

**§4109. Extension of time for payment of estate tax when estate consists largely of interest in closely held business**

**1. Deferred payment arrangement.** If the United States Internal Revenue Service has approved a federal estate tax deferral and installment payment arrangement under the Code, Section 6166, the personal representative may elect a similar deferred payment arrangement under this section for payment of the tax imposed by this chapter, subject to acceptance by the assessor. The assessor may approve a deferral and installment arrangement under similar circumstances and on similar terms with respect to an estate of a decedent dying after December 31, 2012 that does not incur a federal estate tax.

[PL 2013, c. 546, §12 (AMD).]

**2. Time and manner of election; rejection by assessor.** An election under this section may be made by attaching a payment deferral election in a form prescribed by the assessor to a timely filed Maine estate tax return, in addition to any documentation required by section 4107 and copies of all documentation required by the United States Internal Revenue Service and submitted in support of a federal payment deferral. Documentation submitted to the assessor must clearly indicate the amount of Maine estate tax and interest to be paid in installments; the number of separate installments; and the due date of each installment payment. The assessor may reject the election. An election not rejected in writing by the assessor within 60 days after the election is made is considered accepted.

[PL 2011, c. 380, Pt. M, §9 (NEW).]

**3. Interest and penalties.** The amount of Maine estate tax deferred under this section is subject to interest pursuant to section 186. Interest payable on the unpaid tax attributable to a 5-year deferral period pursuant to the Code, Section 6166 must be paid annually. Interest payable on any unpaid tax attributable to any period after the 5-year deferral period must be paid annually at the same time as, and as part of, each installment payment of the tax. If any payment of principal or interest under this section is not made on or before the due date, the penalties provided by section 187-B apply.

[PL 2011, c. 380, Pt. M, §9 (NEW).]

**SECTION HISTORY**

PL 2011, c. 380, Pt. M, §9 (NEW). PL 2013, c. 546, §12 (AMD).

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