

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

An Act To Establish a Voluntary Tax Account

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

Sec. 1. 1 MRSA §534, sub-§5, ¶L, as amended by PL 2003, c. 406, §7, is further amended to read:

~~L. Report annually beginning January 1, 1999~~ by January 1st to the joint standing committee of the Legislature having jurisdiction over state government matters. The report must include a complete list of services offered through the InforME system, the fees associated with services and the criteria used to determine which services are offered as premium services. ~~In its January 1, 1999 report, the board must also include an analysis of the feasibility of offering premium services at no charge to depository libraries or other libraries in the State~~ The report must also include the annual contributions to the Tax ME More Fund established pursuant to Title 5, section 3307-G; and

Sec. 2. 1 MRSA §534, sub-§5, ¶M, as enacted by PL 2003, c. 406, §8, is amended to read:

M. Authorize the network manager to collect funds pursuant to section 533, subsection 10 for information and electronic services provided and transactions conducted electronically; and

Sec. 3. 1 MRSA §534, sub-§5, ¶N is enacted to read:

N. Develop and implement a mechanism to accept contributions to the Tax ME More Fund established pursuant to Title 5, section 3307-G using the State's publicly accessible site on the Internet. Contributors must be allowed the option of dedicating contributions to specific departments.

Sec. 4. 5 MRSA §3307-G is enacted to read:

§ 3307-G. Tax ME More Fund

1. Purpose. The Tax ME More Fund, referred to in this section as “the fund,” is established to provide additional financial support for state programs.

2. Source of funds. The fund receives money deposited pursuant to Title 1, section 534 and money deposited by the Treasurer of State pursuant to Title 36, section 5291, subsection 2.

3. Transfers. The director shall on or before the close of each fiscal year transfer funds that have been designated for contribution to a specific department of the State under section 5291, subsection 1 and Title 1, section 534 out of the fund to a dedicated account within the designated department to support the operations of that department.

4. Unspecified funds. Any funds deposited in the fund that are not designated for the benefit of a specific department must be transferred to a dedicated account within the Department of Administrative and Financial Services to support operations of the State.

Sec. 5. 36 MRSA §5291 is enacted to read:

§ 5291. Tax ME More Fund voluntary checkoff

1. Tax ME More Fund. A taxpayer who, when filing a return, is entitled to a refund under this Part may designate that a part of that refund be paid into the Tax ME More Fund established in Title 5, section 3307-G. A taxpayer who is not entitled to a refund under this Part may contribute to the Tax ME More Fund by including with that taxpayer's return sufficient funds to make the contribution. Each individual income tax return form must contain a designation in substantially the following form: "Contribution to Tax ME More Fund: ()\$5, ()\$10, () \$25 or () Other \$..." The return form must provide the taxpayer the option of further dedicating the contribution to a specific department.

2. Contributions credited to Tax ME More Fund. The State Tax Assessor shall determine annually the total amount contributed pursuant to subsection 1. Prior to the beginning of the next year, the assessor shall deduct the cost of administering the Tax ME More Fund checkoff, but not exceeding \$5,000 annually, and report the remainder to the Treasurer of State, who shall credit that amount to the Tax ME More Fund established in Title 5, section 3307-G.

Sec. 6. Application date. That section of this Act that enacts the Maine Revised Statutes, Title 36, section 5291 applies to tax years beginning on or after January 1, 2008.

SUMMARY

This bill establishes the Tax ME More Fund to provide funding assistance to the State. It authorizes a voluntary Tax ME More Fund checkoff on the individual income tax form to allow a taxpayer to donate a portion of a tax refund or make a donation with the tax return.

This bill also requires the InforME Board to develop a method to accept contributions to the Tax ME More Fund using the State's website.