

MAINE STATE LEGISLATURE

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115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

Legislative Document

No. 1750

H.P. 1197

House of Representatives, April 30, 1991

Submitted by the Department of Finance pursuant to Joint Rule 24.
Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Ed Pert".

EDWIN H. PERT, Clerk

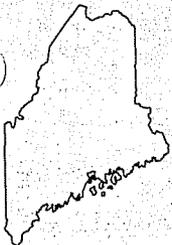
Presented by Representative BUTLAND of Cumberland.
Cosponsored by Representative KUTASI of Bridgton.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND NINETY-ONE

An Act Concerning Technical Changes to the Tax Laws.

(EMERGENCY)



2 and territories of the United States and of the provinces of
4 Canada for use in administration and enforcement of the tax
6 laws of those jurisdictions. The information may be given
8 only ~~en--the--written--request--of~~ to the duly authorized
10 officer when the officer's government permits a
12 substantially similar exchange of information with the
14 taxing officials of this State and when the government
16 provides for the secrecy of information in a manner
18 substantially similar to the manner set out in this section;

20 **Sec. 6. 36 MRSA §581, first ¶**, as amended by PL 1979, c. 445,
22 **§1**, is further amended to read:

24 If the assessor determines that land subject to this
26 subchapter no longer meets the requirements of this subchapter,
28 the assessor may must withdraw the parcel from taxation under
30 this subchapter. The owner of land subject to this subchapter
may at any time request withdrawal of any parcel, or portion
thereof, from taxation under this subchapter by certifying to the
assessor that the land is no longer to be classified under this
subchapter.

32 **Sec. 7. 36 MRSA §611, first ¶** is amended to read:

34 Machinery and other personal property brought into this
36 State, after April 1st and prior to December 31st ~~by--any--person~~
~~upon--whom~~ on which no personal property tax was assessed en as of
April 1st in the State of Maine, shall must be taxed as other
personal property in the town in which it is used for the first
time in this State.

38 **Sec. 8. 36 MRSA §655, sub-§1, ¶L**, as amended by PL 1973, c.
40 613, **§21**, is amended to read:

42 L. Registered snowmobiles as defined in Title 12, section
44 1971 7821, subsection 5.

46 **Sec. 9. 36 MRSA §656, sub-§1, ¶C**, as amended by PL 1983, c.
48 777, **§4**, is further amended to read:

50 C. The landing area of a privately owned airport, the use
52 of which is approved by the ~~Bureau--of--Aeronautics~~ Air
Transportation Division, ~~shall--be~~ is exempt from taxation
when the owner grants free use of that landing area to the
public.

Sec. 10. 36 MRSA §1102, sub-§8, as enacted by PL 1975, c. 726,
§2, is amended to read:

8. Pastureland. "Pastureland" means the combined acreage
within a farm unit of land devoted to the production of forage
plants used for annual animal production.

2 tax or within 3 months after the return listing the overpayment
3 was filed, whichever is later, no interest shall-be is allowed
4 under this section. In addition, no interest may-be is allowed
5 with respect to the period during which a refund is delayed
6 pending resolution of a proposed setoff under section 5276-A.

7 **Emergency clause.** In view of the emergency cited in the
8 preamble, this Act takes effect when approved.

10 **STATEMENT OF FACT**

11 This bill makes technical amendments to various laws
12 concerning taxation. This bill:

13 Allows the State Tax Assessor to charge uniform fees for the
14 provision of materials and services;

15 Extends the sales tax trust fund provision to include solid
16 waste disposal fees;

17 Provides standards for the State Tax Assessor to use in
18 waiving and abating penalties;

19 Clarifies that exchange of information agreements may
20 provide for regular or periodic exchanges;

21 Requires the assessor to withdraw land from taxation under
22 the Maine Tree Growth Tax Law if it no longer meets the
23 requirements of that law;

24 Clarifies that the property tax on equipment brought into
25 the State is on the property rather than on the owner;

26 Updates statutory references to a repealed section;

27 Changes a reference to "Bureau of Aeronautics" to "Air
28 Transportation Division";

29 Corrects a reference to "annual production" to read "animal
30 production";

31 Accords frozen yogurt the same sales tax treatment as ice
32 cream and deletes a redundant reference to popsicles;

33 Deletes an obsolete reference to ethanol blended fuel;

34 Repeals the sales tax exemption on sales of Bibles, recently
35 ruled unconstitutional, and other books, literature and utensils
36 of worship used on and by established churches for religious
37 instruction and prayer;

2 Clarifies the applicability of an amendment to the sales tax
exemption for certain rentals;

4
6 Deletes an unnecessary definition of watercraft;

8 Amends the Maine Revised Statutes, Title 36, section 1764 to
reflect the current judicial interpretation of that law;

10 Updates a reference to "rental" to read "service";

12 Clarifies a reference to a section of the United States
Internal Revenue Code for estate tax purposes;

14
16 Removes a requirement for the filing of tentative estate tax
returns;

18 Amends the solid waste disposal fee to reflect the Bureau of
Taxation construction exempting any item when sold as part of a
20 sale of mobile home or motor vehicle;

22 Conforms the income tax laws to Bureau of Taxation practice
by bringing the filing requirements for S corporations into
24 conformity with the Internal Revenue Code;

26 Preserves the consistent interpretation of the income tax
laws treating "taxpayer" as an individual corporation rather than
28 a unitary group and rejects the interpretation adopted by
California in In Re Finnigan;

30
32 Repeals an obsolete section relating to solid waste
reduction investment tax credit;

34 Amends the income tax laws to reflect the bureau's
construction allowing the pass-through of tax credits to partners
36 and S corporation shareholders;

38 Replaces the Maine Revised Statutes, Title 36, section 5243
with a section that more clearly expresses the requirements for
40 filing amended Maine income tax returns;

42 Clarifies the status of offsets of tax refunds made on joint
returns; and

44
46 Clarifies that "return" in Title 36, section 5279,
subsection 4 means the amended return and not the original return.