



125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 590

H.P. 448

House of Representatives, February 15, 2011

**An Act To Require Review of Certain Changes to Sales Tax Policy
Application or Practice prior to Implementation**

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST
Clerk

Presented by Representative CHASE of Wells.
Cosponsored by Senator SHERMAN of Aroostook and
Representatives: BENNETT of Kennebunk, FLEMINGS of Bar Harbor, HARMON of
Palermo, KNIGHT of Livermore Falls, PLUMMER of Windham, WINSOR of Norway,
Senator: KATZ of Kennebec.

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

2 **Sec. 1. 36 MRSA §112, sub-§1**, as repealed and replaced by PL 1999, c. 127, Pt.
3 A, §47, is amended to read:

4 **1. General powers and duties.** The assessor shall administer and enforce the tax
5 laws enacted under this Title and under Title 29-A, and may adopt rules and require such
6 information to be reported as necessary. The assessor may investigate, enforce and
7 prosecute activities defined as crimes in this Title and in Title 17-A, sections 358, 751
8 and 903. The assessor shall provide, at the time of issuance, to one or more entities that
9 publish a monthly state tax service all rules, bulletins, taxpayer notices or alerts, notices
10 of rulemaking, any other taxpayer information issued by the assessor, and all substantive
11 amendments or modifications of the same, for publication by that entity or entities. When
12 a ~~significant~~ change has occurred in bureau policy application or practice or in the
13 interpretation by the bureau of any law, rule or instruction bulletin that will result in
14 additional assessment, interest or penalty to any business or entity, the assessor shall,
15 within 60 days of the change, provide to the same publishing entity or entities written
16 notice, suitable for publication, of the change.

17 If a change in policy application, practice or interpretation of the sales and use tax law
18 will result in additional revenue, prior to implementing the change the assessor shall
19 submit a report to the joint standing committee of the Legislature having jurisdiction over
20 taxation matters regarding the change, the rationale for the change and the effect of the
21 change on revenue. In response to that report, the joint standing committee of the
22 Legislature having jurisdiction over taxation matters may report out legislation reversing
23 or modifying the change in policy application, practice or interpretation.

24 The bureau may not issue any additional assessments against a business based on the
25 change until the joint standing committee of the Legislature having jurisdiction over
26 taxation matters reviews the change resulting in the additional assessment, interest or
27 penalty.

28 **SUMMARY**

29 This bill requires the State Tax Assessor to report to the joint standing committee of
30 the Legislature having jurisdiction over taxation matters prior to implementing any
31 change in policy application or practice of the Department of Administrative and
32 Financial Services, Bureau of Revenue Services regarding the sales and use tax if that
33 change will result in additional revenue. The joint standing committee of the Legislature
34 having jurisdiction over taxation matters is authorized to report out legislation reversing
35 or modifying the change.