



# 128th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2017

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Legislative Document

No. 1551

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H.P. 1069

House of Representatives, April 27, 2017

### An Act To Amend the Maine Tax Laws

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Submitted by the Department of Administrative and Financial Services pursuant to Joint Rule 204.

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT  
Clerk

Presented by Representative BICKFORD of Auburn.

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

2 **PART A**

3 **Sec. A-1. 5 MRSA §1710-J**, as amended by PL 2001, c. 652, §1, is repealed and  
4 the following enacted in its place:

5 **§1710-J. Access to information**

6 The Department of Administrative and Financial Services shall provide certain  
7 information and data to the committee in order to assist the committee in performing its  
8 statutory duties. The committee members and staff are subject to the provisions  
9 governing confidentiality of tax information described in Title 36, section 191 with  
10 regard to disclosures made pursuant to this section.

11 **1. Statistical data.** The Associate Commissioner for Tax Policy shall provide to the  
12 committee upon request any statistical tax data that may be published pursuant to Title  
13 36, section 191, subsection 2, paragraph B.

14 **2. Capital gains data.** The Associate Commissioner for Tax Policy shall provide  
15 information annually to the committee before the committee's December 1st report  
16 pursuant to section 1710-F concerning the amount of actual capital gains and losses  
17 experienced by resident taxpayers filing income tax returns in the State under Title 36,  
18 Part 8 for tax years ending in the calendar year 2 years prior. Data reported concerning  
19 capital gains and losses may be distributed by decile or quartile. In the absence of actual  
20 data, the Associate Commissioner for Tax Policy may provide estimates of the capital  
21 gains or losses experienced.

22 **3. Confidential tax information.** Consistent with Title 36, section 191, subsection  
23 2, paragraph CCC, the Associate Commissioner for Tax Policy may provide to the  
24 committee any additional tax information, including confidential tax information, that  
25 will assist the committee in performing its statutory duties. Any confidential tax  
26 information must be disclosed in only oral or paper form; any disclosure in paper form  
27 must be returned to the State Tax Assessor or destroyed once the committee chair  
28 determines that the committee has completed its use of the information. The committee  
29 shall discuss disclosed confidential tax information in a manner that preserves the  
30 confidentiality of that information, including meeting in executive session not open to the  
31 public in accordance with Title 1, section 405.

32 **Sec. A-2. 36 MRSA §175-A, sub-§1**, as amended by PL 1999, c. 699, Pt. D, §26  
33 and affected by §30, is further amended to read:

34 **1. Filing.** ~~If~~ Before August 1, 2017, if any tax imposed by this Title or imposed by  
35 any other provision of law and authorized to be collected by the bureau is not paid when  
36 due and no further administrative or judicial review of the assessment is available  
37 pursuant to law, the assessor may file in the registry of deeds of any county, with respect  
38 to real property, or in the office of the Secretary of State, with respect to property of a  
39 type a security interest in which may be perfected by a filing in such office under Title  
40 11, Article 9-A, a notice of lien specifying the amount of the tax, interest, penalty and

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

28 This subsection applies to assessments made before August 1, 2017.

29 **Sec. A-3. 36 MRSA §175-A, sub-§1-A** is enacted to read:

30 **1-A. Filing of tax lien.** Beginning August 1, 2017, if any tax imposed by this Title  
31 or any tax imposed by any other provision of law and authorized to be collected by the  
32 bureau is not paid when due and no further administrative or judicial review of the  
33 assessment is available pursuant to law, the amount of the assessment, including the tax,  
34 interest, penalties and costs, is a lien in favor of the assessor. The lien arises at the time  
35 the assessment is made and constitutes a lien upon all property, whether real or personal,  
36 owned by the person liable for the assessment at the time the lien arises or acquired by  
37 that person in the period after the lien arises until the expiration of the lien. The assessor  
38 may file in the registry of deeds of any county, with respect to real property, or in the  
39 office of the Secretary of State, with respect to property of a type for which a security  
40 interest may be perfected by a filing in such office under Title 11, Article 9-A, a notice of  
41 lien specifying the amount of the tax, interest, penalties and costs due, the name and last  
42 known address of the person liable for the amount and, in the case of a tax imposed by  
43 this Title, the fact that the assessor has complied with all the provisions of this Title in the  
44 assessment of the tax. Filing of the lien by the assessor constitutes notice of lien for, and  
45 secures payment of, both the original assessment and all subsequent assessments of tax

1 against the same person, until such time as the lien is released or otherwise discharged as  
2 provided for in this section. The lien imposed by this section is not valid against any  
3 mortgagee, pledgee, purchaser, judgment creditor or holder of a properly recorded  
4 security interest until notice of the lien has been filed by the assessor, with respect to real  
5 property, in the registry of deeds of the county where such property is located and, with  
6 respect to personal property, in the office in which a financing statement for such  
7 personal property is normally filed. Notwithstanding this subsection, a tax lien upon  
8 personal property does not extend to those types of personal property not subject to  
9 perfection of a security interest by means of the filing in the office of the Secretary of  
10 State. The lien is prior to any mortgage or security interest recorded, filed or otherwise  
11 perfected after the notice, other than a purchase-money security interest perfected in  
12 accordance with Title 11, Article 9-A and except as provided in Part 2. In the case of any  
13 mortgage or security interest properly recorded or filed prior to the notice of lien that  
14 secures future advances by the mortgagee or secured party, the lien is junior to all  
15 advances made within 45 days after filing of the notice of lien, or made without  
16 knowledge of the lien or pursuant to a commitment entered into without knowledge of the  
17 lien. Subject to the limitations in this section, the lien provided in this subsection has the  
18 same force, effect and priority as a judgment lien and continues for 10 years from the date  
19 of recording unless sooner released or otherwise discharged. The lien may, within the  
20 10-year period, or within 10 years from the date of the last extension of the lien in the  
21 manner provided in this subsection, be extended by filing for record in the appropriate  
22 office a copy of the notice and, from the time of filing, that lien must be extended for 10  
23 years unless sooner released or otherwise discharged. If the lien is extended within the  
24 10-year period, or within 10 years from the date of the last extension of the lien as  
25 provided for in this subsection, the extended lien relates back to the date the lien was first  
26 filed.

27 This subsection applies to assessments made on or after August 1, 2017.

28 **Sec. A-4. 36 MRSA §175-A, sub-§3**, as amended by PL 1997, c. 526, §10, is  
29 further amended to read:

30 **3. Enforcement.** The lien provided for by subsection 1 or 1-A may be enforced at  
31 any time after the tax liability with respect to which the lien arose becomes collectible  
32 under section 173, subsection 1 by a civil action brought by the Attorney General in the  
33 name of the State in the Superior Court of the county in which the property is located to  
34 subject any property, of whatever nature, in which the taxpayer has any right, title or  
35 interest, to the payment of such tax or liability. The court shall, after the parties have  
36 been duly notified of the action, proceed to adjudicate all matters involved in the action  
37 and finally determine the merits of all claims to and liens upon the property and, in all  
38 cases where a claim or interest of the State therein is established, may decree a sale of the  
39 property by the proper officer of the court and a distribution of the proceeds of such sale  
40 according to the findings of the court. If the property is sold to satisfy a lien held by the  
41 State, the State may bid at the sale such sum, not exceeding the amount of that lien plus  
42 expenses of sale, as the assessor directs.

43 **Sec. A-5. 36 MRSA §175-A, sub-§4**, as corrected by RR 1997, c. 1, §28, is  
44 amended to read:

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

8           **Sec. A-6. 36 MRSA §186, first ¶**, as amended by PL 2009, c. 625, §3, is further  
9 amended to read:

10           A person who fails to pay any tax, other than a tax imposed pursuant to chapter 105,  
11 on or before the last date prescribed for payment is liable for interest on the tax,  
12 calculated from that date and compounded monthly. The rate of interest for any calendar  
13 year equals the highest prime rate as published in the Wall Street Journal on the first day  
14 of September of the preceding calendar year or, if the first day of September falls on a  
15 weekend or holiday, on the next succeeding business day, rounded up to the next whole  
16 percent plus 3 percentage points. The rate of interest for any calendar year beginning on  
17 or after January 1, 2018 equals the prime rate as published in the Wall Street Journal on  
18 the first day of September of the preceding calendar year or, if the first day of September  
19 falls on a weekend or holiday, on the next succeeding business day, rounded up to the  
20 next whole percent plus one percentage point. For purposes of this section, the last date  
21 prescribed for payment of tax must be determined without regard to any extension of time  
22 permitted for filing a return. A tax that is upheld on administrative or judicial review  
23 bears interest from the date on which payment would have been due in the absence of  
24 review. Any amount that has been erroneously refunded and is recoverable by the  
25 assessor bears interest at the rate determined pursuant to this section from the date of  
26 payment of the refund. A credit or reimbursement that has been allowed or paid pursuant  
27 to this Title and is recoverable by the assessor bears interest at the rate determined  
28 pursuant to this section from the date it was allowed or paid. Interest accrues  
29 automatically, without being assessed by the assessor, and is recoverable by the assessor  
30 in the same manner as if it were a tax assessed under this Title. If the failure to pay a tax  
31 when required is explained to the satisfaction of the assessor, the assessor may abate or  
32 waive the payment of all or any part of that interest.

33           **Sec. A-7. 36 MRSA §191, sub-§2, ¶I**, as amended by PL 1985, c. 764, §3, is  
34 further amended to read:

35           I. The disclosure of information acquired pursuant to Part 2 and chapter 367, except  
36 for information identified as confidential within those provisions;

37           **Sec. A-8. 36 MRSA §191, sub-§2, ¶R**, as amended by PL 2005, c. 332, §6, is  
38 further amended to read:

39           R. The disclosure to the Department of Health and Human Services and to the  
40 Department of Administrative and Financial Services, Division of Financial and  
41 Personnel Services of information relating to the administration and collection of the  
42 taxes imposed by chapter 358, chapter 373, chapter 375 and chapter 377 for the

1 purposes of administration of those taxes and the financial accounting and revenue  
2 forecasting of those taxes;

3 **Sec. A-9. 36 MRSA §191, sub-§2, ¶CCC** is enacted to read:

4 CCC. The disclosure of information to the Revenue Forecasting Committee or its  
5 staff under Title 5, section 1710-J, by or at the direction of the Associate  
6 Commissioner for Tax Policy when pertinent to the associate commissioner's duties  
7 of providing revenue forecasting analysis to the committee. The information may be  
8 disclosed only in oral or paper form and only after notice to the State Tax Assessor of  
9 the intended disclosure. The associate commissioner shall apprise the committee  
10 members of the provisions regarding confidentiality of such information, of the  
11 continuing confidential nature of the disclosed information and the provision in Title  
12 5, section 1710-J, allowing discussion of the information by the committee meeting  
13 in executive session not open to the public.

14 **Sec. A-10. 36 MRSA §691, sub-§1, ¶A**, as amended by PL 2009, c. 571, Pt. II,  
15 §1 and affected by §5, is further amended to read:

16 A. "Eligible business equipment" means qualified property that, in the absence of  
17 this subchapter, would first be subject to assessment under this Part on or after April  
18 1, 2008. "Eligible business equipment" includes, without limitation, repair parts,  
19 replacement parts, replacement equipment, additions, accessions and accessories to  
20 other qualified business property that first became subject to assessment under this  
21 Part before April 1, 2008 if the part, addition, equipment, accession or accessory  
22 would, in the absence of this subchapter, first be subject to assessment under this Part  
23 on or after April 1, 2008. "Eligible business equipment" also includes inventory  
24 parts.

25 "Eligible business equipment" does not include:

26 (1) Office furniture, including, without limitation, tables, chairs, desks,  
27 bookcases, filing cabinets and modular office partitions;

28 (2) Lamps and lighting fixtures used primarily for the purpose of providing  
29 general purpose office or worker lighting;

30 (3) Property owned or used by an excluded person;

31 (4) Telecommunications personal property subject to the tax imposed by section  
32 457;

33 (5) Gambling machines or devices, including any device, machine, paraphernalia  
34 or equipment that is used or usable in the playing phases of any gambling activity  
35 as that term is defined in Title 8, section 1001, subsection 15, whether that  
36 activity consists of gambling between persons or gambling by a person involving  
37 the playing of a machine. "Gambling machines or devices" includes, without  
38 limitation:

39 (a) Associated equipment as defined in Title 8, section 1001, subsection 2;

40 (b) Computer equipment used directly and primarily in the operation of a  
41 slot machine as defined in Title 8, section 1001, subsection 39;

- 1 (c) An electronic video machine as defined in Title 17, section 1831,  
2 subsection 4;
- 3 (d) Equipment used in the playing phases of lottery schemes; and
- 4 (e) Repair and replacement parts of a gambling machine or device;
- 5 (6) Property located at a retail sales facility and used primarily in a retail sales  
6 activity unless the property is owned by a business that operates a retail sales  
7 facility in the State exceeding 100,000 square feet of interior customer selling  
8 space that is used primarily for retail sales and whose Maine-based operations  
9 derive less than 30% of their total annual revenue on a calendar year basis from  
10 sales that are made at a retail sales facility located in the State. For purposes of  
11 this subparagraph, the following terms have the following meanings:
- 12 (a) "Primarily" means more than 50% of the time;
- 13 (b) "Retail sales activity" means an activity associated with the selection and  
14 retail purchase of goods ~~or services~~ or ~~the~~ rental of tangible personal  
15 property. "Retail sales activity" does not include production as defined in  
16 section 1752, subsection 9-B; and
- 17 (c) "Retail sales facility" means a structure used to serve customers who are  
18 physically present at the facility for the purpose of ~~selecting~~ selection and  
19 ~~purchase~~ retail purchase of goods ~~or services at retail~~ or ~~for renting~~ rental  
20 of tangible personal property. "Retail sales facility" does not include a  
21 separate structure that is used as a warehouse or call center facility;
- 22 (7) Property that is not entitled to an exemption by reason of the additional  
23 limitations imposed by subsection 2; or
- 24 (8) Personal property that would otherwise be entitled to exemption under this  
25 subchapter used primarily to support a telecommunications antenna used by a  
26 telecommunications business subject to the tax imposed by section 457.

27 **Sec. A-11. 36 MRSA §§696 and 697**, as enacted by PL 2005, c. 623, §1, are  
28 amended to read:

29 **§696. Supplemental assessment**

30 If the assessor makes a determination under section 695 or the bureau makes a  
31 determination pursuant to section 697 that property receiving an exemption under this  
32 subchapter was not entitled to an exemption under this subchapter, the assessor shall by  
33 means of a supplemental assessment assess the property for which the exemption was  
34 improperly received, plus costs and interest. The taxpayer may contest a supplemental  
35 assessment under this subchapter either by using the procedures provided in subchapter 8  
36 or by pursuing such other actions or proceedings by which other property tax exemptions  
37 under this chapter may be reviewed or adjudicated. The supplemental assessment must  
38 be assessed and collected pursuant to section 713. The bureau shall deduct the amount of  
39 the portion of the supplemental assessment that pertains to any funds previously  
40 reimbursed to the municipality under section 694 from the next reimbursement issued to  
41 the municipality.





1 F. Prepaid wireless fees collected by sellers must be remitted to the State Tax  
2 Assessor. Prepaid wireless fees must be remitted at the times and in the manner  
3 provided for the remittance of sales the service provider tax under Title 36, section  
4 ~~1951-A 2554~~ and rules adopted pursuant to that section for the remittance of sales the  
5 service provider tax on an other than monthly basis. ~~The State Tax Assessor shall~~  
6 ~~establish registration and payment procedures that substantially coincide with~~  
7 ~~registration and payment procedures as provided in Title 36, section 1754-B and~~  
8 ~~related provisions.~~

9 **Sec. B-2. 36 MRSA §1760, sub-§33**, as repealed and replaced by PL 1977, c.  
10 238, is amended to read:

11 **33. Diabetic supplies.** All equipment and supplies, whether medical or otherwise,  
12 used in the diagnosis or treatment of human diabetes;

13 **Sec. B-3. 36 MRSA §1760, sub-§101** is enacted to read:

14 **101. Certain sales by civic, religious or fraternal organizations.** Sales of  
15 prepared food by a civic, religious or fraternal organization, including an auxiliary of  
16 such an organization, at a public or member-only event, except when alcoholic beverages  
17 are available for sale at the event. This exemption is limited to the first 24 days during  
18 which such sales are made in a calendar year and does not apply to sales made at private  
19 functions such as weddings.

20 **Sec. B-4. 36 MRSA §1812, sub-§1**, as amended by PL 2015, c. 267, Pt. OOOO,  
21 §6 and affected by §7 and amended by c. 300, Pt. A, §26, is repealed.

22 **Sec. B-5. 36 MRSA §1812, sub-§1-A** is enacted to read:

23 **1-A. Computation.** Every retailer shall add the sales tax imposed by section 1811 to  
24 the sale price on all sales of tangible personal property and taxable services that are  
25 subject to tax under this Part. The tax when so added is a debt of the purchaser to the  
26 retailer until it is paid and is recoverable at law by the retailer from the purchaser in the  
27 same manner as the sale price. When the sale price involves a fraction of a dollar, the tax  
28 computation must be carried to the 3rd decimal place, then rounded down to the next  
29 whole cent whenever the 3rd decimal place is one, 2, 3 or 4 and rounded up to the next  
30 whole cent whenever the 3rd decimal place is 5, 6, 7, 8 or 9.

31 **Sec. B-6. 36 MRSA §1812, sub-§2**, as amended by PL 1991, c. 846, §24, is  
32 further amended to read:

33 **2. Several items.** When several purchases are made together and at the same time,  
34 the tax ~~must~~ may be computed on each item individually or on the total amount of the  
35 several items, as the retailer may elect, except that purchases taxed at different rates must  
36 be separately totaled.

37 **Sec. B-7. 36 MRSA §1812, sub-§3**, as enacted by PL 1987, c. 402, Pt. A, §181,  
38 is repealed.

1           **Sec. B-8. 36 MRSA §1813**, as amended by PL 1991, c. 546, §24, is further  
2 amended to read:

3           **§1813. Illegal collection of sales tax prohibited**

4           Any retailer who knowingly charges or collects as the sales tax due on the sale price  
5 of any tangible personal property or taxable service an amount in excess of that provided  
6 by section 1812 commits a Class E crime.

7           **Sec. B-9. 36 MRSA §2910-B**, as enacted by PL 2005, c. 457, Pt. AAA, §3, is  
8 amended to read:

9           **§2910-B. Refund to government agencies and political subdivisions**

10           Any ~~government~~ agency ~~of this State and any political subdivision of this State~~ that  
11 buys and uses internal combustion engine fuel and that has paid a tax as provided by this  
12 chapter must be reimbursed in the amount of the tax paid upon presenting to the State Tax  
13 Assessor a statement accompanied by the original invoices showing the purchases. By  
14 contractual agreement, ~~an agency of this State or a political subdivision of this State a~~  
15 government agency may assign to another person its right to receive refunds under this  
16 section. Applications for refunds must be filed with the assessor within 12 months from  
17 the date of purchase. For the purposes of this section, "government agency" means the  
18 State, or any political subdivision of the State, or the Federal Government.

19           **Sec. B-10. 36 MRSA §3208-A**, as amended by PL 2007, c. 438, §79, is further  
20 amended to read:

21           **§3208-A. Refund to government agencies and political subdivisions**

22           Any ~~political subdivision of the State~~ government agency that buys and uses special  
23 fuel and that has paid a tax as provided by this chapter on that fuel is eligible for  
24 reimbursement in the amount of the tax paid. By contractual agreement, ~~any agency of~~  
25 ~~this State or political subdivision of this State a~~ government agency may assign to another  
26 person its right to receive funds under this section. A refund application on a form  
27 prescribed by the State Tax Assessor must be filed to claim a refund pursuant to this  
28 section. Applications for refunds must be filed with the ~~State Tax Assessor~~ assessor  
29 within 12 months from the date of purchase. For the purposes of this section,  
30 "government agency" means the State, or any political subdivision of the State, or the  
31 Federal Government.

32           **Sec. B-11. Application.** That section of this Part that amends the Maine Revised  
33 Statutes, Title 35-A, section 7104-C, subsection 2, paragraph F applies to sales occurring  
34 on or after January 1, 2018. Those sections of this Part that repeal Title 36, section 1812,  
35 subsections 1 and 3, that amend Title 36, section 1812, subsection 2 and enact Title 36,  
36 section 1812, subsection 1-A are effective January 1, 2018. That section of this Part that  
37 enacts Title 36, section 1760, subsection 101 applies to sales occurring on or after  
38 October 1, 2017.

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**PART C**

**Sec. C-1. 36 MRSA §2535** is enacted to read:

**§2535. Credit for educational opportunity**

A taxpayer is allowed a credit against the tax otherwise due under this chapter as determined under section 5217-D.

**Sec. C-2. Application.** That section of this Part that enacts the Maine Revised Statutes, Title 36, section 2535 applies to tax years beginning on or after January 1, 2017.

**PART D**

**Sec. D-1. 36 MRSA §5122, sub-§1, ¶KK,** as enacted by PL 2015, c. 490, §7, is repealed.

**Sec. D-2. 36 MRSA §5125, sub-§3, ¶C,** as amended by PL 2015, c. 494, Pt. A, §45, is further amended to read:

C. Reduced by any amount of deduction attributable to income taxable to financial institutions under chapter 819; and

**Sec. D-3. 36 MRSA §5125, sub-§3, ¶D,** as repealed and replaced by PL 2015, c. 494, Pt. A, §46, is amended to read:

D. Reduced by any amount attributable to interest or expenses incurred in the production of income exempt from tax under this Part; ~~and~~

**Sec. D-4. 36 MRSA §5125, sub-§3, ¶G,** as enacted by PL 2015, c. 340, §3 and affected by §5, is repealed.

**Sec. D-5. 36 MRSA §5206-F,** as amended by PL 2003, c. 588, §17, is further amended to read:

**§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~~ 4th month following the end of the financial institution's fiscal year.

**Sec. D-6. 36 MRSA §5219-KK, sub-§1, ¶A,** as enacted by PL 2013, c. 551, §3, is amended to read:

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;

- 1 (2) For persons filing joint returns or as heads of households that claim no more  
2 than 2 personal exemptions, \$2,600; and
- 3 (3) For persons filing joint returns or as heads of households that claim 3 or more  
4 personal exemptions, \$3,200; and
- 5 ~~(4) For married individuals filing separate returns, 1/2 of the amount under~~  
6 ~~subparagraph (2) or (3), whichever would apply if the individual had filed a joint~~  
7 ~~return for the taxable year with the individual's spouse.~~

8 **Sec. D-7. 36 MRSA §5219-KK, sub-§2**, as enacted by PL 2013, c. 551, §3, is  
9 amended to read:

10 **2. Credit.** A resident individual is allowed a credit against the taxes imposed under  
11 this Part in an amount equal to 50% of the amount by which the benefit base for the  
12 resident individual exceeds 6% of the resident individual's income. The credit may not  
13 exceed \$600 for resident individuals under 65 years of age as of the last day of the  
14 taxable year or \$900 for resident individuals 65 years of age and older as of the last day  
15 of the taxable year. In the case of married individuals filing a joint return, only one  
16 spouse is required to be 65 years of age or older to qualify for the \$900 credit limitation.  
17 ~~In the case of resident married individuals filing separate returns, each of whom claims~~  
18 ~~the credit on the same homestead, the credit for each spouse may not exceed \$300 if, for~~  
19 ~~the taxable year, neither spouse was a resident individual 65 years of age or older or \$450~~  
20 ~~if, for the taxable year, at least one spouse was 65 years of age or older. Married~~  
21 ~~taxpayers filing separate returns do not qualify for the credit under this section.~~

22 **Sec. D-8. 36 MRSA §5219-NN**, as enacted by PL 2015, c. 388, Pt. A, §15; c.  
23 490, §8; and c. 503, §1, is repealed and the following enacted in its place:

24 **§5219-NN. Maine capital investment credit for 2015 and after**

25 **1. Credit allowed.** A taxpayer that claims a depreciation deduction under the Code,  
26 Section 168(k) for property placed in service in the State during a taxable year that begins  
27 on or after January 1, 2015 is allowed a credit as follows:

28 A. A taxable corporation is allowed a credit against the taxes imposed by this Part in  
29 an amount equal to 9% of the amount of the net increase in the depreciation  
30 deduction reported as an addition to income for the taxable year under section  
31 5200-A, subsection 1, paragraph CC, subparagraph (1) with respect to that property,  
32 except for excluded property under subsection 2; or

33 B. An individual is allowed a credit against the taxes imposed by this Part in an  
34 amount equal to:

35 (1) For taxable years beginning in 2015, 8% of the amount of the net increase in  
36 the depreciation deduction reported as an addition to income for the taxable year  
37 under section 5122, subsection 1, paragraph KK, subparagraph (1) with respect to  
38 that property, except for excluded property under subsection 2; and

39 (2) For taxable years beginning on or after January 1, 2016, 7% of the amount of  
40 the net increase in the depreciation deduction reported as an addition to income  
41 for the taxable year under section 5122, subsection 1, paragraph KK,

1                    subparagraph (1) with respect to that property, except for excluded property  
2                    under subsection 2.

3                    **2. Certain property excluded.** The following property is not eligible for the credit  
4                    under this section:

5                    A. Property owned by a public utility as defined by Title 35-A, section 102,  
6                    subsection 13;

7                    B. Property owned by a person that provides radio paging services as defined by  
8                    Title 35-A, section 102, subsection 15;

9                    C. Property owned by a person that provides mobile telecommunications services as  
10                   defined by Title 35-A, section 102, subsection 9-A;

11                   D. Property owned by a cable television company as defined by Title 30-A, section  
12                   2001, subsection 2;

13                   E. Property owned by a person that provides satellite-based direct television  
14                   broadcast services;

15                   F. Property owned by a person that provides multichannel, multipoint television  
16                   distribution services; and

17                   G. Property that is not in service in the State for the entire 12-month period  
18                   following the date it is placed in service in the State.

19                   **3. Limitations; carry-forward.** The credit allowed under subsection 1 may not  
20                   reduce the tax otherwise due under this Part to less than zero. Any unused portion of the  
21                   credit may be carried forward to the following year or years for a period not to exceed 20  
22                   years.

23                   **4. Recapture.** The credit allowed under this section must be fully recaptured to the  
24                   extent claimed by the taxpayer if the property forming the basis of the credit is not used  
25                   in the State for the entire 12-month period following the date it is placed in service in the  
26                   State. The credit must be recaptured by filing an amended return in accordance with  
27                   section 5227-A for the tax year in which that property was used to calculate the credit  
28                   under this section. The amended return must reflect the credit disallowed and the income  
29                   modifications required by section 5122, subsection 1, paragraph KK and section 5200-A,  
30                   subsection 1, paragraph CC with respect to that property.

31                   **Sec. D-9. 36 MRSA §5219-OO** is enacted to read:

32                   **§5219-OO. Credit for disability income protection plans in the workplace**

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

35                   A. "Disability income protection plan" or "plan" has the same meaning as in Title  
36                   24-A, section 2804-B.

1           B. "Elimination period" means the time period during which an employee is unable  
2           to work due to a covered sickness or injury but is not yet eligible for disability  
3           benefits under the plan.

4           C. "Employee" means an individual who performs services for an employing unit  
5           and is eligible to enroll in a qualified short-term disability income protection plan or a  
6           qualified long-term disability income protection plan under the terms and conditions  
7           of the disability income protection plan.

8           D. "Employing unit" has the same meaning as in Title 26, section 1043, subsection  
9           10.

10          E. "Qualified long-term disability income protection plan" means an employer-  
11          sponsored disability income protection plan that replaces at least 50% of predisability  
12          earnings prior to any applicable offsets, offers benefits for at least 24 months, has an  
13          elimination period of no greater than 185 days and is either:

14                (1) A plan established after January 1, 2017 that allows for employees to opt out  
15                of enrollment; or

16                (2) An existing plan that is reopened for enrollment and allows for employees to  
17                opt out of enrollment.

18          F. "Qualified short-term disability income protection plan" means an employer-  
19          sponsored disability income protection plan that replaces income of at least \$200 per  
20          week, offers benefits for at least 6 months, has an elimination period of no more than  
21          30 days and is either:

22                (1) A plan established after January 1, 2017 that allows for employees to opt out  
23                of enrollment; or

24                (2) An existing plan that is reopened for enrollment and allows for employees to  
25                opt out of enrollment.

26          **2. Credit allowed.** A taxpayer constituting an employing unit is allowed a credit  
27          against the tax imposed by this Part for each taxable year beginning on or after January 1,  
28          2017 for either a qualified short-term disability income protection plan or a qualified  
29          long-term disability income protection plan.

30          **3. Limit.** The total annual credit for a taxpayer under this section is limited to an  
31          amount equal to \$30 for each employee enrolled after January 1, 2017 in either a  
32          qualified short-term disability income protection plan or a qualified long-term disability  
33          income protection plan, as long as the employee enrolled in a qualified short-term  
34          disability income protection plan or a qualified long-term disability income protection  
35          plan was not covered under a disability income protection plan offered by the employing  
36          unit in the tax year immediately preceding the year the employer is first eligible for the  
37          credit. The credit must be claimed by a taxpayer in the first tax year during which the  
38          taxpayer is eligible to claim the credit and may be taken for no more than 3 consecutive  
39          tax years.

40          **4. Carry over; carry back.** The amount of the credit that may be used by a  
41          taxpayer may not exceed the amount of the tax otherwise due. Any unused credit may  
42          not be carried over or carried back by a taxpayer.

1           **Sec. D-10. 36 MRSA §5219-PP** is enacted to read:

2           **§5219-PP. Credit for certain homestead modifications**

3           **1. Credit allowed.** An individual with federal adjusted gross income not exceeding  
4 \$55,000 who makes qualified expenditures for the purpose of making all or any portion  
5 of an existing homestead, as defined in section 5219-II, subsection 1, paragraph C,  
6 accessible to an individual with a disability or physical hardship who resides or will  
7 reside in the homestead is allowed a credit against the tax otherwise imposed under this  
8 Part in an amount equal to the applicable percentage of the qualified expenditures or  
9 \$9,000, whichever is less.

10           **2. Qualified expenditures.** An individual claiming a credit under this section must  
11 demonstrate to the Maine State Housing Authority that the homestead modifications for  
12 which the expenditures were incurred comply with applicable building standards  
13 governing home accessibility in the jurisdiction where the homestead is located and are  
14 consistent with standards adopted by the authority. The authority may adopt rules  
15 consistent with this section to identify the types of homestead modifications that will  
16 enable accessibility for individuals with disabilities or physical hardships. Rules adopted  
17 under this subsection are routine technical rules as defined in Title 5, chapter 375,  
18 subchapter 2-A.

19           **3. Certification.** The Maine State Housing Authority shall certify to the State Tax  
20 Assessor the total qualified expenditures made by an individual seeking to claim a credit  
21 under this section. The authority may contract with a public or private entity to make the  
22 certification required under this subsection.

23           **4. Limitations; carry-forward.** The credit under this section must be taken in the  
24 taxable year in which the qualified expenditures were incurred. The credit allowed under  
25 this section may not reduce the tax otherwise due under this Part to less than zero. Any  
26 unused portion of the credit may be carried forward to the following year or years for a  
27 period not to exceed 4 years.

28           **5. Applicable percentage.** For the purposes of this section, "applicable percentage"  
29 means:

30           A. For taxpayers with a federal adjusted gross income of up to \$25,000, 100%;

31           B. For taxpayers with a federal adjusted gross income over \$25,000 but not over  
32 \$30,000, 90%;

33           C. For taxpayers with a federal adjusted gross income over \$30,000 but not over  
34 \$35,000, 80%;

35           D. For taxpayers with a federal adjusted gross income over \$35,000 but not over  
36 \$40,000, 70%;

37           E. For taxpayers with a federal adjusted gross income over \$40,000 but not over  
38 \$45,000, 60%; and

39           F. For taxpayers with a federal adjusted gross income over \$45,000 but not over  
40 \$55,000, 50%.

1           **Sec. D-11. 36 MRSA §5231, sub-§1-A**, as amended by PL 2003, c. 390, §50, is  
2 further amended to read:

3           **1-A. Federal extension.** When an individual, estate or trust is granted an extension  
4 of time within which to file a federal income tax return for any taxable year, the due date  
5 for filing the taxpayer's income tax return with respect to the tax imposed by this Part is  
6 automatically extended for an equivalent period. When a taxable corporation or a  
7 financial institution subject to the tax imposed by chapter 819 is granted an extension of  
8 time within which to file its federal income tax return for any taxable year, the due date  
9 for filing the taxpayer's income tax or franchise tax return with respect to the tax imposed  
10 by this Part is automatically extended for an equivalent period ~~plus 30 days~~.

11           **Sec. D-12. 36 MRSA §5242**, as amended by PL 1995, c. 639, §23, is further  
12 amended to read:

13           **§5242. Information returns**

14           The State Tax Assessor may require returns of information to be made and filed on or  
15 before ~~February 28th~~ January 31st of each year by a person making payment or crediting  
16 in a calendar year the amounts of \$600 or more ~~(, or \$10 or more in the case of interest or~~  
17 ~~dividends)~~, to a person who may be subject to the tax imposed under this Part. The  
18 returns may be required of a person, including lessees or mortgagors of real or personal  
19 property, fiduciaries, employers and all officers and employees of this State, or of a  
20 municipal corporation or political subdivision of this State, having the control, receipt,  
21 custody, disposal or payment of dividends, interest, rents, salaries, wages, premiums,  
22 annuities, compensations, remunerations, emoluments or other fixed or determinable  
23 gains, profits or income, except interest coupons payable to bearer. A duplicate of the  
24 statement as to tax withheld on wages, required to be furnished by an employer to an  
25 employee, constitutes the return of information required to be made under this section  
26 with respect to those wages.

27           **Sec. D-13. 36 MRSA §5276-A, sub-§7**, as amended by PL 1991, c. 564 and PL  
28 2003, c. 689, Pt. B, §6, is further amended to read:

29           **7. Priority.** In the event that claims from more than one agency are received by the  
30 State Tax Assessor with respect to one taxpayer, the ~~State Tax Assessor~~ assessor shall set  
31 off against the refund due the taxpayer as many claims of the agencies as is possible in  
32 the following order of priority:

33           A. Liquidated child support debts owed to the Department of Health and Human  
34 Services;

35           A-1. Court-ordered restitution obligations:

36           B. Fines and fees owed to any of the courts; and

37           C. All other claims in the order of their receipt by the ~~State Tax Assessor~~ assessor.

38           **Sec. D-14. Application.** Those sections of this Part that amend the Maine Revised  
39 Statutes, Title 36, section 5206-F, section 5219-KK, subsection 1, paragraph A and  
40 subsection 2 and section 5231, subsection 1-A and that repeal Title 36, section 5219-NN



1 as amended by Public Law 2015, chapter 490 and Public Law 2015, chapter 503 and  
2 enact Title 36, sections 5219-OO and 5219-PP apply to tax years beginning on or after  
3 January 1, 2017. The section of this Part that amends Title 36, section 5242 applies to  
4 returns of information filed for calendar years beginning on or after January 1, 2017.

5 **PART E**

6 **Sec. E-1. 5 MRSA §13070-J, sub-§4, ¶A,** as amended by PL 2001, c. 481, §2, is  
7 repealed.

8 **Sec. E-2. 36 MRSA §194, sub-§3,** as enacted by PL 2009, c. 213, Pt. TTTT, §1,  
9 is repealed.

10 **Sec. E-3. 36 MRSA §194-A,** as enacted by PL 2011, c. 503, §1, is amended to  
11 read:

12 **§194-A. Review of certain changes in the application of sales and use tax law**

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

22 **2. Notification and review.** If, pursuant to the consultation required by subsection  
23 1, the Office of the Attorney General and the ~~bureau~~ assessor agree that a proposed  
24 change in policy, practice or interpretation of the sales and use tax law is a significant  
25 change that would result in additional revenue and should be reviewed by the appropriate  
26 legislative committee of oversight, the ~~bureau~~ assessor shall notify the chairs of the  
27 appropriate legislative committee of oversight of the results of the consultation at least 45  
28 days prior to implementation of the change ~~in policy, practice or interpretation of the~~  
29 ~~sales and use tax law~~, if reasonably practicable. The chairs of the legislative committee of  
30 oversight shall notify all committee members in writing of the proposed change ~~in policy,~~  
31 ~~practice or interpretation of the sales and use tax law~~ and may schedule a time for  
32 committee review and discussion.

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

38 **4. Assessment validity.** ~~The provisions of this~~ This section ~~establish~~ establishes a  
39 procedural consultation and ~~reporting~~ notification requirement to assist routine legislative

1 oversight.—~~It~~ and does not affect the validity of any assessment or tax liability issued  
2 pursuant to or arising under this Title.

3 **Sec. E-4. 36 MRSA §199-B, sub-§1**, as enacted by PL 2001, c. 652, §7, is  
4 amended to read:

5 **1. Report.** The bureau shall submit a report regarding tax expenditures to the  
6 committee by ~~January 5th~~ February 15th of each odd-numbered year. The report must  
7 contain:

- 8 A. A summary of each tax expenditure in the laws administered by the bureau;
- 9 B. A description of the purpose and background of the tax expenditure and the  
10 groups likely to benefit from the tax expenditure;
- 11 C. An estimate of the cost of the tax expenditure for the current biennium;
- 12 D. Any issues regarding tax expenditures that need to be considered by the  
13 Legislature; ~~and~~
- 14 E. Any recommendation regarding the amendment, repeal or replacement of the tax  
15 expenditure; and
- 16 F. The total amount of reimbursement paid to each person claiming a reimbursement  
17 for taxes paid on certain business property under chapter 915.

18 **Sec. E-5. 36 MRSA §200, sub-§1**, as amended by PL 2005, c. 218, §8, is further  
19 amended to read:

20 **1. Impact of taxes on individuals.** The bureau shall submit to the joint standing  
21 committee of the Legislature having jurisdiction over taxation matters and the joint  
22 standing committee of the Legislature having jurisdiction over appropriations and  
23 financial affairs a report containing the information required by this subsection by ~~July 1,~~  
24 ~~1999 and by January 1st~~ February 15th of each odd-numbered year ~~thereafter~~.

- 25 A. Part 1 of the report must describe the overall incidence of all state, local and  
26 county taxes. The report must present information on the distribution of the tax  
27 burden:
  - 28 (1) For the overall income distribution, using a measure of system-wide  
29 incidence that appropriately measures equality and inequality;
  - 30 (2) By income classes, including, at a minimum, deciles of the income  
31 distribution; and
  - 32 (3) By other appropriate taxpayer characteristics.
- 33 B. Part 2 of the report must describe the impact of the tax system on business and  
34 industrial sectors. The report must:
  - 35 (1) Describe the impact of taxes on major sectors of the business and industrial  
36 economy relative to other sectors; and
  - 37 (2) Describe the relative impact of each tax on business and industrial sectors.

1 C. When determining the overall incidence of taxes under this subsection, the bureau  
2 shall reduce the amount of taxes collected by the amount of taxes that are returned  
3 directly to taxpayers through tax relief programs.

4 **Sec. E-6. 36 MRSA §208-A, sub-§6**, as enacted by PL 2007, c. 322, §2, is  
5 amended to read:

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

12 **Sec. E-7. 36 MRSA §2863, sub-§7**, as enacted by PL 1981, c. 711, §10, is  
13 repealed.

14 **Sec. E-8. 36 MRSA §6664**, as amended by PL 2007, c. 693, §35, is repealed.

15 **Sec. E-9. Effective date.** That section of this Part that amends the Maine Revised  
16 Statutes, Title 36, section 194-A takes effect January 1, 2018.

17 **SUMMARY**

18 Part A does the following.

19 1. It adds a tax information confidentiality exception to allow disclosures by the  
20 Maine Revenue Services to the Revenue Forecasting Committee in order to make  
21 available relevant tax information in support of the committee's statutory duties.

22 2. It amends tax lien provisions beginning August 1, 2017 to increase the State's  
23 ability to be first in line in priority ahead of certain other creditors for payment on a tax  
24 debt. The changes also clarify that the new lien provision does not affect liens related to  
25 municipal property taxes.

26 3. It amends the general provision for the annual calculation of the interest rate  
27 applicable to the Maine Revised Statutes, Title 36 tax underpayments and overpayments,  
28 effectively reducing the applicable interest rate.

29 4. It adds an exclusion to allow the public disclosure of information, except when the  
30 statute specifically designates the information as confidential.

31 5. It broadens an existing authorization for disclosure of confidential tax information  
32 to allow disclosures to the Department of Administrative and Financial Services, Division  
33 of Financial and Personnel Services, as well as to the Department of Health and Human  
34 Services, for purposes of financial accounting and revenue forecasts in order to make  
35 available relevant tax information in support of statutory duties of the Department of  
36 Administrative and Financial Services with respect to financial accounting and revenue  
37 forecasts with respect to the specific taxes.

1           6. It removes services from the definitions of retail sales activity and retail sales  
2 facility under the business equipment tax exemption laws to make the amended  
3 definitions match the same definitions in the business equipment tax reimbursement laws.  
4 Aligning the definitions for the 2 programs will eliminate confusion over eligibility for  
5 certain personal property.

6           7. It aligns the business equipment tax exemption laws taxpayer appeal procedures  
7 with that of those of the Maine resident homestead property tax exemption program and  
8 allows municipalities that are aggrieved by an audit determination of the bureau to appeal  
9 in the same manner as persons requesting reconsideration.

10          8. It adds boat clubs and associations leasing storage, mooring or docking space to  
11 the list of entities required to maintain information on watercraft related to the lease. It  
12 also adds selling as an activity triggering the information collection requirement.

13          9. It changes, under the business equipment tax reimbursement laws, the year upon  
14 which to calculate energy primarily for sale from the year immediately preceding the  
15 property tax year for which a claim is made to the property tax year for which a claim is  
16 made.

17           Part B does the following.

18           1. It requires the prepaid wireless fee to be remitted in the same manner as the  
19 service provider tax.

20           2. It provides that diabetic supplies are exempt from sales tax only when sold for use  
21 by human beings.

22           3. It provides a sales tax exemption for sales of prepared food by a civic, religious or  
23 fraternal organization, including an auxiliary of such an organization, at a public or  
24 member-only event, except when alcoholic beverages are available for sale at the event or  
25 it is a private function, for up to 24 days during a calendar year.

26           4. It replaces the bracket system for calculating sales tax with a conventional  
27 rounding algorithm, effective January 1, 2018.

28           5. It provides that refunds of the gasoline tax and special fuel tax may be made to the  
29 Federal Government.

30           Part C allows businesses subject to the Maine insurance premiums tax to be eligible  
31 for the educational opportunity tax credit, consistent with the credit allowed to taxpayers  
32 subject to the Maine income tax. The credit applies to tax years beginning on or after  
33 January 1, 2017.

34           Part D does the following.

35           1. It repeals the addition modification for a taxpayer's expenses for a qualified long-  
36 term disability income protection plan or qualified short-term disability protection plan in  
37 order to maintain consistency with the treatment of expenses for taxable corporations and  
38 to promote simplification.

1           2. It repeals the adjustment to itemized deductions for expenses included in the base  
2 for the adult dependent care credit tax.

3           3. It moves the due date for filing Maine financial institution franchise tax returns  
4 from the 15th day of the 3rd month to the 15th day of the 4th month following the end of  
5 the tax year in conformity with recent federal changes to the filing due date for C  
6 corporation income tax returns. The change applies to tax years beginning on or after  
7 January 1, 2017.

8           4. It corrects a conflict created when 3 public laws enacted the Maine Revised  
9 Statutes, Title 36, section 5219-NN, all substantively different from each other. The  
10 conflict is corrected by repealing the versions enacted by Public Law 2015, chapter 490  
11 and Public Law 2015, chapter 503 and enacting them as Title 36, section 5219-OO and  
12 section 5219-PP, respectively, with the following changes:

13           A. The employer credit for disability protection plans is limited to employees who  
14 were not covered under a disability protection plan offered by the employing unit in  
15 the tax year immediately preceding the year the employer is first eligible for the  
16 credit. The credit applies to eligible employees enrolled in a qualified disability plan  
17 after January 1, 2017; and

18           B. The tax credit for making a portion of an existing homestead accessible to an  
19 individual with a disability or physical hardship is clarified to specify that it applies  
20 to individuals, not businesses, making qualified expenditures, that the credit is  
21 nonrefundable and that an individual with negative federal adjusted gross income  
22 qualifies for the credit. Also, the aggregate annual cap of \$1,000,000 applicable to  
23 the credit is removed. The changes all apply to tax years beginning on or after  
24 January 1, 2017.

25           The version of Title 36, section 5219-NN as enacted by Public Law 2015, c. 388  
26 regarding the Maine capital investment credit for 2015 and after remains as section  
27 5219-NN.

28           5. It prohibits, for tax years beginning on or after January 1, 2017, married  
29 individuals filing separate income tax returns from claiming the property tax fairness  
30 credit. The change is consistent with a similar restriction under the sales tax fairness  
31 credit.

32           6. It repeals the additional extension of 30 days beyond the federal extension due  
33 date for filing Maine income tax returns for corporations and financial institutions. This  
34 change applies to tax years beginning on or after January 1, 2017.

35           7. It changes the date an information return, such as a Form W-2, must be filed with  
36 Maine Revenue Services from February 28th to January 31st following the calendar year  
37 to which the information return relates. The change in the due date applies to information  
38 returns filed for calendar years beginning on or after January 1, 2017.

39           8. It provides that court-ordered restitution obligations are afforded a priority for  
40 setoff from state income tax refunds pursuant to Title 36, section 5276-A that is just  
41 above the priority given to court fines and fees.

1 Part E does the following.

2 1. It repeals a requirement that the State Tax Assessor submit an annual report to the  
3 Legislature identifying the amount of public funds spent and the amount of revenues  
4 foregone as the result of economic development incentives.

5 2. It repeals a requirement that the State Tax Assessor submit an annual report to the  
6 Legislature on the costs incurred in creating and maintaining, and the tax revenues  
7 collected by using, the data warehouse authorized by the Maine Revised Statutes, Title  
8 36, section 194.

9 3. It repeals a requirement that the State Tax Assessor submit an annual report to the  
10 Legislature regarding the consultation process required by Title 36, section 194-A and the  
11 issues involved with, and results of, each such consultation.

12 4. It requires that information regarding reimbursements of property taxes paid on  
13 certain business property made pursuant to Title 36, chapter 915 be added to the tax  
14 expenditure report submitted to the Legislature by the State Tax Assessor and changes the  
15 due date of that report from January 5th to February 15th of each odd-numbered year.

16 5. It changes the due date of the tax incidence report submitted to the Legislature by  
17 the State Tax Assessor from January 1st to February 15th of each odd-numbered year.

18 6. It specifies that the report submitted to the Legislature by the State Tax Assessor  
19 no later than February 1st annually identifying all requests for an adjustment of equalized  
20 valuation under Title 36, section 208-A pertains to the most recently completed fiscal  
21 year rather than the previous calendar year.

22 7. It repeals a requirement that the Commissioner of Administrative and Financial  
23 Services submit an annual report to the Legislature regarding the Mining Impact  
24 Assistance Fund.

25 8. It repeals a requirement that the State Tax Assessor submit an annual report to the  
26 Legislature containing information that includes a list of persons receiving reimbursement  
27 for property taxes both under the business equipment tax reimbursement program and  
28 under a tax increment financing agreement.