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SECOND REGULAR SESSION-2020

Legislative Document

No. 2047

H.P. 1458

House of Representatives, January 16, 2020

An Act To Amend the State Tax Laws

Submitted by the Department of Administrative and Financial Services pursuant to Joint Rule 203.

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 TIPPING of Orono.

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

2 **PART A**

3 **Sec. A-1. 36 MRSA §191, sub-§2, ¶BBB**, as amended by PL 2017, c. 475, Pt.
4 B, §2, is further amended to read:

5 BBB. The disclosure to an authorized representative of the Department of
6 Professional and Financial Regulation, Bureau of Insurance of information necessary
7 to determine whether a long-term disability income protection plan or short-term for
8 the administration of taxes pursuant to chapter 357 and the credit for disability
9 income protection plan as described in section 5219-OO, subsection 1 qualifies for
10 the disability income protection plans in the workplace credit plans in the workplace
11 provided by section 5219-OO. Information disclosed pursuant to this paragraph may
12 not be further disclosed by the Bureau of Insurance unless the disclosure is allowed
13 pursuant to this section and Title 24-A, section 216;

14 **PART B**

15 **Sec. B-1. 36 MRSA §691, sub-§1, ¶A**, as amended by PL 2019, c. 379, Pt. A,
16 §4, is further amended to read:

17 A. "Eligible business equipment" means qualified property that, in the absence of
18 this subchapter, would first be subject to assessment under this Part on or after April
19 1, 2008. "Eligible business equipment" includes, without limitation, repair parts,
20 replacement parts, replacement equipment, additions, accessions and accessories to
21 other qualified property that first became subject to assessment under this Part before
22 April 1, 2008 if the part, addition, equipment, accession or accessory would, in the
23 absence of this subchapter, first be subject to assessment under this Part on or after
24 April 1, 2008. "Eligible business equipment" also includes inventory parts. "Eligible
25 business equipment" does not include property to the extent it is eligible for
26 exemption from property tax under section 652 any other provision of law.

27 "Eligible business equipment" does not include:

- 28 (1) Office furniture, including, without limitation, tables, chairs, desks,
29 bookcases, filing cabinets and modular office partitions;
- 30 (2) Lamps and lighting fixtures used primarily for the purpose of providing
31 general purpose office or worker lighting;
- 32 (3) Property owned or used by an excluded person;
- 33 (4) Telecommunications personal property subject to the tax imposed by section
34 457;
- 35 (5) Gambling machines or devices, including any device, machine, paraphernalia
36 or equipment that is used or usable in the playing phases of any gambling activity
37 as that term is defined in Title 8, section 1001, subsection 15, whether that
38 activity consists of gambling between persons or gambling by a person involving
39 the playing of a machine. "Gambling machines or devices" includes, without
40 limitation:

- 1 (a) Associated equipment as defined in Title 8, section 1001, subsection 2;
- 2 (b) Computer equipment used directly and primarily in the operation of a
- 3 slot machine as defined in Title 8, section 1001, subsection 39;
- 4 (c) An electronic video machine as defined in Title 17, section 1831,
- 5 subsection 4;
- 6 (d) Equipment used in the playing phases of lottery schemes; and
- 7 (e) Repair and replacement parts of a gambling machine or device;
- 8 (6) Property located at a retail sales facility and used primarily in a retail sales
- 9 activity unless the property is owned by a business that operates a retail sales
- 10 facility in the State exceeding 100,000 square feet of interior customer selling
- 11 space that is used primarily for retail sales and whose Maine-based operations
- 12 derive less than 30% of their total annual revenue on a calendar year basis from
- 13 sales that are made at a retail sales facility located in the State. For purposes of
- 14 this subparagraph, the following terms have the following meanings:
 - 15 (a) "Primarily" means more than 50% of the time;
 - 16 (b) "Retail sales activity" means an activity associated with the selection and
 - 17 retail purchase of goods or rental of tangible personal property. "Retail sales
 - 18 activity" does not include production as defined in section 1752, subsection
 - 19 9-B; and
 - 20 (c) "Retail sales facility" means a structure used to serve customers who are
 - 21 physically present at the facility for the purpose of selection and retail
 - 22 purchase of goods or rental of tangible personal property. "Retail sales
 - 23 facility" does not include a separate structure that is used as a warehouse or
 - 24 call center facility;
- 25 (7) Property that is not entitled to an exemption by reason of the additional
- 26 limitations imposed by subsection 2; or
- 27 (8) Personal property that would otherwise be entitled to exemption under this
- 28 subchapter used primarily to support a telecommunications antenna used by a
- 29 telecommunications business subject to the tax imposed by section 457.

30 **Sec. B-2. 36 MRSA §691, sub-§1, ¶F**, as enacted by PL 2005, c. 623, §1, is
31 amended to read:

- 32 F. "Qualified property" means tangible personal property that:
 - 33 (1) Is used or held for use exclusively for a business purpose by the person in
 - 34 possession of it or, in the case of construction in progress or inventory parts, is
 - 35 intended to be used exclusively for a business purpose by the person who will
 - 36 possess that property; and
 - 37 (2) Either:
 - 38 (a) Was subject to an allowance for depreciation under the Code on April 1st
 - 39 of the property tax year for which a claim for exemption under this
 - 40 subchapter is filed or would have been subject to an allowance for

1 depreciation under the Code as of that date but for the fact that the property
2 has been fully depreciated; or

3 (b) In the case of construction in progress or inventory parts, would be
4 subject under the Code to an allowance for depreciation when placed in
5 service or would have been subject to an allowance for depreciation under the
6 Code as of that date but for the fact that the property has been fully
7 depreciated.

8 "Qualified property" also includes all property that is affixed or attached to a building
9 or other real estate if the property is used primarily to further a particular trade or
10 business activity taking place in that building or on that real estate.

11 "Qualified property" does not include a building or components or attachments to a
12 building if they are used primarily to serve the building as a building, regardless of
13 the particular trade or activity taking place in or on the building. "Qualified property"
14 also does not include land improvements if they are used primarily to further the use
15 of the land as land, regardless of the particular trade or business activity taking place
16 in or on the land. In the case of construction in progress or inventory parts, the term
17 "used" means "intended to be used." "Qualified property" also does not include any
18 vehicle ~~registered for on-road use~~ on which a tax assessed pursuant to chapter 111
19 has been paid or any watercraft registered for use on state waters on which a tax
20 assessed pursuant to chapter 112 has been paid.

21 **PART C**

22 **Sec. C-1. 36 MRSA §5126-A, sub-§1**, as enacted by PL 2017, c. 474, Pt. B, §7,
23 is amended to read:

24 **1. Amount.** For income tax years beginning on or after January 1, 2018, a resident
25 individual is allowed a personal exemption deduction for the taxable year equal to
26 \$4,150, unless the individual may be claimed as a dependent on another return. A
27 resident individual is allowed an additional personal exemption deduction for the taxable
28 year equal to \$4,150 if the individual is married filing a joint return, ~~unless the~~ For
29 income tax years beginning on or after January 1, 2020, a resident individual is allowed
30 an additional personal exemption deduction for the taxable year equal to \$4,150 if the
31 individual is married and does not file a joint return, as long as the individual's spouse has
32 no federal gross income during the taxable year and, notwithstanding the suspension of
33 the exemption amount pursuant to the Code, Section 151(d)(5)(A), an exemption
34 deduction would be allowed for the individual's spouse under the Code for the taxable
35 year. No additional personal exemption deduction is allowed under this section if the
36 individual's spouse may be claimed as a dependent on another return. The deduction
37 allowed under this subsection is subject to the phase-out under subsection 2.

38 For purposes of this subsection, "dependent" has the same meaning as in the Code,
39 Section 152.

40 **Sec. C-2. 36 MRSA §5250-A, sub-§3, ¶C**, as amended by PL 1995, c. 639, §25,
41 is further amended to read:

1 C. The consideration for the property is less than \$50,000 or, for sales occurring on
2 or after January 1, 2021, less than \$100,000;

3 **PART D**

4 **Sec. D-1. 15 MRSA §1094, sub-§2-A**, as amended by PL 2019, c. 113, Pt. C,
5 §34, is further amended to read:

6 **2-A. Violation of unsecured preconviction bail.** If the court determines that an
7 offender has violated unsecured preconviction bail and that the violation is not excused,
8 the court shall enter an order of forfeiture of bail, which may not exceed the amount of
9 the unsecured bail previously set. The attorney for the State may take action to collect
10 the amount forfeited using measures authorized for the collection of unpaid restitution
11 under Title 17-A, section 2006, including, but not limited to, entering into agreements
12 with the offender for payment over a set period of time not to exceed one year. In order
13 to satisfy an order of forfeiture entered under this subsection, pursuant to Title 36, section
14 ~~5276-A~~ 185-A, the State Tax Assessor may withhold tax refunds owed to an offender.

15 **Sec. D-2. 19-A MRSA §105, sub-§4**, as enacted by PL 2005, c. 323, §1, is
16 amended to read:

17 **4. Interest; means of collection.** Awards under this section are subject to the
18 accumulation of statutory interest and may be collected by any means available under
19 law, including, but not limited to, remedies available under Title 14 and Title 36, section
20 ~~5276-A~~ 185-A. Additional fees may be assessed in appropriate cases when additional
21 fees are incurred for prosecuting collection actions.

22 **Sec. D-3. 19-A MRSA §2102**, as amended by PL 2005, c. 323, §14, is further
23 amended to read:

24 **§2102. Enforcement of rights**

25 The obligee may enforce the right of support against the obligor, and the State or any
26 political subdivision of the State may proceed on behalf of the obligee to enforce that
27 right of support against the obligor. When the State or a political subdivision of the State
28 furnishes support to an obligee, it has the same right as the obligee to whom the support
29 was furnished, for the purpose of securing an award for past support and of obtaining
30 continuing support. An award of attorney's fees may be collected by any means available
31 under the law, including, but not limited to, remedies available under Title 14 and Title
32 36, section ~~5276-A~~ 185-A.

33 **Sec. D-4. 19-A MRSA §2103, sub-§4**, as enacted by PL 1995, c. 694, Pt. B, §2
34 and affected by Pt. E, §2, is amended to read:

35 **4. Attorney's fees.** The Office of the Attorney General or attorneys acting under
36 Title 5, section 191 may seek appropriate attorney's fees at the prevailing community rate
37 for legal representation of individuals under this section. An award of attorney's fees may
38 be collected by any means available under the laws, including, but not limited to,
39 remedies available under Title 14 and Title 36, section ~~5276-A~~ 185-A.

1 **Sec. D-5. 22 MRSA §1714-A, sub-§7**, as corrected by RR 2007, c. 2, §8, is
2 amended to read:

3 **7. Other collection actions.** In addition to the other remedies provided in this
4 section, the department may seek collection of any debt established under subsection 2
5 pursuant to Title 14, chapter 502, Title 36, chapter 7 and Title 36, section ~~5276-A~~ 185-A.

6 A business entity, including a sole proprietorship, is considered out of business for the
7 purposes of the department's recovering indebtedness if, after reasonable investigation,
8 the department or its legal counsel has certified in writing that the business entity is no
9 longer conducting operations and that there is no realistic expectation of collecting any
10 significant money from the entity based upon one or more of the following conditions:

11 A. The business entity has ceased offering retail or wholesale goods and services to
12 the public;

13 B. Upon reasonable investigation, nonexempt assets of the business entity of
14 substantial value can not be identified or are otherwise unavailable for attachment
15 and recovery;

16 C. The business entity's physical location or locations of business are closed to the
17 public;

18 D. The business entity's corporate status is no longer in good standing;

19 E. The business entity has admitted that it has insufficient assets to satisfy the debt;

20 F. After reasonable investigation, the department or its counsel can not locate the
21 business entity or identify the debtor's nonexempt assets; and

22 G. The business entity has transferred substantially all of its business assets to a 3rd
23 party and there are no recoverable assets as a result of the transfer.

24 Certification by the department that a business entity is out of business under this
25 subsection does not preclude further collection and recovery procedures by the
26 department, whether to formally adjudicate the indebtedness or to proceed with collection
27 and recovery if the department becomes aware of facts that merit further recovery efforts.

28 **Sec. D-6. 36 MRSA §185-A** is enacted to read:

29 **§185-A. Setoff of refunds to debts owed to other agencies of the State**

30 **1. Generally.** An agency of the State, including the University of Maine System and
31 the Maine Community College System, that is authorized to collect from a person a
32 liquidated debt greater than \$25, referred to in this section as "the creditor agency," may
33 notify the State Tax Assessor in writing of the identity of the person and the amount of
34 the debt. The assessor shall then set aside, to the extent of that debt, any refund to which
35 the person is entitled under this Title. A liquidated child support debt that the Department
36 of Health and Human Services has contracted to collect, pursuant to Title 19-A, section
37 2103 or 2301, subsection 2, is eligible for setoff pursuant to this section.

38 **2. Notice and hearing.** At the time a setoff is made pursuant to this section, the
39 assessor shall provide notice to the person of the setoff and of the person's right to

1 request, within 60 days of receipt of notice of the setoff, a hearing before the creditor
2 agency. The hearing must be held in accordance with the Maine Administrative
3 Procedure Act and is limited to the issues of whether the person whose debt was set off is
4 the same person who is indebted to the creditor agency, whether the debt became
5 liquidated and whether any post-liquidation event has affected the liability.

6 **3. Transfer of proceeds.** After providing the notice required by subsection 2, the
7 assessor shall transfer the set-off refund amount to the creditor agency. The assessor
8 shall provide the creditor agency with information sufficient to identify each person
9 whose refund is set off pursuant to this section. If the person is an individual, the
10 information must include the individual's name, last known address and social security
11 number.

12 **4. Finalization of setoff; release of refund to person.** If the person fails to make a
13 timely request for hearing under subsection 2 or a hearing is held before the creditor
14 agency and a liquidated debt is determined to be due to that agency, the setoff is final
15 except as determined by further appeal. The creditor agency shall release to the person
16 any set-off refund amount determined after hearing not to be a liquidated debt due to the
17 agency within 90 days of the determination or as otherwise provided by the agency in an
18 adopted rule.

19 **5. Appeal.** The decision of the creditor agency seeking setoff pursuant to this
20 section as to the existence of a liquidated debt constitutes final agency action appealable
21 under the Maine Administrative Procedure Act.

22 **6. Accounting.** The creditor agency shall credit the account of a person whose
23 refund has been set off with the full amount transferred to the agency by the assessor
24 pursuant to this section.

25 **7. Priority.** If claims under this section from more than one agency are received by
26 the assessor with respect to one person, the assessor shall set off against the refund due
27 that person as many claims of the agencies as possible in the following order of priority:

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

30 B. Court-ordered restitution obligations;

31 C. Fines and fees owed to any of the courts; and

32 D. All other claims in the order of their receipt by the assessor.

33 **8. Disclosure of information.** In any civil or criminal action in which a fine, order
34 to pay or money judgment is entered in favor of the State or any agency or department of
35 the State, or in any action in which counsel is assigned for an indigent party, the court
36 may require the person so indebted to the State, agency or department, or the party for
37 whom counsel has been assigned, to provide financial information under oath and on such
38 forms as may be prepared by the Judicial Department, together with any other
39 information reasonably related to fulfilling the purposes of this section. In the case of an
40 individual debtor, the required information may include the individual's social security
41 number. The Judicial Department may disclose social security numbers and financial

1 information obtained in accordance with this subsection to agencies or departments of the
2 State and to private collection agencies working under contract for the State for the
3 purpose of collection of the amounts owed. A person who has access to or receives social
4 security numbers or other financial information under this subsection shall maintain the
5 confidentiality of the information and use it only for the purposes for which it was
6 disclosed.

7 **Sec. D-7. 36 MRSA §191, sub-§2, ¶J**, as amended by PL 1987, c. 19, §1 and c.
8 210, §1, is further amended to read:

9 J. The disclosure to a state agency seeking setoff of a liquidated debt against a tax
10 refund pursuant to section ~~5276-A~~ 185-A of information necessary to effectuate the
11 intent of that section;

12 **Sec. D-8. 36 MRSA §5276, sub-§1**, as amended by PL 2009, c. 361, §30, is
13 further amended to read:

14 **1. General rule.** The State Tax Assessor, within the applicable period of limitations,
15 may credit an overpayment of income tax, including an overpayment reported on a joint
16 return, and interest on the overpayment against any liability arising from a
17 redetermination pursuant to section 6211 or any liability in respect of any tax imposed
18 under this Title owed by the taxpayer, or by the taxpayer's spouse in the case of a joint
19 return. The balance, after any setoff pursuant to section ~~5276-A~~ 185-A or pursuant to an
20 agreement entered into under section 112, subsection 13, must be refunded by the
21 Treasurer of State. For purposes of this subsection, "any tax imposed under this Title"
22 includes monetary restitution ordered to be paid to the bureau as part of a sentence
23 imposed for a violation of this Title or Title 17-A.

24 **Sec. D-9. 36 MRSA §5276-A**, as amended by PL 2019, c. 113, Pt. C, §112, is
25 repealed.

26 **Sec. D-10. 36 MRSA §5279, sub-§4**, as amended by PL 2011, c. 1, Pt. EE, §3
27 and affected by §4, is further amended to read:

28 **4. Exceptions.** Notwithstanding subsection 1, interest may not be paid by the
29 assessor on an overpayment of the tax imposed by this Part that is refunded within 60
30 days after the last date prescribed, or permitted by extension of time, for filing the return
31 of that tax or within 60 days after the date the return requesting a refund of the
32 overpayment was filed, whichever is later. In addition, interest may not be paid with
33 respect to a period during which a refund is delayed pending resolution of a proposed
34 setoff under section ~~5276-A~~ 185-A.

35 PART E

36 **Sec. E-1. 5 MRSA §13083-S-1, sub-§4**, as enacted by PL 2009, c. 641, §9, is
37 amended to read:

38 **4. Certification by authority.** By February 15th of each year, beginning in 2011,
39 the authority shall provide a report identifying each employer located at the base area to

1 the commissioner. ~~The commissioner shall certify annually to the assessor on or before~~
2 ~~June 30th of each year, beginning in 2011, the following information: By April 15th of~~
3 ~~each year, beginning in 2021, each employer located at the base area shall report to the~~
4 ~~commissioner the number of employees employed at the base area during the~~
5 ~~immediately preceding calendar year, the state income taxes withheld for each of those~~
6 ~~employees and any further information the commissioner may reasonably require.~~

7 The commissioner shall certify annually to the assessor on or before June 1st of each year
8 the following information:

9 A. Employment, payroll and state withholding data necessary to calculate the base
10 level of employment;

11 B. The total number of employees added during the previous year within the base
12 area above the base level of employment, including additional associated payroll and
13 withholding data necessary to calculate the job tax increment and establish the
14 appropriate payment to the fund;

15 C. A listing of all employers within the base area that pay withholding taxes, the
16 locations of those employers and the number of employees at each location;

17 D. A listing of all affiliated businesses, data regarding current employment, payroll
18 and Maine income tax withholding for each affiliated business within the base area;
19 and

20 E. Any information required by the assessor to determine the job tax increment
21 pursuant to this section and the employment tax increment revenues pursuant to Title
22 36, chapter 917.

23 **Sec. E-2. 5 MRSA §13083-S-1, sub-§5**, as enacted by PL 2009, c. 641, §9, is
24 amended to read:

25 **5. Procedure for payment of revenue to the fund.** On or before July 15th of each
26 year, the assessor shall review the information required by subsection 4 and calculate the
27 job tax increment for the preceding calendar year. The assessor shall also calculate the
28 employment tax increment in the base area for reimbursement to qualified ~~businesses and~~
29 ~~qualified Pine Tree Development Zone~~ Maine Employment Tax Increment Financing
30 Program businesses pursuant to Title 36, chapter 917. ~~On or before~~ Between July 1st and
31 July 15th of each year, the assessor shall certify to the State Controller the total remaining
32 job tax increment after reimbursements have been made to qualified ~~businesses and~~
33 ~~qualified Pine Tree Development Zone~~ Maine Employment Tax Increment Financing
34 Program businesses pursuant to Title 36, chapter 917. On or before July 31st of each
35 year, the State Controller shall transfer 50% of the remaining job tax increment to the
36 state job tax increment contingent account established, maintained and administered by
37 the State Controller from General Fund undedicated revenue within the withholding tax
38 category. On or before July 31st of each year, the State Controller shall deposit this
39 revenue into the fund and distribute the payments pursuant to subsection 3.

40 **Sec. E-3. 30-A MRSA §5250-P, sub-§1**, as enacted by PL 2017, c. 440, §5, is
41 amended to read:

1 **1. Annual reports.** A qualified Pine Tree Development Zone business, ~~the State~~
2 ~~Tax Assessor~~ and the commissioner each shall report annually in accordance with this
3 subsection.

4 A. On or before ~~April 15th annually, beginning in 2019~~ March 15th of each year, a
5 qualified Pine Tree Development Zone business shall file a report with the
6 commissioner for the immediately preceding calendar year, referred to in this
7 subsection as "the report year," that contains the following information with such
8 additional information and on forms as the commissioner may require:

9 (1) The total number of Maine employees and total salary and wages for those
10 employees for the report year;

11 (2) The total number of qualified Pine Tree Development Zone employees and
12 total salary and wages for those employees for the report year;

13 (3) The number of qualified Pine Tree Development Zone employees hired
14 within the report year;

15 (4) The amount of investments made during the report year at the qualified Pine
16 Tree Development Zone business location or directly related to the qualified
17 business activity; and

18 (5) In aggregate, the estimated or total value of Pine Tree Development Zone
19 benefits received or claimed in the report year.

20 ~~B. On or before October 1st annually, beginning in 2019, the State Tax Assessor~~
21 ~~shall report to the commissioner and to the joint standing committees of the~~
22 ~~Legislature having jurisdiction over taxation and economic development matters the~~
23 ~~aggregate revenue loss to the State for the most recently completed state fiscal year~~
24 ~~resulting from Pine Tree Development Zone benefits under section 5250-I, subsection~~
25 ~~14, paragraphs B, C and D.~~

26 C. On or before June 1st annually, beginning in 2019, the commissioner shall report
27 to the joint standing committees of the Legislature having jurisdiction over taxation
28 and economic development matters information on qualified Pine Tree Development
29 Zone businesses, including, but not limited to:

30 (1) The names of qualified Pine Tree Development Zone businesses for the
31 report year;

32 (2) The estimated or total aggregate amount of Pine Tree Development Zone
33 benefits received by qualified Pine Tree Development Zone businesses in the
34 report year; and

35 (3) Aggregate information for each of the most recent 3 report years on:

36 (a) Employment levels for all Maine employees and for qualified Pine Tree
37 Development Zone employees and associated salary and wages for both
38 groups of employees;

39 (b) Average annual salary and wages and access to health insurance and
40 retirement benefits for all Maine employees and for qualified Pine Tree
41 Development Zone employees; and

1 (c) Amount of investment associated with the qualified Pine Tree
2 Development Zone business locations or directly related to the qualified
3 business activities.

4 **Sec. E-4. 36 MRSA §6758**, as amended by PL 2013, c. 67, §3, is further amended
5 to read:

6 **§6758. Procedure for reimbursement**

7 **1. Reporting by qualified businesses.** On or before ~~April~~ March 15th of each year,
8 each qualified business approved by the commissioner pursuant to this chapter shall
9 report the number of employees, ~~the state income taxes withheld~~ for the immediately
10 preceding calendar year, compensation and state income tax withholding information
11 with respect to each of those employees and any further information the commissioner or
12 State Tax Assessor may reasonably require.

13 **1-A. Reporting by commissioner.** The commissioner shall report annually to the
14 assessor on or before May 15th of each year any information reasonably required by the
15 assessor to determine the employment tax increment for each qualified business and the
16 reimbursement amount allowed pursuant to this chapter.

17 **2. Determination by assessor.** On or before June 30th of each year, the assessor
18 shall determine the employment tax increment of each qualified business for the
19 preceding calendar year. A qualified business may receive up to 80% of the employment
20 tax increment generated by that business as determined by the assessor, subject to the
21 further limitations in section 6754, subsection 2. That amount is referred to as "retained
22 employment tax increment revenues."

23 **3. Deposit and payment of revenue.** ~~On or before~~ Between July 1st and July 15th
24 of each year, the assessor shall certify to the State Controller the total retained
25 employment tax increment revenues for the preceding calendar year for approved
26 employment tax increment financing programs to be transferred to the state employment
27 tax increment contingent account established, maintained and administered by the State
28 Controller from General Fund undedicated revenue within the withholding tax category.
29 On or before July 31st of each year, the assessor shall pay to each approved qualified
30 business an amount equal to the retained employment tax increment revenues of that
31 qualified business for the preceding calendar year.

32 **4. Assignment of payments.** A qualified business may assign its right to payments
33 under this chapter to secure a loan from the Finance Authority of Maine, and such an
34 assignment, notwithstanding any contrary provision of law, is a legally valid assignment
35 binding upon the qualified business and its successors in interest. Upon notice of such an
36 assignment given to the assessor by the Finance Authority of Maine and written
37 confirmation of such an assignment signed by the qualified business, the assessor shall
38 pay to the Finance Authority of Maine any payments due to the qualified business
39 pursuant to this chapter and assigned to the Finance Authority of Maine until the Finance
40 Authority of Maine notifies the assessor that the assignment has been released.

1 **PART F**

2 **Sec. F-1. 28-A MRSA §707, sub-§1, ¶B**, as amended by PL 1997, c. 373, §68,
3 is further amended to read:

4 B. To the State for any tax, other than property tax, assessed and considered final
5 under Title 36 that the State Tax Assessor certifies, in accordance with Title 36,
6 section 172, as remaining unpaid in an amount exceeding \$1,000 for a period greater
7 than ~~60~~ 15 days after the applicant or licensee has received notice of the finality of
8 that tax; or

9 **Sec. F-2. 36 MRSA §172, first ¶**, as amended by PL 2011, c. 380, Pt. J, §7, is
10 further amended to read:

11 If any tax liability imposed under this Title that has become final, other than a
12 liability for a tax imposed under Part 2, remains unpaid in an amount exceeding \$1,000
13 for a period greater than ~~60~~ 15 days after the taxpayer has received notice of that finality
14 by personal service or certified mail, and the taxpayer fails to cooperate with the bureau
15 in establishing and remaining in compliance with a reasonable plan for liquidating that
16 liability, the State Tax Assessor shall certify the liability and lack of cooperation:

17 **PART G**

18 **Sec. G-1. 36 MRSA §141, sub-§1**, as amended by PL 2011, c. 380, Pt. J, §2, is
19 further amended to read:

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

36 **Sec. G-2. 36 MRSA §5231, sub-§1-A**, as amended by PL 2017, c. 211, Pt. D,
37 §11, is further amended to read:

38 **1-A. Federal extension.** When an individual, estate or trust is granted an extension
39 of time within which to file a federal income tax return for any taxable year, ~~the due date~~
40 ~~for filing~~ an extension to file the taxpayer's income tax return with respect to the tax

1 imposed by this Part after the date prescribed for filing the return is automatically
2 ~~extended~~ granted for an equivalent period. When a taxable corporation or a financial
3 institution subject to the tax imposed by chapter 819 is granted an extension of time
4 within which to file its federal income tax return for any taxable year, ~~the due date for~~
5 ~~filing~~ an extension to file the taxpayer's income tax or franchise tax return with respect to
6 the tax imposed by this Part after the date prescribed for filing the return is automatically
7 ~~extended~~ granted for an equivalent period.

8 **Sec. G-3. 36 MRSA §5278, sub-§1**, as amended by PL 2011, c. 1, Pt. DD, §3
9 and affected by §4, is further amended to read:

10 **1. General.** A claim for credit or refund of an overpayment of any tax imposed by
11 this Part must be filed by the taxpayer within 3 years from the date the return was filed,
12 whether or not the return was timely filed, or 3 years from the date the tax was paid,
13 whichever period expires later. A credit or refund may not be allowed after the expiration
14 of the period prescribed in this subsection unless a claim for credit or refund is filed by
15 the taxpayer within that period. For purposes of this subsection, a return filed before the
16 last day prescribed for the filing of a return is deemed to be filed on that last day,
17 determined without regard to any extension of time granted the taxpayer.

18 **Sec. G-4. 36 MRSA §5278, sub-§5, ¶A**, as amended by PL 2011, c. 1, Pt. DD,
19 §3 and affected by §4, is further amended to read:

20 A. If the claim for credit or refund relates to an overpayment of tax on account of the
21 deductibility by the taxpayer of a debt as a debt that became worthless or a loss from
22 worthlessness of a security or the effect that the deductibility of a debt or of a loss has
23 on the application to the taxpayer of a carry-over, the claim may be made within 7
24 years from the date prescribed by law for filing the return for the year with respect to
25 which the claim is made, determined without regard to any extension of time granted
26 the taxpayer; and

27 **Sec. G-5. Retroactivity.** This Part applies retroactively to tax years beginning on
28 or after January 1, 2017.

29 PART H

30 **Sec. H-1. 36 MRSA §4641-A, sub-§2, ¶B**, as enacted by PL 2001, c. 559, Pt. I,
31 §3 and affected by §15, is amended to read:

32 B. The tax is imposed 1/2 on the transferor and 1/2 on the transferee, but if the
33 transfer or acquisition is not reported to the ~~register of deeds in the county or counties~~
34 ~~in which the property is located~~ State Tax Assessor and the tax is not paid within 30
35 days of the completion of the transfer or acquisition, the transferor and the transferee
36 are jointly and severally liable for the full amount.

37 **Sec. H-2. 36 MRSA §4641-B**, as amended by PL 2017, c. 284, Pt. AAAAAA,
38 §1, is further amended to read:

1 **§4641-B. Collection**

2 **1. Transfer of real property by deed.** ~~The State Tax Assessor shall provide for the~~
3 ~~collection of the tax on the transfer of real property by deed by each register of deeds~~ A
4 ~~person transferring real property by deed shall report the transfer to the State Tax~~
5 ~~Assessor before the deed is offered for recordation on a return prescribed by the State Tax~~
6 ~~Assessor. The return must be accompanied by payment of the tax due. When any deed is~~
7 ~~offered for recordation, the register of deeds shall ascertain and compute the amount of~~
8 ~~tax due on the deed and shall collect that amount. The amount of tax must be computed~~
9 ~~on the value of the property as set forth in the declaration of value prescribed by section~~
10 ~~4641-D. Payment of tax must be evidenced by affixing an indicium of payment~~
11 ~~prescribed by the assessor to the declaration of value provided for in section 4641-D~~
12 ~~verify with the State Tax Assessor that the tax liability under this chapter is satisfied~~
13 ~~before recording the deed.~~

14 **2. Transfer or acquisition of controlling interest in entity with fee interest in**
15 **real property.** ~~A person transferring or acquiring a controlling interest in an entity with~~
16 ~~a fee interest in real property for which a deed is not given shall report the transfer or~~
17 ~~acquisition to the register of deeds in the county or counties in which the real property is~~
18 ~~located~~ State Tax Assessor ~~within 30 days of the transfer or acquisition on a return in the~~
19 ~~form of an affidavit furnished prescribed by the State Tax Assessor. The return must be~~
20 ~~signed by both the transferor and the transferee and accompanied by payment of the tax~~
21 ~~due. When the real property is located in more than one county, the tax must be divided~~
22 ~~among the counties in the same proportion in which the real property is distributed among~~
23 ~~the counties. Disputes between 2 or more counties as to the proper amount of tax due to~~
24 ~~them as a result of a particular transaction must be decided by the State Tax Assessor~~
25 ~~upon the written petition of an official authorized to act on behalf of any such county.~~

26 **3. Disposition of funds.** ~~Each register of deeds~~ The State Tax Assessor ~~shall, on or~~
27 ~~before the 10th 30th day of each month, pay over to the State Tax Assessor 90% registry~~
28 ~~of deeds 10% of the tax collected pursuant to this section during the previous month~~
29 ~~related to property located in that registry's jurisdiction, net of any amounts refunded to a~~
30 ~~taxpayer. The remaining 10% must be retained for the county by the register of deeds~~
31 ~~and accounted for to the county treasurer as reimbursement for services rendered by the~~
32 ~~county in collecting the tax. If the tax collected is not paid over by the 10th day of the~~
33 ~~month, the State Tax Assessor may impose interest pursuant to section 186~~ The register
34 ~~of deeds must transmit the book and page information for each deed recorded to the State~~
35 ~~Tax Assessor to receive the 10% of the tax paid related to property located in that~~
36 ~~registry's jurisdiction. Disputes between 2 or more registries as to the proper amount due~~
37 ~~to them as a result of a particular transaction must be decided by the State Tax Assessor~~
38 ~~upon the written petition of an official authorized to act on behalf of any such registry.~~

39 **4-B. Distribution of State's share of proceeds.** ~~The State Tax Assessor shall pay~~
40 ~~all net receipts received pursuant to this section to the Treasurer of State and shall at the~~
41 ~~same time provide the Treasurer of State with documentation showing the amount of~~
42 ~~revenues derived from the tax imposed by section 4641-A, subsection 1 and the amount~~
43 ~~of revenues derived from the tax imposed by section 4641-A, subsection 2.~~

1 A. In fiscal year 2011-12, the Treasurer of State shall credit the revenues derived
2 from the tax imposed pursuant to section 4641-A, subsection 1 in accordance with
3 this paragraph.

4 (1) At the beginning of the fiscal year, the Maine State Housing Authority shall
5 certify to the Treasurer of State the amount that is necessary and sufficient to
6 meet the authority's obligations relating to bonds issued or planned to be issued
7 by the authority under Title 30-A, section 4864.

8 (2) On a monthly basis the Treasurer of State shall apply 50% of the revenues in
9 accordance with this subparagraph. The Treasurer of State shall first pay
10 revenues available under this subparagraph to the Maine State Housing
11 Authority, which shall deposit the funds in the Maine Energy, Housing and
12 Economic Recovery Fund established in Title 30-A, section 4863, until the
13 amount paid equals the amount certified by the Maine State Housing Authority
14 under subparagraph (1), after which the Treasurer of State shall credit any
15 remaining revenues available under this subparagraph to the General Fund.

16 (3) On a monthly basis the Treasurer of State shall apply 50% of the revenues in
17 accordance with this subparagraph. The Treasurer of State shall first credit
18 \$3,830,000 of the revenues available under this subparagraph to the General
19 Fund, after which the Treasurer of State shall pay any remaining revenues
20 available under this subparagraph to the Maine State Housing Authority, which
21 shall deposit the funds in the Housing Opportunities for Maine Fund created in
22 Title 30-A, section 4853.

23 B. In fiscal year 2012-13, the Treasurer of State shall credit the revenues derived
24 from the tax imposed pursuant to section 4641-A, subsection 1 in accordance with
25 this paragraph.

26 (1) At the beginning of the fiscal year, the Maine State Housing Authority shall
27 certify to the Treasurer of State the amount that is necessary and sufficient to
28 meet the authority's obligations relating to bonds issued or planned to be issued
29 by the authority under Title 30-A, section 4864.

30 (2) On a monthly basis the Treasurer of State shall apply 50% of the revenues in
31 accordance with this subparagraph. The Treasurer of State shall first pay
32 revenues available under this subparagraph to the Maine State Housing
33 Authority, which shall deposit the funds in the Maine Energy, Housing and
34 Economic Recovery Fund established in Title 30-A, section 4863, until the
35 amount paid equals the amount certified by the Maine State Housing Authority
36 under subparagraph (1), after which the Treasurer of State shall credit any
37 remaining revenues available under this subparagraph to the General Fund.

38 (3) On a monthly basis the Treasurer of State shall apply 50% of the revenues in
39 accordance with this subparagraph. The Treasurer of State shall first credit
40 \$300,000 of the revenues available under this subparagraph to the Department of
41 Health and Human Services, Medical Care -- Payments to Providers, Other
42 Special Revenue Funds account and \$3,950,000 of the revenues available under
43 this subparagraph to the General Fund, after which the Treasurer of State shall
44 pay any remaining revenues available under this subparagraph to the Maine State

1 Housing Authority, which shall deposit the funds in the Housing Opportunities
2 for Maine Fund created in Title 30-A, section 4853.

3 ~~C. In fiscal year 2013-14, the Treasurer of State shall credit the revenues derived~~
4 ~~from the tax imposed pursuant to section 4641-A, subsection 1 in accordance with~~
5 ~~this paragraph.~~

6 ~~(1) At the beginning of the fiscal year, the Maine State Housing Authority shall~~
7 ~~certify to the Treasurer of State the amount that is necessary and sufficient to~~
8 ~~meet the authority's obligations relating to bonds issued or planned to be issued~~
9 ~~by the authority under Title 30-A, section 4864.~~

10 ~~(2) On a monthly basis the Treasurer of State shall apply 50% of the revenues in~~
11 ~~accordance with this subparagraph. The Treasurer of State shall first pay~~
12 ~~revenues available under this subparagraph to the Maine State Housing~~
13 ~~Authority, which shall deposit the funds in the Maine Energy, Housing and~~
14 ~~Economic Recovery Fund established in Title 30-A, section 4863, until the~~
15 ~~amount paid equals the amount certified by the Maine State Housing Authority~~
16 ~~under subparagraph (1), after which the Treasurer of State shall credit any~~
17 ~~remaining revenues available under this subparagraph to the General Fund.~~

18 ~~(3) On a monthly basis the Treasurer of State shall apply 50% of the revenues in~~
19 ~~accordance with this subparagraph. The Treasurer of State shall first credit~~
20 ~~\$2,710,964 of the revenues available under this subparagraph to the General~~
21 ~~Fund, after which the Treasurer of State shall pay any remaining revenues~~
22 ~~available under this subparagraph to the Maine State Housing Authority, which~~
23 ~~shall deposit the funds in the Housing Opportunities for Maine Fund created in~~
24 ~~Title 30-A, section 4853.~~

25 ~~D. In fiscal year 2014-15, the Treasurer of State shall credit the revenues derived~~
26 ~~from the tax imposed pursuant to section 4641-A, subsection 1 in accordance with~~
27 ~~this paragraph.~~

28 ~~(1) At the beginning of the fiscal year, the Maine State Housing Authority shall~~
29 ~~certify to the Treasurer of State the amount that is necessary and sufficient to~~
30 ~~meet the authority's obligations relating to bonds issued or planned to be issued~~
31 ~~by the authority under Title 30-A, section 4864.~~

32 ~~(2) On a monthly basis the Treasurer of State shall apply 50% of the revenues in~~
33 ~~accordance with this subparagraph. The Treasurer of State shall first pay~~
34 ~~revenues available under this subparagraph to the Maine State Housing~~
35 ~~Authority, which shall deposit the funds in the Maine Energy, Housing and~~
36 ~~Economic Recovery Fund established in Title 30-A, section 4863, until the~~
37 ~~amount paid equals the amount certified by the Maine State Housing Authority~~
38 ~~under subparagraph (1), after which the Treasurer of State shall credit any~~
39 ~~remaining revenues available under this subparagraph to the General Fund.~~

40 ~~(3) On a monthly basis the Treasurer of State shall apply 50% of the revenues in~~
41 ~~accordance with this subparagraph. The Treasurer of State shall first credit~~
42 ~~\$5,038,104 of the revenues available under this subparagraph to the General~~
43 ~~Fund, after which the Treasurer of State shall pay any remaining revenues~~
44 ~~available under this subparagraph to the Maine State Housing Authority, which~~

1 shall deposit the funds in the Housing Opportunities for Maine Fund created in
2 Title 30-A, section 4853.

3 E. In fiscal year 2015-16 and each fiscal year thereafter, the Treasurer of State shall
4 credit the revenues derived from the tax imposed pursuant to section 4641-A,
5 subsection 1 in accordance with this paragraph.

6 (1) At the beginning of the fiscal year, the Maine State Housing Authority shall
7 certify to the Treasurer of State the amount that is necessary and sufficient to
8 meet the authority's obligations relating to bonds issued or planned to be issued
9 by the authority under Title 30-A, section 4864.

10 (2) On a monthly basis the Treasurer of State shall apply 50% of the revenues in
11 accordance with this subparagraph. The Treasurer of State shall first pay
12 revenues available under this subparagraph to the Maine State Housing
13 Authority, which shall deposit the funds in the Maine Energy, Housing and
14 Economic Recovery Fund established in Title 30-A, section 4863, until the
15 amount paid equals the amount certified by the Maine State Housing Authority
16 under subparagraph (1), after which the Treasurer of State shall credit any
17 remaining revenues available under this subparagraph to the General Fund.

18 (3) On a monthly basis, the Treasurer of State shall credit 50% of the revenues to
19 the Maine State Housing Authority, except that, notwithstanding paragraph F, in
20 fiscal year 2015-16, the Treasurer of State shall first credit \$6,291,740 of the
21 revenues available under this subparagraph to the General Fund and except that,
22 notwithstanding paragraph F, in fiscal year 2016-17, the Treasurer of State shall
23 first credit \$6,090,367 of the revenues available under this subparagraph to the
24 General Fund and except that, notwithstanding paragraph F, in fiscal years
25 2017-18 and 2018-19, the Treasurer of State shall first credit \$2,500,000 of the
26 revenues available under this subparagraph to the General Fund. The Maine
27 State Housing Authority shall deposit the funds received pursuant to this
28 subparagraph in the Housing Opportunities for Maine Fund created in Title 30-A,
29 section 4853.

30 F. Neither the Governor nor the Legislature may divert the revenues payable to the
31 Housing Opportunities for Maine Fund to any other fund or for any other use. Any
32 proposal to enact or amend a law to allow distribution of less than 1/2 of the revenues
33 derived from the tax imposed by section 4641-A, subsection 1 to the Housing
34 Opportunities for Maine Fund established in Title 30-A, section 4853, as adjusted
35 under this subsection, must be submitted to the Legislative Council and to the joint
36 standing committee of the Legislature having jurisdiction over affordable housing
37 matters at least 30 days prior to any vote or public hearing on the proposal.

38 G. The Treasurer of State shall credit to the General Fund all of the revenues derived
39 from the tax imposed by section 4641-A, subsection 2.

40 ~~5. Dispute regarding amount. In the event of a dispute as to the correct amount of~~
41 ~~tax, the individual seeking to record the deed may request that the State Tax Assessor~~
42 ~~determine the correct amount of tax to be paid in order for the deed to be recorded.~~

1 **6. Transfer of tax on deeds of foreclosure or in lieu of foreclosure.**
2 Notwithstanding subsection 4-B, the State Tax Assessor shall monthly pay to the
3 Department of Professional and Financial Regulation, Bureau of Consumer Credit
4 Protection the revenues derived from the tax imposed on the transfer of real property
5 described in section 4641-C, subsection 2, paragraphs A and C.

6 **7. Assignment of rights in or connected with foreclosed real property.** A person
7 assigning rights in or connected with title to foreclosed real property for which a deed is
8 not given, including rights as high bidder at the public sale pursuant to Title 14, section
9 6323, shall report the assignment to the ~~register of deeds in the county or counties in~~
10 ~~which the real property is located~~ State Tax Assessor within 30 days of the assignment on
11 a return ~~in the form of an affidavit furnished~~ prescribed by the State Tax Assessor. The
12 State Tax Assessor shall provide for the collection of the tax in the same manner as in
13 subsection 1 as if the assignment were a transfer of real property by deed. The return
14 must be signed by both the transferor and the transferee and accompanied by payment of
15 the tax due. ~~When the real property is located in more than one county, the tax must be~~
16 ~~divided among the counties in the same proportion in which the real property is~~
17 ~~distributed among the counties. Disputes between 2 or more counties as to the proper~~
18 ~~amount of tax due to them as a result of a particular transaction must be decided by the~~
19 ~~State Tax Assessor upon the written petition of an official authorized to act on behalf of~~
20 ~~any such county.~~ This subsection applies to assignments made during the time between
21 the judgment of foreclosure and the transfer of the foreclosed real property by deed.

22 **Sec. H-3. 36 MRSA §4641-D**, as amended by PL 2019, c. 417, Pt. A, §109 and
23 affected by Pt. B, §14, is further amended to read:

24 **§4641-D. Declaration of value; return exemptions**

25 ~~Except as otherwise provided in this section, any deed, when offered for recording,~~
26 ~~and any report of a transfer of a controlling interest must be accompanied by a~~
27 ~~declaration, signed by the parties to the transaction or their authorized representatives,~~
28 ~~declaring the value of the property transferred and indicating the taxpayer identification~~
29 ~~numbers of the grantor and grantee~~ A return required pursuant to section 4641-B must
30 include a declaration of value in a form prescribed by the State Tax Assessor. The
31 declaration of value with regard to a transfer by deed must include evidence of
32 compliance with section 5250-A. The declaration of value must identify the value of the
33 real estate transferred and must identify the tax map and parcel number of the property
34 real estate transferred unless a tax map does not exist that includes that ~~property~~ real
35 estate, in which event the declaration must indicate that an appropriate tax map does not
36 exist. ~~The following are exempt from these requirements:~~

37 The State Tax Assessor, on or before the 20th day of the month following the month
38 of receipt, shall transmit each declaration of value to the assessor of the municipality or
39 the chief assessor of a primary assessing area in which the real estate is situated.

40 The following are exempt from the requirement to file a return pursuant to section
41 4641-B:

1 **1. Governmental conveyances.** Any conveyance by or to the United States of
2 America, the State of Maine or any of their instrumentalities, agencies or subdivisions.
3 For purposes of this subsection, only governmental entities are exempt from the
4 requirement to file a declaration of value;

5 **2. Mortgage.** Any mortgage or mortgage discharge;

6 **3. Partial release of mortgage.** Any partial release of a mortgage deed;

7 **4. Deed affecting previous deed.** Any deed that, without additional consideration,
8 confirms, corrects, modifies or supplements a previously recorded deed;

9 **6. Deed of distribution.** Any deed of distribution made pursuant to Title 18-C; and

10 **7. Transfer on death deed.** Any transfer on death deed under Title 18-C, Article 6,
11 Part 4.

12 If the transfer is exempt from the tax imposed by this chapter, the reason for the
13 exemption must be stated on the declaration of value.

14 ~~The declaration of value must be in a form prescribed by the State Tax Assessor, who~~
15 ~~shall provide an adequate supply of such forms to each register of deeds in the State. The~~
16 ~~State Tax Assessor shall prescribe a form for the declaration of value with regard to~~
17 ~~transfers of controlling interests subject to tax under this chapter. The State Tax~~
18 ~~Assessor, by rule, may establish grounds and procedures for waiver of the requirement~~
19 ~~that the taxpayer identification numbers of the grantor and grantee must be shown on the~~
20 ~~declaration of value. Rules adopted pursuant to this section are routine technical rules as~~
21 ~~defined in Title 5, chapter 375, subchapter 2-A.~~

22 ~~The register of deeds shall transmit the declaration of value to the State Tax Assessor~~
23 ~~not later than 40 days from the date of recordation of the deed or, in the case of a transfer~~
24 ~~of a controlling interest subject to tax under this chapter, no later than the 10th day of the~~
25 ~~month following the month in which the report of the transfer is received by the register~~
26 ~~of deeds.~~

27 ~~The State Tax Assessor shall, on or before the 20th day of the month following the~~
28 ~~month of receipt, transmit each declaration of value to the assessors of the municipality or~~
29 ~~the chief assessor of a primary assessing area in which the real estate is situated.~~

30 **Sec. H-4. 36 MRSA §4641-J**, as amended by PL 2001, c. 559, Pt. I, §12 and
31 affected by §15, is further amended to read:

32 **§4641-J. Recording without tax**

33 Any register of deeds who, upon recording any deed ~~or receiving a report of a~~
34 ~~transfer of a controlling interest upon which a tax is imposed by this chapter, fails to~~
35 ~~collect that tax or to obtain the declaration of value~~ confirm the tax liability has been
36 satisfied as required by this chapter and does so with the intent of defeating the purposes
37 of this chapter commits a civil violation for which a ~~forfeiture~~ fine not to exceed \$200
38 may be adjudged.

1 **Sec. H-5. Necessary computer systems infrastructure; future effective**
 2 **date.** The State Tax Assessor shall develop the computer systems infrastructure
 3 necessary to carry out this Part within 4 years of the enactment of this Act and shall
 4 certify to the Secretary of State and the Revisor of Statutes when the infrastructure is
 5 complete. The State Tax Assessor shall notify the joint standing committee of the
 6 Legislature having jurisdiction over taxation matters when that certification is made.
 7 This Part takes effect 90 days after the date of the State Tax Assessor's certification.

8 **PART I**

9 **Sec. I-1. 36 MRSA §5219-VV, sub-§1, ¶K,** as enacted by PL 2019, c. 386, §2,
 10 is amended to read:

11 K. "Qualified investment" means an ~~investment~~ expenditure of at least \$35,000,000
 12 to design, permit, construct, modify, equip or expand the applicant's facility in the
 13 State. The ~~investments expenditures~~ and activities of a qualified applicant and other
 14 entities that are members of the qualified applicant's unitary business ~~may~~ must be
 15 aggregated to determine whether a qualified investment has been made. A qualified
 16 investment does not include an ~~investment~~ expenditure made prior to April 1, 2019 or
 17 after December 31, 2024.

18 **Sec. I-2. 36 MRSA §5219-VV, sub-§2, ¶D,** as enacted by PL 2019, c. 386, §2,
 19 is amended to read:

20 D. The commissioner shall revoke a certificate of approval if the certified applicant
 21 or a person to whom a certificate of approval has been transferred pursuant to
 22 paragraph C fails to make a qualified investment within 5 years of the date of the
 23 certificate of approval. The commissioner shall revoke a certificate of approval or a
 24 certificate of completion under paragraph E if the applicant or transferee ceases
 25 operations of the facility in the State or the certificate of approval or certificate of
 26 completion is transferred to another person without approval from the commissioner
 27 pursuant to paragraph C. A certified applicant whose certificate of completion is
 28 revoked within 5 years after the date issued shall return ~~within 60 days following~~
 29 ~~revocation of the certificate~~ to the State an amount equal to the total credits claimed
 30 for all tax years under this section. A certified applicant whose certificate of
 31 completion is revoked during the period from 6 years after through 10 years after the
 32 date the certificate was issued shall return ~~within 60 days following revocation of the~~
 33 ~~certificate~~ to the State an amount equal to the total credits claimed under this section
 34 for the period from 6 years after through 10 years after the date the certificate was
 35 issued. The amount to be returned to the State under this paragraph is, for purposes
 36 of this Title, a tax subject to the collection and enforcement provisions contained in
 37 Part 1, including the application of applicable interest and penalties. The amount to
 38 be returned to the State must be added to the tax imposed on the taxpayer under this
 39 Part for the taxable year during which the certificate is revoked. An applicant whose
 40 certificate of approval or certificate of completion has been revoked pursuant to this
 41 paragraph is not eligible for the tax credit under this section for the tax year in which
 42 the certificate is revoked and any year after that.

1 15th of each year the number of employees employed at the base area during the
2 immediately preceding calendar year, the state income taxes withheld for each of those
3 employees and any other information as may be reasonably required by the department
4 for purposes of administering the program. It repeals the requirement that the State Tax
5 Assessor issue a Pine Tree Development Zone benefits report annually on October 1st.

6 Part E also changes the date by which businesses under the Maine Employment Tax
7 Increment Financing Program must report required information to the Department of
8 Economic and Community Development from April 15th of each year to March 15th of
9 each year. Part E also establishes May 15th of each year as the date by which the
10 department must provide information to the State Tax Assessor necessary for making
11 determinations of eligibility for reimbursement under the program.

12 Part F reduces from 60 days to 15 days the time that a taxpayer with a final tax
13 liability exceeding \$1,000 has to cooperate with Maine Revenue Services in a plan for
14 liquidating the tax liability before the State Tax Assessor may notify certain licensing
15 authorities of the taxpayer's lack of cooperation, thereby beginning the license revocation
16 process.

17 Part G specifies that the filing due date is the original due date, without regard to any
18 extension, for purposes of calculating the statute of limitations for assessments and
19 income tax refunds. This Part applies retroactively to tax years beginning on or after
20 January 1, 2017.

21 Part H makes changes to the real estate transfer tax imposed by Title 36, chapter
22 711-A, in order to require the filing of real estate transfer tax returns with the State Tax
23 Assessor and the payment of the tax to the State Tax Assessor instead of to the register of
24 deeds for the county in which the real estate being transferred is located. It requires the
25 register of deeds to verify with the State Tax Assessor that the tax liability imposed on the
26 transfer of real property is satisfied before recording the deed transferring the real estate.
27 It directs the State Tax Assessor to prescribe real estate transfer tax returns, removes the
28 statutory requirements to include signatures and taxpayer identification numbers on those
29 forms and clarifies that the value of the real estate transferred must be on the declaration
30 of value.

31 Part H also provides that the State Tax Assessor is required to develop the computer
32 systems infrastructure necessary to implement the changes made by this Part within 4
33 years; the changes made by this Part do not take effect until 90 days after the assessor
34 certifies that the computer systems have been developed.

35 Part I makes the following changes to the credit for major food processing and
36 manufacturing facility expansion.

- 37 1. It clarifies the definition of "qualified investment."
- 38 2. It clarifies the effect of a certificate revocation.
- 39 3. It changes the cumulative credit limit for a single certificate.
- 40 4. It clarifies a certified applicant's reporting requirements.