



# 128th MAINE LEGISLATURE

## SECOND REGULAR SESSION-2018

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Legislative Document

No. 1805

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S.P. 676

In Senate, January 25, 2018

### 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 203.

Reference to the Committee on Taxation suggested and ordered printed.

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

HEATHER J.R. PRIEST  
Secretary of the Senate

Presented by Senator DOW of Lincoln.

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

2 **PART A**

3 **Sec. A-1. 36 MRSA §1752, sub-§3-F** is enacted to read:

4 **3-F. Facilitation of the rental of living quarters.** "Facilitation of the rental of  
5 living quarters" means the operation of a transient rental platform for brokering,  
6 coordinating, collecting rental receipts for or in any way arranging for the rental of living  
7 quarters in any hotel, rooming house or tourist or trailer camp in this State.

8 **Sec. A-2. 36 MRSA §1752, sub-§11-B** is enacted to read:

9 **11-B. Room remarketer.** "Room remarketer" means a person who reserves,  
10 arranges for, offers, furnishes or collects or receives consideration for the rental of living  
11 quarters in this State, whether directly or indirectly, pursuant to a written or other  
12 agreement with the owner, manager or operator of a hotel, rooming house or tourist or  
13 trailer camp.

14 **Sec. A-3. 36 MRSA §1752, sub-§14, ¶A,** as amended by PL 2007, c. 627, §43,  
15 is further amended to read:

16 A. "Sale price" includes:

17 (1) Any consideration for services that are a part of a retail sale; ~~and~~

18 (2) All receipts, cash, credits and property of any kind or nature and any amount  
19 for which credit is allowed by the seller to the purchaser, without any deduction  
20 on account of the cost of the property sold, the cost of the materials used, labor or  
21 service cost, interest paid, losses or any other expenses; ~~and~~

22 (3) All consideration received for the rental of living quarters in this State or for  
23 facilitation of the rental of living quarters in this State, including any service  
24 charge or other charge or amount required to be paid as a condition for  
25 occupancy, valued in money, whether received in money or otherwise and  
26 whether received by the owner, occupant, manager or operator of the living  
27 quarters, by a room remarketer, by a person that operates a transient rental  
28 platform or by another person on behalf of any of those persons.

29 **Sec. A-4. 36 MRSA §1752, sub-§17-B,** as amended by PL 2013, c. 156, §2, is  
30 repealed and the following enacted in its place:

31 **17-B. Taxable service.** "Taxable service" means the:

32 A. Rental of living quarters in a hotel, rooming house or tourist or trailer camp;

33 B. Facilitation of the rental of living quarters;

34 C. Transmission and distribution of electricity;

35 D. Sale of prepaid calling service;

1 E. Rental or lease of an automobile, a camper trailer or a motor home, as defined in  
2 Title 29-A, section 101, subsection 40;

3 F. Rental or lease of a pickup truck or van with a gross vehicle weight of less than  
4 26,000 pounds from a person primarily engaged in the business of renting  
5 automobiles; and

6 G. Sale of an extended service contract on an automobile or truck that entitles the  
7 purchaser to specific benefits in the service of the automobile or truck for a specific  
8 duration.

9 **Sec. A-5. 36 MRSA §1752, sub-§20-C** is enacted to read:

10 **20-C. Transient rental platform.** "Transient rental platform" means an electronic  
11 or other system, including an Internet-based system, that allows the owner or occupant of  
12 living quarters in this State to offer the living quarters for rental and that provides a  
13 mechanism by which a person may arrange for the rental of the living quarters in  
14 exchange for payment to either the owner or occupant, to the operator of the system or to  
15 another person on behalf of the owner, occupant or operator.

16 **Sec. A-6. 36 MRSA §1754-B, sub-§1, ¶F**, as amended by PL 2005, c. 218, §19,  
17 is further amended to read:

18 F. Every person that manages or operates in the regular course of business or on a  
19 casual basis a hotel, rooming house or tourist or trailer camp in this State or that  
20 collects or receives rents ~~from~~ on behalf of a hotel, rooming house or tourist or trailer  
21 camp in this State;

22 **Sec. A-7. 36 MRSA §1754-B, sub-§1, ¶¶F-1 and F-2** are enacted to read:

23 F-1. Every person engaged in the facilitation of the rental of living quarters by means  
24 of operating a transient rental platform;

25 F-2. Every room remarketer;

26 **Sec. A-8. 36 MRSA §1811**, as amended by PL 2015, c. 267, Pt. OOOO, §5 and  
27 affected by §7 and amended by c. 300, Pt. A, §25, is repealed and the following enacted  
28 in its place:

29 **§1811. Sales tax**

30 **1. Tax imposed; rates.** A tax is imposed on the value of all tangible personal  
31 property, products transferred electronically and taxable services sold at retail in this  
32 State. Value is measured by the sale price, except as otherwise provided by this section.

33 A. For sales occurring on or after October 1, 2013 and before January 1, 2016, the  
34 rate of tax is 5.5% on the value of all tangible personal property and taxable services,  
35 except the rate of tax is:

36 (1) Eight percent on the value of prepared food;

1                   (2) Eight percent on the value of liquor sold in licensed establishments as  
2                   defined in Title 28-A, section 2, subsection 15, in accordance with Title 28-A,  
3                   chapter 43;

4                   (3) Eight percent on the value of rental of living quarters in any hotel, rooming  
5                   house or tourist or trailer camp; and

6                   (4) Ten percent on the value of rental for a period of less than one year of an  
7                   automobile, of a pickup truck or van with a gross vehicle weight of less than  
8                   26,000 pounds rented from a person primarily engaged in the business of renting  
9                   automobiles or of a loaner vehicle that is provided other than to a motor vehicle  
10                  dealer's service customers pursuant to a manufacturer's or dealer's warranty.

11                  B. For sales occurring on or after January 1, 2016 and before October 1, 2018, the  
12                  rate of tax is 5.5% on the value of all tangible personal property and taxable services,  
13                  except the rate of tax is:

14                   (1) Eight percent on the value of prepared food;

15                   (2) Eight percent on the value of liquor sold in licensed establishments as  
16                   defined in Title 28-A, section 2, subsection 15, in accordance with Title 28-A,  
17                   chapter 43;

18                   (3) Nine percent on the value of rental of living quarters in any hotel, rooming  
19                   house or tourist or trailer camp; and

20                   (4) Ten percent on the value of rental for a period of less than one year of an  
21                   automobile, of a pickup truck or van with a gross vehicle weight of less than  
22                   26,000 pounds rented from a person primarily engaged in the business of renting  
23                   automobiles or of a loaner vehicle that is provided other than to a motor vehicle  
24                   dealer's service customers pursuant to a manufacturer's or dealer's warranty.

25                  C. For sales occurring on or after October 1, 2018, the rate of tax is 5.5% on the  
26                  value of all tangible personal property and taxable services, except the rate of tax is:

27                   (1) Eight percent on the value of prepared food;

28                   (2) Eight percent on the value of liquor sold in licensed establishments as  
29                   defined in Title 28-A, section 2, subsection 15, in accordance with Title 28-A,  
30                   chapter 43;

31                   (3) Nine percent on the value of rental of living quarters in any hotel, rooming  
32                   house or tourist or trailer camp;

33                   (4) Nine percent on the value of the facilitation of the rental of living quarters;  
34                   and

35                   (5) Ten percent on the value of rental for a period of less than one year of an  
36                   automobile, of a pickup truck or van with a gross vehicle weight of less than  
37                   26,000 pounds rented from a person primarily engaged in the business of renting  
38                   automobiles or of a loaner vehicle that is provided other than to a motor vehicle  
39                   dealer's service customers pursuant to a manufacturer's or dealer's warranty.

40                  **2. Value of automobile rentals.** The value of the rental or lease of an automobile is  
41                  determined pursuant to this subsection.

1 A. The value of rental for a period of less than one year of an automobile or of a  
2 pickup truck or van with a gross vehicle weight of less than 26,000 pounds rented  
3 from a person primarily engaged in the business of renting automobiles is the total  
4 rental charged to the lessee and includes, but is not limited to, maintenance and  
5 service contracts, drop-off or pick-up fees, airport surcharges, mileage fees and any  
6 separately itemized charges on the rental agreement to recover the owner's estimated  
7 costs of the charges imposed by government authority for title fees, inspection fees,  
8 local excise tax and agent fees on all vehicles in its rental fleet registered in the State.  
9 All fees must be disclosed when an estimated quote is provided to the lessee.

10 B. The value of the rental or lease of an automobile for one year or more is:  
11 (1) The total monthly lease payment multiplied by the number of payments in  
12 the lease or rental;  
13 (2) The amount of equity involved in any trade-in; and  
14 (3) The value of any cash down payment.

15 Collection and remittance of the tax is the responsibility of the person that negotiates the  
16 lease transaction with the lessee.

17 **3. Public utility sales; tax added to rates.** The tax imposed upon the sale and  
18 distribution of gas, water or electricity by any public utility, the rates for which sale and  
19 distribution are established by the Public Utilities Commission, must be added to the rates  
20 so established.

21 **4. Products transferred electronically; sourcing.** A product transferred  
22 electronically is sold in this State if:

- 23 A. The product is delivered electronically to a purchaser located in this State;  
24 B. The product is received by the purchaser at the seller's location in this State;  
25 C. A Maine billing address is provided by the purchaser in connection with the  
26 transaction; or  
27 D. A Maine billing address is indicated in the seller's business records.

28 **Sec. A-9. Application.** Those sections of this Part that enact the Maine Revised  
29 Statutes, Title 36, section 1752, subsections 3-F, 11-B and 20-C and Title 36, section  
30 1754-B, subsection 1, paragraphs F-1 and F-2, that amend Title 36, section 1752,  
31 subsection 14, paragraph A and that repeal and replace Title 36, section 1752, subsection  
32 17-B apply to sales occurring on or after October 1, 2018.

33 **PART B**

34 **Sec. B-1. 36 MRSA §§2521-D and 2521-E** are enacted to read:

35 **§2521-D. Limitation on credit or refund**

36 If a claim for credit or refund of an overpayment of any tax imposed by this chapter is  
37 filed by the taxpayer, the amount of the credit or refund may not exceed the portion of the  
38 tax that was paid within the 3 years immediately preceding the filing of the claim plus the

1 period of any extension of time for filing the return. If a claim is not filed, any credit or  
2 refund allowed upon an audit of the taxpayer may not exceed the amount that would be  
3 allowable under this section if a claim had been filed by the taxpayer on the date the  
4 credit or refund is allowed upon the audit.

5 **§2521-E. Interest on overpayment**

6 **1. General.** Interest at the rate determined pursuant to section 186 must be paid on  
7 any refund of an overpayment of the tax imposed by this chapter from the date the return  
8 requesting a refund of the overpayment was filed or the date the payment was made,  
9 whichever is later.

10 **2. Date of return or payment.** For purposes of this section:

11 A. A return that is filed before the last day prescribed for the filing of a return is  
12 deemed to be filed on that last day, determined without regard to any extension of  
13 time granted the taxpayer; and

14 B. A tax that is paid by the taxpayer before the last day prescribed for its payment or  
15 paid by the taxpayer as estimated tax for a taxable year is deemed to have been paid  
16 on the last day prescribed for its payment.

17 **3. Exceptions.** Notwithstanding subsection 1, interest may not be paid by the  
18 assessor on an overpayment of the tax imposed by this chapter that is refunded within 60  
19 days after the last date prescribed, or permitted by extension of time, for filing the return  
20 of that tax or within 60 days after the date the return requesting a refund of the  
21 overpayment was filed, whichever is later.

22 **PART C**

23 **Sec. C-1. 36 MRSA §5122, sub-§2, ¶E,** as amended by PL 1999, c. 414, §40  
24 and affected by §57 and amended by PL 2007, c. 58, §3, is further amended to read:

25 E. Pick-up contributions paid to the taxpayer by the Maine Public Employees  
26 Retirement System or distributed as the result of a rollover, whether or not included  
27 in federal adjusted gross income, that have been previously taxed under this Part. For  
28 tax years beginning on or after January 1, 2018, in the case of a distribution as a  
29 result of a rollover, the modification allowed under this paragraph may be subtracted  
30 fully or in part during the tax year of the rollover. Any amount not subtracted in the  
31 tax year of the rollover may be subtracted within the 2 tax years immediately  
32 following the year of the rollover, except that the total amount subtracted over the  
33 3-year period may not exceed the pick-up contributions that have been previously  
34 taxed under this Part during that 3-year period;

35 **Sec. C-2. 36 MRSA §5219-PP, sub-§4,** as enacted by PL 2017, c. 211, Pt. D,  
36 §10, is amended to read:

37 **4. Limitations; carry-forward.** The credit under this section must be taken in the  
38 taxable year in which the qualified expenditures were incurred the certification required  
39 by subsection 3 is made by the Maine State Housing Authority, except that the credit  
40 claimed for any taxable year beginning on or after January 1, 2018 may not include

1 qualified expenditures for which a credit has been claimed for a tax year beginning in  
2 2017. The credit allowed under this section may not reduce the tax otherwise due under  
3 this Part to less than zero. Any unused portion of the credit may be carried forward to the  
4 following year or years for a period not to exceed 4 years.

5 **Sec. C-3. Application.** That section of this Part that amends the Maine Revised  
6 Statutes, Title 36, section 5219-PP, subsection 4 applies to tax years beginning on or after  
7 January 1, 2018.

## 8 **PART D**

9 **Sec. D-1. 36 MRSA §191, sub-§2, ¶DDD,** as enacted by PL 2017, c. 284, Pt.  
10 UUUU, §16, is reallocated to 36 MRSA §191, sub-§2, ¶EEE.

11 **Sec. D-2. 36 MRSA §191, sub-§2, ¶DDD,** as enacted by PL 2017, c. 297, §1, is  
12 repealed and the following enacted in its place:

13 DDD. The disclosure to the joint standing committee of the Legislature having  
14 jurisdiction over taxation matters pursuant to section 5219-QQ, subsection 4,  
15 paragraph B of the revenue loss due to refundable credits attributable to each  
16 taxpayer claiming the tax credit for major business headquarters expansions provided  
17 under that section, regardless of the number of persons eligible for the credit. For  
18 purposes of this paragraph, "revenue loss" has the same meaning as in section  
19 5219-QQ, subsection 4, paragraph B.

20 **Sec. D-3. 36 MRSA §5219-QQ, sub-§2, ¶E,** as enacted by PL 2017, c. 297, §2,  
21 is amended to read:

22 E. The commissioner must revoke a certificate of approval if the certified applicant  
23 or a person to whom a certificate of approval has been transferred pursuant to  
24 paragraph D fails to make a qualified investment within 5 years of the date of the  
25 certificate of approval. The commissioner shall revoke a certificate of approval or a  
26 certificate of completion if the applicant or transferee ceases operations of the  
27 headquarters in the State or the certificate of approval or certificate of completion is  
28 transferred to another person without approval from the commissioner pursuant to  
29 paragraph D. A certified applicant whose certificate of completion is revoked within  
30 5 years after the date issued shall ~~within 60 days following revocation of the~~  
31 ~~certificate~~ return to the State an amount equal to the total credits claimed for all tax  
32 years under this section. A certified applicant whose certificate of completion is  
33 revoked during the period from 6 years after through 10 years after the date the  
34 certificate was issued shall ~~within 60 days following revocation of the certificate~~  
35 return to the State an amount equal to the total credits claimed under this section for  
36 the period from 6 years after through 10 years after the date the certificate was issued.  
37 The amount to be returned to the State under this paragraph is, for purposes of this  
38 Title, a tax subject to the collection and enforcement provisions contained in Part 1,  
39 including the application of applicable interest and penalties. The amount to be  
40 returned to the State must be added to the tax imposed on the taxpayer under this Part  
41 for the taxable year during which the certificate is revoked.

1           **Sec. D-4. 36 MRSA §5219-QQ, sub-§§3 and 4**, as enacted by PL 2017, c. 297,  
2           §2, are amended to read:

3           **3. Refundable credit allowed.** A qualified certified applicant who has received a  
4           certificate of completion is allowed a credit as provided in this subsection.

5           A. Subject to the limitations under paragraph B, beginning with the tax year during  
6           which the certificate of completion is issued or the tax year beginning in 2020,  
7           whichever is later, and for each of the following 19 tax years, a certified applicant is  
8           allowed a credit against the tax due under this Part for the taxable year in an amount  
9           equal to 2% of the certified applicant's qualified investment. The credit allowed  
10          under this paragraph is refundable.

11          B. The credit under this subsection is limited as follows:

12           (1) A credit is not allowed for any tax year during which the taxpayer does not  
13           meet or exceed the following employment targets as measured on the last day of  
14           the tax year.

15                   (a) For each of the first 10 tax years for which the credit is claimed, there  
16                   must be a total of at least 80 additional full-time employees based in the State  
17                   whose jobs were added since the first day of the first tax year for which the  
18                   credit was claimed multiplied by the number of years for which the credit has  
19                   been claimed, including the tax year for which the credit is currently being  
20                   claimed.

21                   (b) For each tax year after the 10th tax year for which the credit is claimed,  
22                   the taxpayer must employ a total of at least 800 additional full-time  
23                   employees based in the State whose jobs were added since the first day of the  
24                   first tax year for which the credit was claimed.

25           Jobs for additional full-time employees that are counted for determining  
26           eligibility for the credit under one certificate of completion may not be counted  
27           for determining eligibility for the credit under a separate certificate of  
28           completion. For purposes of this paragraph, "additional full-time employees"  
29           does not include employees who are shifted to a certified applicant's headquarters  
30           in the State from an affiliated business in the State. The commissioner shall  
31           determine whether a shifting of employees has occurred. For purposes of this  
32           paragraph, "affiliated business" has the same meaning as in section 6753,  
33           subsection 1-A.

34           (2) Cumulative credits under this subsection may not exceed \$16,000,000 under  
35           any one certificate.

36           **4. Reporting required.** A certified applicant ~~and~~, the commissioner and the State  
37           Tax Assessor are required to make reports pursuant to this subsection.

38           A. On or before March 1st of each year, a certified applicant shall file a report with  
39           the commissioner for the tax year ending during the immediately preceding calendar  
40           year, referred to in this ~~paragraph~~ subsection as "the report year," containing the  
41           following information:



1 (1) The number of full-time employees based in this State of the certified  
2 applicant on the last day of the tax year ending during the calendar year  
3 immediately preceding the report year; and

4 (2) The incremental amount of qualified investment made in the report year.

5 The commissioner may prescribe forms for the annual report described in this  
6 paragraph. The commissioner shall provide copies of the report to the State Tax  
7 Assessor and to the joint standing committee of the Legislature having jurisdiction  
8 over taxation matters at the time the report is received.

9 ~~B. By April 1st December 31st of each year, the commissioner shall report to the~~  
10 ~~joint standing committee of the Legislature having jurisdiction over taxation matters~~  
11 ~~aggregate data on employment levels and qualified investment amounts of certified~~  
12 ~~applicants for each year, and the State Tax Assessor shall report to the joint standing~~  
13 ~~committee of the Legislature having jurisdiction over taxation matters the revenue~~  
14 ~~loss during the previous calendar report year, including the loss due to refundable~~  
15 ~~credits, as a result of this section for each taxpayer claiming the credit and, if~~  
16 ~~necessary, shall include updated revenue loss amounts for any previous tax year. For~~  
17 ~~purposes of this paragraph, "revenue loss" means the credit claimed by the taxpayer~~  
18 ~~and allowed pursuant to this section, consisting of the amount of the credit used to~~  
19 ~~reduce the tax liability of the taxpayer and the amount of the credit refunded to the~~  
20 ~~taxpayer.~~

21 Notwithstanding any other provision of law to the contrary, the reports provided under  
22 this subsection are public records as defined in Title 1, section 402, subsection 3.

23 **Sec. D-5. 36 MRSA §5219-QQ, sub-§5** is enacted to read:

24 **5. Rules.** The commissioner and the State Tax Assessor may adopt routine technical  
25 rules pursuant to Title 5, chapter 375, subchapter 2-A for implementation of the credit  
26 under this section, including, but not limited to, rules for determining and certifying  
27 eligibility. The commissioner may also by rule establish fees for obligations under this  
28 section. Any fees collected pursuant to this section must be deposited into a special  
29 revenue account administered by the commissioner, and those fees may be used only to  
30 defray the actual costs of administering the credit under this section.

## 31 PART E

32 **Sec. E-1. 23 MRSA §4210-B, sub-§7-A**, as amended by PL 2011, c. 649, Pt. E,  
33 §2, is further amended to read:

34 **7-A. Sales tax revenue.** Beginning July 1, 2012 and every July 1st thereafter, the  
35 State Controller shall transfer to the Multimodal Transportation Fund an amount, as  
36 certified by the State Tax Assessor, that is equivalent to 100% of the revenue from the tax  
37 imposed on the value of rental of a pickup truck or van with a gross weight of less than  
38 26,000 pounds rented from a person primarily engaged in the business of renting  
39 automobiles and the value of rental for a period of less than one year of an automobile  
40 pursuant to Title 36, section 1811 for the first 6 months of the prior fiscal year after the  
41 reduction for the transfer to the Local Government Fund as described by Title 30-A,  
42 section 5681, subsection 5. Beginning on October 1, 2012 and every October 1st

1 thereafter, the State Controller shall transfer to the Multimodal Transportation Fund an  
2 amount, as certified by the State Tax Assessor, that is equivalent to 100% of the revenue  
3 from the tax imposed on the value of rental of a pickup truck or van with a gross weight  
4 of less than 26,000 pounds rented from a person primarily engaged in the business of  
5 renting automobiles and the value of rental for a period of less than one year of an  
6 automobile pursuant to Title 36, section 1811 for the last 6 months of the prior fiscal year  
7 after the reduction for the transfer to the Local Government Fund as described by Title  
8 30-A, section 5681, subsection 5. The tax amount must be based on actual sales for that  
9 fiscal year and may not consider any accruals that may be required by law.

## 10 PART F

11 **Sec. F-1. 36 MRSA §1282**, as amended by PL 1991, c. 846, §13, is further  
12 amended by adding after the 5th paragraph a new paragraph to read:

13 A discharge of a tax lien mortgage given after the right of redemption has expired  
14 that has been recorded by the State Tax Assessor in the registry of deeds has the force and  
15 effect of a discharge given and recorded before the right of redemption has expired,  
16 unless the State has conveyed any interest based upon the title acquired from the affected  
17 lien. This paragraph applies to discharges of tax lien mortgages given after October 1,  
18 1935.

19 **Sec. F-2. 36 MRSA §1283, 2nd ¶**, as amended by PL 1999, c. 414, §14 and PL  
20 2011, c. 657, Pt. W, §6, is further amended to read:

21 ~~The State Tax Assessor, whenever~~ Whenever the State acquires title to real estate  
22 under this subchapter, except real estate that is a permanent residence, as defined in  
23 section 681, the State Tax Assessor shall cause an inventory to be made of all the real  
24 estate. The inventory must contain a description of the real estate, amount of accrued  
25 taxes by years and any other information necessary in the administration and supervision  
26 of the real estate. A copy of the inventory must be furnished to the Commissioner of  
27 Agriculture, Conservation and Forestry and the Commissioner of Inland Fisheries and  
28 Wildlife prior to the convening of the Legislature. The assessor shall report annually to  
29 the Legislature not later than 15 days after it convenes. The report must contain a copy of  
30 the inventory of real estate then owned by the State and such recommendations as to the  
31 disposition of this real estate the assessor, the Commissioner of Agriculture, Conservation  
32 and Forestry and the Commissioner of Inland Fisheries and Wildlife may wish to make.  
33 Whenever the State acquires title to real estate that is a permanent residence, as defined in  
34 section 681, the State Tax Assessor may cause an inventory to be made of that real estate;  
35 that inventory must comply with the requirements of this paragraph.

36 **Sec. F-3. 36 MRSA §1283, 3rd ¶**, as amended by PL 1967, c. 271, §8, is further  
37 amended to read:

38 The State Tax Assessor shall, after authorization by the Legislature, sell and convey  
39 any such real estate; but shall in all cases of sales, except sales to the former owners of  
40 the real estate, give public notice of the proposal to sell such real estate and shall ask for  
41 competitive bids and shall sell to the highest bidder, with the right of rejecting all bids.  
42 ~~No sales~~ Sales of such real estate or any stumpage ~~thereon shall~~ on that real estate may

1 not be made by the State Tax Assessor except by authorization of the Legislature.  
2 Notwithstanding any provisions of this chapter to the contrary, if the State Tax Assessor  
3 has not yet conveyed such real estate, the State Tax Assessor may convey the real estate  
4 to the prior owner under the authorization of this section if the tax, interest and costs are  
5 satisfied by way of full payment, compromise or abatement.

6 **Sec. F-4. Retroactivity.** This Part applies retroactively to October 1, 1935.

## 7 **PART G**

8 **Sec. G-1. 36 MRSA §191, sub-§2, ¶SS,** as amended by PL 2011, c. 548, §11, is  
9 further amended to read:

10 SS. The disclosure of information to the Finance Authority of Maine necessary for  
11 the administration of the new markets capital investment credit in ~~sections~~ section  
12 2533 and 5219-HH and to the ~~Commissioner of Administrative and Financial~~  
13 ~~Services~~ as necessary for the execution of the memorandum of agreement pursuant to  
14 ~~section 5219-HH, subsection 3;~~

15 **Sec. G-2. 36 MRSA §5219-HH, sub-§3,** as enacted by PL 2011, c. 548, §33 and  
16 affected by §35, is repealed.

## 17 **SUMMARY**

18 This bill does the following:

19 Part A expands the provision for sellers required to register to collect and report sales  
20 taxes to include online real property rental platforms and those engaged in the facilitation  
21 of the rental of living quarters. Definitions for "room remarketer," "transient rental  
22 platform" and "facilitation of the rental of living quarters" are added. The definition of  
23 "sale price" is amended to include as consideration receipts by room remarketers and  
24 transient rental platform operators. The definition of "taxable service" is amended to  
25 include facilitation of the rental of living quarters in a hotel, rooming house or tourist or  
26 trailer camp. It restructures and reorganizes the section of law specifying the rate of sales  
27 tax. The clarification regarding the registration requirements for the rental of living  
28 quarters takes effect 90 days after adjournment of the Second Regular Session of the  
29 128th Legislature. The changes apply to sales occurring on or after October 1, 2018;

30 Part B:

31 1. Limits insurance premium tax refunds to the amount of tax paid within the 3-year  
32 period immediately preceding the filing of a refund claim or audit. The provision is  
33 similar to that provided with respect to income tax refund claims; and

34 2. Prohibits the payment of interest on an overpayment of insurance premiums tax if  
35 the overpayment is refunded by the State Tax Assessor within 60 days of the taxpayer's  
36 filing of the claim with Maine Revenue Services. The provision is similar to that  
37 provided with respect to income tax refund claims;

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Part C:

1. Allows the subtraction of pick-up contributions distributed to the taxpayer by the Maine Public Employees Retirement System in the form of a rollover from taxable income within 3 years beginning with the year of the rollover. The change applies to tax years beginning on or after January 1, 2018; and

2. Makes the credit for homestead modifications available in the tax year during which the certification of eligibility is made. Current law ties the credit to the year during which the qualified expenditures are paid, but the credit may be claimed only once the Maine State Housing Authority certifies to the State Tax Assessor that the expenditures incurred qualify for the credit. The change applies to tax years beginning on or after January 1, 2018;

Part D makes the following changes to the tax credit for major business headquarters expansions. It:

1. Clarifies that the information regarding revenue loss attributable to the tax credit reported by the State Tax Assessor to the joint standing committee of the Legislature having jurisdiction over taxation matters is not confidential taxpayer information. It also corrects a numbering conflict created when 2 public laws enacted the Maine Revised Statutes, Title 36, section 191, subsection 2, paragraph DDD;

2. Clarifies that a revocation of a certificate of approval or a certificate of completion due to ceasing operations of the headquarters also applies to a certificate held by a transferee;

3. Clarifies that the credit is available only to a certified applicant who has received a certificate of completion;

4. Clarifies that the required job threshold calculation includes the tax year for which the credit is currently being claimed, in addition to the tax years for which the credit has been claimed;

5. Clarifies that the amount recovered by the State when a certificate is revoked is a tax due in the taxable year during which the certificate is revoked and is subject to the collection and enforcement provisions contained in Title 36, Part 1, including the application of applicable interest and penalties;

6. Provides that, when determining the number of employees for eligibility for the credit, employees who are shifted to a qualified applicant's headquarters from an affiliated business in the State are not counted;

7. Removes the requirement that the Commissioner of Economic and Community Development report to the joint standing committee of the Legislature having jurisdiction over taxation matters aggregate data on employment levels and qualified investment amounts of certified applicants for each year;

1           8. Delays the State Tax Assessor's yearly reporting requirement until December 31st  
2 and clarifies that the report is for the tax year ending during the immediately preceding  
3 calendar year;

4           9. Defines the term "revenue loss" for the purposes of the State Tax Assessor's yearly  
5 reporting requirement and the confidentiality exception applying to the report; and

6           10. Adds rule-making authority for the commissioner and the State Tax Assessor;

7           Part E clarifies that the amount of sales tax revenue transferred to the Multimodal  
8 Transportation Fund is calculated after a reduction for the amount transferred to the Local  
9 Government Fund is made;

10          Part F aligns certain parts of the Unorganized Territory Educational and Services Tax  
11 lien foreclosure process with the municipal tax lien foreclosure process retroactively to  
12 October 1, 1935. It:

13           1. Authorizes the State Tax Assessor to issue a discharge of a tax lien mortgage on  
14 real estate after the prior owner's right of redemption has expired, unless the State has  
15 conveyed any interest based upon the title acquired from the affected lien;

16           2. Allows the State Tax Assessor to not perform certain inventory and reporting  
17 procedures with respect to real estate that is a permanent residence that has been acquired  
18 by the State through the tax lien foreclosure process; and

19           3. Authorizes the State Tax Assessor to convey real estate acquired by the State  
20 through the tax lien foreclosure process to the prior owner without further legislative  
21 authorization if the tax due on the real estate has been satisfied; and

22          Part G makes a technical clarification by repealing the provision regarding the new  
23 markets capital investment credit requiring the Commissioner of Administrative and  
24 Financial Services to enter into a memorandum of agreement. The memorandum is a  
25 nonbinding document with no substantive legal effect.