

MAINE STATE LEGISLATURE

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TAXATION

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**STATE OF MAINE
SENATE
118TH LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "A" to S.P. 793, L.D. 2120, Bill, "An Act Concerning Technical Changes to the Tax Laws"

Amend the bill by inserting before section 1 the following:

'Sec. 1. 10 MRSA §1305, as enacted by PL 1997, c. 352, §1, is amended to read:

§1305. Terminal rental adjustment clauses; vehicle leases that are not sales or security interests

Notwithstanding any other provision of law, in the case of motor vehicles or trailers, a transaction does not create a sale or security interest merely because the agreement provides that the rental price is permitted or required to be adjusted upward or downward by reference to the amount realized upon sale or other disposition of the motor vehicle or trailer. A transaction may be considered a sale for purposes of Title 36.

Further amend the bill in section 1 in subsection 2 in the 3rd line (page 1, line 25 in L.D.) by striking out the following: "tax returns, including quarterly" and inserting in its place the following: '~~tax-returns,-including-quarterly~~'

Further amend the bill by inserting after section 2 the following:

'Sec. 3. 26 MRSA §979-A, sub-§6, ¶J, as amended by PL 1989, c. 654, §3 and affected by §13, is further amended to read:

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2 G. The amount subject to a penalty imposed by subsections
1, 2 and 4-A; and subsection 5-A is de minimis when
4 considered in relation to the amount otherwise properly
paid, the reason for the failure to file or pay and the
6 taxpayer's compliance history.

8 The burden of establishing grounds for waiver or abatement is on
the taxpayer.

10 Sec. 7. 36 MRSA §191, sub-§1, as enacted by PL 1977, c. 668,
§2, is amended to read:

12
14 1. Basic prohibition. It is unlawful for any public
official or any employee or agent of the bureau to inspect
willfully any return or examine information contained on any
return, for any purpose other than the conduct of official
duties. Except as otherwise provided by law, it shall-be is
18 unlawful for any person who, pursuant to this Title, has been
permitted to receive or view any portion of the original or a
20 copy of any report, return or other information provided pursuant
to this Title to divulge or make known in any manner any
22 information set forth in any of those documents or obtained from
examination or inspection under this Title of the premises or
24 property of any taxpayer. This prohibition applies to both state
tax information and federal tax information filed as part of a
26 state tax return.'

28 Further amend the bill in section 5 in that part designated
"§193." in the first paragraph in the next to last line (page 2,
30 line 35 in L.D.) by striking out the following: "major
substantive" and inserting in its place the following: 'major
32 substantive routine technical'

34 Further amend the bill by inserting after section 5 the
following:

36
38 'Sec. 6. 36 MRSA §582-A, as enacted by PL 1979, c. 666, §18,
is repealed.'

40 Further amend the bill by inserting after section 7 the
following:

42
44 'Sec. 8. 36 MRSA §1752, sub-§18-A, as amended by PL 1995, c.
477, §1, is further amended to read:

46 18-A. **Telephone or telegraph service.** "Telephone or
48 telegraph service" means all telecommunications or telegraph
service, including installation or use of telecommunication or
telegraphic equipment, but not including telecommunications or
50 telegraph service originating or terminating outside this State.

2
4 **FISCAL NOTE**

6 This bill will have no significant net impact on state tax revenues.

8 This bill may increase prosecutions for Class E and Class D crimes. If a jail sentence is imposed, the additional costs to the counties are estimated to be \$86.45 per day per prisoner. These costs are not reimbursed by the State. The number of prosecutions that may result in a jail sentence and the resulting costs to the county jail system are expected to be insignificant.

14 The additional workload, administrative costs and indigent defense costs associated with the minimal number of new cases filed in the court system can be absorbed within the budgeted resources of the Judicial Department. The collection of additional fines may also increase General Fund revenue by minor amounts.

22 Extending the time period for validity of a low cost drugs for the elderly card will not have a significant net impact on either the Department of Human Services or the Bureau of Revenue Services.

26
28 **SUMMARY**

30 This amendment makes corrections to the original bill and adds additional technical corrections, clarifications and minor substantive changes.

34 The amendment also adds a fiscal note to the bill.