**, as amended by PL 2009, c. 213, Pt. ZZZ, §9, is further amended to read:

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 ~~adjusted gross~~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;

**Sec. 35. 36 MRSA §5200-A, sub-§2, ¶S**, as amended by PL 2009, c. 213, Pt. ZZZ, §12 and Pt. BBBB, §14, is further amended to read:

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; and

**Sec. 36. 36 MRSA §5219-H**, as repealed and replaced by PL 2003, c. 673, Pt. F, §1 and affected by §2, is amended to read:

### **§ 5219-H. Application of credits against taxes**

**1. Meaning of tax.** Whenever a credit provision in this chapter 822, other than section 5219#W, 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.

**2. Meaning of tax liability.** Whenever a credit provided for in this chapter 822 is limited by reference to tax liability, "tax liability" means the ~~tax~~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.

**Sec. 37. 36 MRSA §5219-Y, sub-§1**, as repealed and replaced by PL 2009, c. 470, §5, is amended to read:

**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 ~~theits nonwage~~ visual media production expenses, as defined in Title 5, section 13090#L, subsection 2#A, paragraph F 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" does not include wages, salaries, commissions or any other form of compensation or remuneration paid to employees for personal services~~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.

**Sec. 38. 36 MRSA §5219-BB, sub-§2, ¶B**, as amended by PL 2009, c. 361, §28 and affected by §37, is further amended to read:

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 ~~the federal~~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.

**Sec. 39. 36 MRSA §5250, sub-§1**, as amended by PL 1987, c. 504, §37, is further amended to read:

**1. General.** Every employer maintaining an office or transacting business ~~within~~in this State and ~~making that makes~~payment of any wages taxable under this part 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 ~~such~~those wages, deduct and withhold from ~~such~~those wages for each payroll period a tax ~~so~~computed in such manner as to result, so far as practicable, in withholding an amount being withheld from the employee's wages during each calendar year ~~an amount that is~~substantially equivalent to the tax reasonably estimated to be due from the employee under this partPart with respect to the amount of ~~such~~those wages included in ~~his~~the employee's adjusted gross income during ~~the~~that calendar year. The State Tax Assessor shall establish by rule the method of determining the amount to be withheld shall be prescribed by regulations of the assessor. This section shall~~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.

**Sec. 40. 36 MRSA §5253**, as repealed and replaced by PL 2003, c. 20, Pt. AA, §3 and affected by §6, is amended to read:

### **§ 5253. Return and payment of tax withheld**

Every person that is required to deduct and withhold tax under ~~this Part~~section 5250, 5250#B or 5255#B shall, for each calendar quarter, ~~on or before the last day of the month following the close of the calendar quarter or such other reporting period as~~required by the assessor may requireState Tax Assessor,

file a ~~withholding~~ 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.

**Sec. 41. 36 MRSA §6208**, as enacted by PL 1987, c. 516, §§3 and 6, is amended to read:

### **§ 6208. Benefit calculation for elderly households**

If a claimant representing an elderly household ~~would qualify~~ qualifies for a larger benefit under section 6207 than ~~he would receive~~ under section 6206, then that ~~claimant may choose to receive the claimant's benefit~~ must be calculated under section 6207.

**Sec. 42. 36 MRSA §6213**, as amended by PL 1995, c. 639, §33, is further amended to read:

### **§ 6213. Appeal**

A denial in whole or in part of relief claimed under this chapter may be appealed in accordance with section 151 ~~and the Maine Administrative Procedure Act~~.

**Sec. 43. 36 MRSA §6652, sub-§1-B**, as amended by PL 2009, c. 571, Pt. II, §§2 to 4 and affected by §5, is further amended to read:

**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;
- B. Lamps and lighting fixtures;
- 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

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.

~~This subsection applies to property tax years beginning after April 1, 1996.~~ Property affected by this subsection that was eligible for reimbursement pursuant to this chapter 915 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.

**Sec. 44. 36 MRSA §6754, sub-§1, ¶D**, as repealed and replaced by PL 2009, c. 496, §29, is amended to read:

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~~ location as defined in Title 30#A, section 5250#I, subsection 21#A and no more than 5 years for a tier 2 ~~location~~ 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.

**Sec. 45. 36 MRSA §6901, sub-§2**, as amended by PL 2009, c. 470, §6, is further amended to read:

**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 ~~and that are subject to withholding pursuant to chapter 827.~~ "Certified production wages" includes ~~payments~~ 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 and payments an amount paid for the services of a performing artists 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. "Certified production wages" ~~does not include any wages in excess of~~ includes only the first \$50,000 paid to or with respect to a single particular individual for personal services rendered in connection with a particular certified visual media production.

**Sec. 46. 36 MRSA §6902, sub-§1**, as amended by PL 2009, c. 470, §7, is further amended to read:

**1. Generally.** A visual media production company ~~certified pursuant to Title 5, section 13090#L~~ is allowed a reimbursement equal to 12% of certified production wages paid to ~~employees who are residents~~ or with respect to an individual who is a resident of Maine and 10% of certified production wages paid to ~~other employees~~ or with respect to an individual who is not a resident of Maine.

**Sec. 47. Application.** That section of this Act that amends the Maine Revised Statutes, Title 36, section 6901, subsection 2 applies to tax reimbursement applications filed on or after January 1, 2011.

Effective 90 days following adjournment of the 125th  
Legislature, First Regular Session, unless otherwise indicated.