An Act Concerning Technical Changes to the Tax Laws

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

Sec. 1. 29-A MRSA §525, sub-§2, as amended by PL 1999, c. 414, §1, is further amended to read:

2. Exceptions. A person operating a vehicle on a public way, subject to Title 36, chapter ~~457 or~~ 459 shall obtain a fuel use identification decal for that vehicle, except for:

A. A vehicle owned and operated by government agencies;

B. A vehicle legally operating with dealer registration plates;

C. A recreational vehicle;

D. An authorized emergency vehicle registered in another jurisdiction and operating in response to a declared emergency; or

E. A vehicle legally licensed for fuel use reporting under the International Fuel Tax Agreement.

Sec. 2. 29-A MRSA §525, sub-§10, as amended by PL 2001, c. 463, §1 and affected by §7, is further amended to read:

10. Suspension. If a person fails to file a fuel tax report or to pay any taxes, interest, penalties or audit assessment as required pursuant to Title 36, chapter ~~457 or~~ 459 or any rule adopted pursuant to this section, the Secretary of State shall suspend the person's fuel tax license, all fuel decals issued to the person and that person's privilege to operate as a motor carrier. In order to be reinstated, the person must file all delinquent tax returns and pay all assessments, interest and penalties. In addition, the person must pay a $35 reinstatement fee pursuant to section 2486, subsection 1.

Sec. 3. 29-A MRSA §2458, sub-§2, ¶T, as enacted by PL 2005, c. 433, §24 and affected by §28, is amended to read:

T. Has failed to comply with the provisions of Title 36, chapter ~~457 or~~ 459; or

Sec. 4. 36 MRSA §113, sub-§2, ¶A, as enacted by PL 1999, c. 708, §5, is amended to read:

A. The collection of delinquent taxes imposed by this Title; and

Sec. 5. 36 MRSA §113, sub-§2, ¶B, as enacted by PL 1999, c. 708, §5, is amended to read:

B. The collection of property taxes in the unorganized territory~~; and~~.

Sec. 6. 36 MRSA §113, sub-§2, ¶C, as enacted by PL 1999, c. 708, §5, is repealed.

Sec. 7. 36 MRSA §135, sub-§1, as amended by PL 2001, c. 396, §3, is further amended to read:

1. Taxpayers. Persons subject to tax under this Title shall maintain such records as the State Tax Assessor determines necessary for the reasonable administration of this Title. Records pertaining to taxes imposed by chapters 371 and 575 and by Part 8 must be retained as long as is required by applicable federal law and regulation. Records pertaining to the special fuel tax user ~~reports~~returns filed pursuant to section 3209, subsection 2 and the International Fuel Tax Agreement pursuant to section 3209, subsection 1-B must be retained for 4 years. Records pertaining to all other taxes imposed by this Title must be retained for a period of at least 6 years. The records must be kept in such a manner as to ensure their security and accessibility for inspection by the assessor or any designated agent engaged in the administration of this Title.

Sec. 8. 36 MRSA §177, sub-§3, as amended by PL 1999, c. 414, §8, is further amended to read:

3. Notice to segregate. Whenever the State Tax Assessor finds that the payment of the trust funds established under subsection 1 will be jeopardized by delay, neglect or misappropriation or whenever any person fails to make payment of taxes or file ~~reports~~returns as required by Part 3, or by chapter 451, 459 or 827, the assessor may direct that person to segregate the trust funds from and not to commingle them with any other funds or assets of that person. All taxes that are collected after receipt of the notice of the segregation requirement must be paid on account to the assessor until the taxes are due. The assessor shall establish in the segregation notice the manner in which the taxes are to be paid. The segregation requirement remains in effect until a notice of cancellation is given by the assessor.

Sec. 9. 36 MRSA §187-B, sub-§1, ¶B, as amended by PL 1999, c. 521, Pt. A, §2, is further amended to read:

B. If the return is not filed within 30 days after the taxpayer receives from the assessor a formal demand that the return be filed, the penalty is 100% of the tax due. The 30-day period provided by this paragraph is extended for up to 120 days if the taxpayer requests an extension in writing prior to the expiration of the 30-day period.

Sec. 10. 36 MRSA §191, sub-§2, ¶EE, as enacted by PL 2005, c. 332, §9, is amended to read:

EE. The disclosure by the State Tax Assessor of the fact that a person has or has not been issued a certificate of exemption pursuant to section 1760, 2013 or 2557, a provisional resale certificate pursuant to section 1754-B, subsection 2-B or a resale certificate pursuant to section 1754-B, subsection 2-C;

Sec. 11. 36 MRSA §306, sub-§3, as repealed and replaced by PL 1975, c. 545, §7, is amended to read:

3. Municipal assessing unit. "Municipal assessing unit" ~~shall mean any~~means a municipality ~~choosing~~that has chosen not to be designated by the ~~Bureau of Property Taxation~~State Tax Assessor as a primary assessing area, either single unit or district member.

Sec. 12. 36 MRSA §574-B, first ¶, as enacted by PL 1989, c. 555, §16, is amended to read:

An owner of a parcel containing forest land may apply at the landowner's election by filing with the assessor the schedule provided for in section 579~~;~~, except that this subchapter ~~shall~~does not apply to any parcel containing less than 10 acres of forest land. For purposes of this subchapter, a parcel is deemed to include a unit of real estate, notwithstanding that it is divided by a road, way, railroad or pipeline, or by a municipal or county line. The election to apply ~~shall require~~requires the ~~unanimous~~written consent of all owners of an interest in a parcel~~, except for the State, which is not subject to taxation hereunder~~.

Sec. 13. 36 MRSA §577, sub-§1, as amended by PL 1973, c. 308, §6, is repealed.

Sec. 14. 36 MRSA §577, sub-§2, as amended by PL 1973, c. 308, §6, is further amended to read:

2. Destruction by natural disaster. In the case of forest land areas upon which~~, at any time after January 1, 1972~~ the trees are destroyed by fire, disease, insect~~,~~ infestation or other natural disaster, so that the area contains not more than 3 cords per acre of wood ~~which~~that is merchantable for forest products, the valuation of that specific land area ~~shall~~must be reduced by 75% for the first 10 property tax years following the loss.

Sec. 15. 36 MRSA §577, sub-§3, as amended by PL 1973, c. 308, §6, is further amended to read:

3. Procedure to obtain reduced valuation. In order to obtain a reduced valuation, the landowner ~~shall make~~must submit a written request to the assessor on or before January 1st the preceding tax year, presenting facts in affidavit form ~~which~~that meet ~~either of~~ the ~~foregoing~~ requirements of subsection 2. The assessor may investigate the facts, utilizing the procedures set forth in section 579, and shall then determine whether the requirements ~~for reduced valuation~~of subsection 2 are met. If the requirements are met, ~~such~~the forest land areas ~~shall~~must be ~~assessed on the reduced basis herein~~valued as provided in subsection 2.

Sec. 16. 36 MRSA §578, sub-§1, as amended by PL 2005, c. 457, Pt. CCC, §1, is further amended to read:

1. Organized areas. The municipal assessors or chief assessor of a primary assessing area shall adjust the State Tax Assessor's 100% valuation per acre for each forest type of their county by whatever ratio, or percentage of current just value, is applied to other property within the municipality to obtain the assessed values. Forest land in the organized areas, subject to taxation under this subchapter, must be taxed at the property tax rate applicable to other property in the municipality.

The State Tax Assessor shall determine annually the amount of acreage in each municipality that is classified and taxed in accordance with this subchapter. Each ~~such~~ municipality is entitled to annual payments from money appropriated by the Legislature if it submits an annual return in accordance with section 383 and if it achieves the ~~appropriate~~ minimum assessment ratio ~~described~~established in section 327. The State Tax Assessor shall pay any municipal claim found to be in satisfactory form by August 1st of the year following the submission of the annual return. The per acre reimbursement is 90% of the per acre tax revenue lost as a result of this subchapter. For purposes of this section, the tax lost is the tax that would have been assessed, but for this subchapter, on the classified forest lands if they were assessed

according to the undeveloped acreage valuations used in the state valuation then in effect, or according to the current local valuation on undeveloped acreage, whichever is less, minus the tax that was actually assessed on the same lands in accordance with this subchapter. A municipality that fails to achieve the minimum assessment ratio established in section 327 loses 10% of the reimbursement provided by this section for each one percentage point the minimum assessment ratio falls below the ratio established in section 327.

~~No~~A municipality may not receive a reimbursement payment under this section that would exceed an amount determined by calculating the tree growth tax loss less the municipal savings in educational costs attributable to reduced state valuation. The State Tax Assessor shall adopt rules necessary to implement the provisions of this section. Rules adopted pursuant to this subsection are routine technical rules for the purposes of Title 5, chapter 375, subchapter 2-A.

~~A. The tree growth tax loss is the adjusted tax that would have been assessed, but for this subchapter, on the classified forest lands if they were assessed according to the undeveloped acreage valuations used in the state valuation then in effect minus the tax that was actually assessed on the same lands in accordance with this subchapter.~~

~~In determining the adjusted tax that would have been assessed, the tax rate to be used is computed by adding the additional school support required by the modified state valuation attributable to the increased valuation of forest land to the original tax committed and dividing this sum by the modified total municipal valuation. The adjusted tax rate is then applied to the valuation of forest land based on the undeveloped acreage valuations, adjusted by the certified ratio, to determine the adjusted tax.~~

~~B. The municipal savings in educational costs is determined by multiplying the school subsidy index by the change in state valuation attributable to the use of the valuations determined in accordance with this subchapter on classified forest lands rather than their valuation using the undeveloped acreage valuations used in the state valuation then in effect.~~

Sec. 17. 36 MRSA §579, 2nd ¶, as enacted by PL 1981, c. 625, §3, is repealed.

Sec. 18. 36 MRSA §581, as amended by PL 1993, c. 452, §5, is repealed and the following enacted in its place:

§ 581. Withdrawal

1. Assessor determination; owner request. If the assessor determines that land subject to this subchapter no longer meets the requirements of this subchapter, the assessor must withdraw the land from taxation under this subchapter. An owner of land subject to this subchapter may at any time request withdrawal of that land from taxation under this subchapter by certifying in writing to the assessor that the land is no longer to be classified under this subchapter.

2. Withdrawal of portion. In the case of withdrawal of a portion of a parcel, the owner, as a condition of withdrawal, shall file with the assessor a plan showing the area withdrawn and the area remaining subject to taxation under this subchapter. In the case of withdrawal of a portion of a parcel, the resulting portions must be treated after the withdrawal as separate parcels under section 708.

3. Penalty. If the land is withdrawn from taxation under this subchapter, the assessor shall impose a penalty upon the owner. The penalty is the greater of:

A. An amount equal to the taxes that would have been assessed on the first day of April for the 5 tax years, or any lesser number of tax years starting with the year in which the land was first classified, preceding the withdrawal had that land been assessed in each of those years at its just value on the date of withdrawal. That amount must be reduced by all taxes paid on that land over the preceding 5 years, or any lesser number of tax years starting with the year in which the land was first classified, and increased by interest at the prevailing municipal rate from the date or dates on which those amounts would have been payable; and

B. An amount computed by multiplying the amount, if any, by which the just value of the land on the date of withdrawal exceeds the 100% valuation of the land pursuant to this subchapter on the preceding April 1st by the following rates:

(1) If the land was subject to valuation under this subchapter for 10 years or less prior to the date of withdrawal, the rate is 30%; and

(2) If the land was subject to valuation under this subchapter for more than 10 years prior to the date of withdrawal, the rate is that percentage obtained by subtracting 1% from 30% for each full year beyond 10 years that the land was subject to valuation under this subchapter prior to the date of withdrawal, except that the minimum rate is 20%.

For purposes of this subsection, just value at the time of withdrawal is the assessed just value of comparable property in the municipality adjusted by the municipality's certified assessment ratio.

4. Assessment and collection of penalties. The penalties for withdrawal must be paid upon withdrawal to the tax collector as additional property taxes. Penalties may be assessed and collected as supplemental assessments in accordance with section 713-B.

5. Eminent domain. A penalty may not be assessed under this section for a withdrawal occasioned by a transfer to an entity holding the power of eminent domain if the transfer results from the exercise or threatened exercise of that power.

6. Relief from requirements. Upon withdrawal, the land is relieved of the requirements of this subchapter immediately and is returned to taxation under the statutes relating to the taxation of real property beginning the following April 1st.

7. Reclassification as farmland or open space land. A penalty may not be assessed upon the withdrawal of land from taxation under this subchapter if the owner applies for classification of that land as farmland or open space land under subchapter 10 and that application is accepted. If a penalty is later assessed under section 1112, the period of time that the land was taxed as forest land under this subchapter is included for purposes of establishing the amount of the penalty.

8. Report of penalty. A municipality that receives a penalty for the withdrawal of land from taxation under this subchapter must report the total amount received in that reporting year to the State Tax Assessor on the municipal valuation return form described in section 383.

Sec. 19. 36 MRSA §652, sub-§1, ¶A, as amended by PL 2001, c. 596, Pt. B, §23 and affected by §25 and PL 2003, c. 689, Pt. B, §§6 and 7, is further amended to read:

A. The real estate and personal property owned and occupied or used solely for their own purposes by benevolent and charitable institutions incorporated by this State. Such an institution may not be deprived of the right of exemption by reason of the source from which its funds are derived or by reason of limitation in the classes of persons for whose benefit ~~such~~the funds are applied.

For the purposes of this paragraph, "benevolent and charitable institutions" ~~include~~includes, but ~~are~~is not limited to, nonprofit nursing homes ~~and~~licensed by the Department of Health and Human Services pursuant to Title 22, chapter 405, nonprofit ~~boarding homes and boarding~~residential care facilities licensed by the Department of Health and Human Services pursuant to Title 22, chapter ~~1664 or its successor~~1663, nonprofit community mental health service facilities licensed by the Commissioner of Health and Human Services pursuant to Title 34-B, chapter 3 and nonprofit child care centers incorporated by this State as benevolent and charitable institutions. For the purposes of this paragraph, "nonprofit" ~~means a facility~~refers to an institution that has been determined by the United States Internal Revenue Service to be exempt from taxation under Section 501(c)(3) of the Code;

Sec. 20. 36 MRSA §656, sub-§1, ¶E, as amended by PL 1989, c. 890, Pt. A, §9 and affected by §40, is further amended to read:

E. Pollution control facilities.

(1) Water pollution control facilities having a capacity to handle at least 4,000 gallons of waste per day, certified as such by the Commissioner of Environmental Protection, and all parts and accessories thereof.

As used in this paragraph, unless the context otherwise indicates, the following terms have the following meanings.

(a) "Facility" means any disposal system or any treatment works, appliance, equipment, machinery, installation or structures installed, acquired or placed in operation primarily for the purpose of reducing, controlling or eliminating water pollution caused by industrial, commercial or domestic waste.

(b) "Disposal system" means any system used primarily for disposing of or isolating industrial, commercial or domestic waste and includes thickeners, incinerators, pipelines or conduits, pumping stations, force mains and all other constructions, devices, appurtenances and facilities used for collecting or conducting water borne industrial, commercial or domestic waste to a point of disposal, treatment or isolation, except that which is necessary to the manufacture of products.

(c) "Industrial waste" means any liquid, gaseous or solid waste substance capable of polluting the waters of the State and resulting from any process, or the development of any process, of industry or manufacture.

(d) "Treatment works" means any plant, pumping station, reservoir or other works used primarily for the purpose of treating, stabilizing, isolating or holding industrial, commercial or domestic waste.

(e) "Commercial waste" means any liquid, gaseous or solid waste substance capable of polluting the waters of the State and resulting from any activity which is primarily commercial in nature.

(f) "Domestic waste" means any liquid, gaseous or solid waste substance capable of polluting the waters of the State and resulting from any activity which is primarily domestic in nature.

(2) Air pollution control facilities, certified as such by the Commissioner of Environmental Protection, and all parts and accessories thereof.

As used in this paragraph, unless the context otherwise indicates, the following terms have the following meanings.

(a) "Facility" means any appliance, equipment, machinery, installation or structures installed, acquired or placed in operation primarily for the purpose of reducing, controlling, eliminating or disposing of industrial air pollutants.

Facilities such as air conditioners, dust collectors, fans and similar facilities designed, constructed or installed solely for the benefit of the person for whom installed or the personnel of that person ~~shall~~may not be deemed air pollution control facilities.

(3) The Commissioner of Environmental Protection shall issue a determination regarding certification ~~by~~on or before April 1st for any air or water pollution control facility for which ~~it~~the commissioner has received a complete application ~~by~~on or before December 15th of the preceding year.

Sec. 21. 36 MRSA §684, sub-§1, as enacted by PL 1997, c. 643, Pt. HHH, §3 and affected by §10, is amended to read:

1. Generally. The bureau shall furnish to the assessor of each municipality a sufficient number of printed forms to be filed by applicants for an exemption under this subchapter and shall determine the content of the forms. A municipality shall provide to its inhabitants reasonable notice of the availability of application forms. An individual claiming an exemption under this subchapter for the first time shall file the application form with the assessor or the assessor's representative. ~~For an exemption from taxes based on the status of property on April 1, 1998, the application must be filed by May 15, 1998. For taxes based on the status of property after April 1, 1998, the~~The application must be filed ~~by~~on or before April 1st of the year on which the taxes are based.

Sec. 22. 36 MRSA §692, sub-§3, ¶A, as enacted by PL 2005, c. 623, §1, is amended to read:

A. Except as provided in paragraph B, the percentage of just value of exempt business equipment to be included in the annual determination of state valuation under sections 208 and 305 for tax year 2008 and subsequent tax years is as follows:

(1) The applicable percentage specified in section 694, subsection 2, paragraph A for exempt business equipment for which the municipality ~~is entitled to receive~~receives reimbursement under section 694, subsection 2, paragraph A;

(2) The applicable percentage calculated under section 694, subsection 2, paragraph B for exempt business equipment for which the municipality receives reimbursement under section 694, subsection 2, paragraph B; and

(3) Zero for exempt business equipment for which the municipality receives reimbursement under section 694, subsection 2, paragraph C.

Sec. 23. 36 MRSA §692, sub-§3, ¶B, as enacted by PL 2005, c. 623, §1, is amended to read:

B. In the case of a municipality that has one or more tax increment financing districts authorized pursuant to Title 30-A, chapter 206, subchapter 1 and effective under Title 30-A, section 5226, subsection 3 prior to April 1, 2008 or authorized pursuant to Title 30-A, former chapter 207 and effective under Title 30-A, former section 5253, subsection 1, paragraph F prior to April 1, 2008,

for the 2008 tax year and subsequent tax years, the percentage of just value of TIF exempt business equipment located in such a tax increment financing district that must be included in the annual determination of state valuation pursuant to paragraph A, subparagraph (1) or ~~(3)~~(2) is decreased, but not below zero, by a percentage amount equal to the municipal tax increment percentage for the tax increment financing district in which the TIF exempt business equipment is located.

Sec. 24. 36 MRSA §694, sub-§2, ¶B, as enacted by PL 2005, c. 623, §1, is amended to read:

B. In the case of municipalities choosing reimbursement under this paragraph in which the personal property factor exceeds 5%, the applicable percentage for exempt business equipment is 50% plus an amount equal to 1/2 of the personal property factor. For purposes of this paragraph, "personal property factor" means the percentage derived from a fraction, the numerator of which is the value of business personal property in the municipality, whether taxable or exempt, and the denominator of which is the value of all taxable property in the municipality plus the value of exempt ~~eligible~~ business equipment. For purposes of this paragraph, the taxable value of exempt ~~eligible~~ business equipment is the value that would have been assessed on that equipment if it were taxable.

Sec. 25. 36 MRSA §694, sub-§2, ¶C, as enacted by PL 2005, c. 623, §1, is amended to read:

C. In the case of a municipality that has one or more tax increment financing districts authorized pursuant to Title 30-A, chapter 206, subchapter 1 and effective under Title 30-A, section 5226, subsection 3 prior to April 1, 2008 or authorized pursuant to Title 30-A, former chapter 207 and effective under Title 30-A, former section 5253, subsection 1, paragraph F, prior to April 1, 2008, the applicable percentage with respect to TIF exempt business equipment is 50% plus a percentage amount equal to the percentage amount, if any, by which the municipal tax increment percentage for the tax increment financing district in which the TIF exempt business equipment is located exceeds 50%. This paragraph applies only when it will result in a greater percentage of reimbursement for the TIF exempt business equipment than would be provided under paragraph A or B.

Sec. 26. 36 MRSA §1103, as amended by PL 1987, c. 728, §3, is further amended to read:

§ 1103. Owner's application

An owner of farmland or open space land may apply for taxation under this subchapter ~~for the calendar year 1989, and for subsequent calendar years, at his election~~ by filing with the assessor the schedule provided for in section 1109. The election to apply ~~shall require~~requires the ~~unanimous~~written consent of all owners of an interest in that farmland or open space land.

Sec. 27. 36 MRSA §1109, sub-§4, as amended by PL 1987, c. 728, §8, is further amended to read:

4. Investigation. The assessor shall notify the landowner ~~of his determination as to the applicability of this subchapter by~~, on or before June 1st following receipt of a signed schedule meeting the requirements of this section~~. The assessor shall notify the landowner that~~, whether the application has been accepted or denied. If the application is denied, the assessor shall state the reasons for the denial and provide the landowner an opportunity to amend the schedule to conform to the requirements of this ~~chapter~~subchapter.

The assessor or the assessor's duly authorized representative may enter and examine ~~the~~ lands subject to taxation under this subchapter ~~for tax purposes~~ and may examine any information submitted by the owner or owners.

~~Upon notice in writing by certified mail, return receipt requested, any~~The assessor may require the owner ~~or owners shall be required, within 60 days of the receipt of such notice,~~ to respond within 60 days of the receipt of notice in writing by certified mail, return receipt requested, to ~~such~~ written questions or interrogatories ~~as~~ the assessor ~~may deem~~considers necessary to obtain material information about those lands. If the assessor determines that ~~he cannot reasonably obtain~~ the required material information regarding those lands cannot reasonably be obtained through ~~such~~ written questions or interrogatories, the assessor may require ~~any~~the owner ~~or owners~~, upon notice in writing by certified mail, return receipt requested, or by ~~such other~~another method ~~as~~that provides actual notice, to appear before the assessor at ~~such~~a reasonable time and place ~~as~~designated by the assessor ~~may designate~~ and answer ~~such~~ questions or interrogatories ~~as~~ the assessor ~~may deem~~considers necessary to obtain material information about those lands.

If the owner of a parcel of land subject to taxation under this subchapter fails to submit the schedules required by this section, fails to respond to written questions or interrogatories of the assessor as provided in this subsection or fails to appear before the assessor to respond to questions or interrogatories as provided in this subsection, that owner or owners are deemed to have waived all rights of appeal.

Sec. 28. 36 MRSA §1109, sub-§5, as amended by PL 1995, c. 603, §1, is repealed and the following enacted in its place:

5. Owner obligation. It is the obligation of the owner to report to the assessor any change of use or change of classification of land subject to taxation under this subchapter by the end of the tax year in which the change occurs and to report to the assessor on or before April 1st of every 5th year the gross income realized in each of the previous 5 years from acreage classified as farmland.

If the owner fails to report to the assessor as required by this subsection, the assessor shall assess those taxes that should have been paid, shall assess the penalty provided in section 1112 and shall assess an additional penalty equal to 25% of the penalty provided in section 1112. The assessor may waive the additional penalty for cause.

Sec. 29. 36 MRSA §1610, as enacted by PL 1985, c. 458, §2, is repealed.

Sec. 30. 36 MRSA §1752, sub-§14-E, as enacted by PL 2003, c. 588, §5, is amended to read:

14-E. School. "School" means a public or incorporated nonprofit ~~primary~~elementary, secondary or postsecondary educational institution that has a regular faculty, curriculum and organized body of pupils or students in attendance throughout the usual school year and that keeps and furnishes to students and others records required and accepted for entrance to schools of secondary, collegiate or graduate rank.

Sec. 31. 36 MRSA §1752-A, as enacted by PL 1999, c. 414, §18, is repealed.

Sec. 32. 36 MRSA §1757, as amended by PL 1985, c. 691, §9, is further amended to read:

§ 1757. Revocation of registration

The State Tax Assessor may revoke the registration certificate of a registrant who fails to file, within 15 days after receipt of notice, a bond or deposit required under section 1759 and may revoke for cause a registration certificate issued under ~~chapters 211 to 225~~this Part. The ~~State Tax Assessor~~assessor may revoke the registration certificate of a registrant who fails to file with the ~~State Tax Assessor~~assessor within 15 days after the due date a return as required under ~~chapters 211 to 225~~this Part. A revocation ~~shall be~~is reviewable in accordance with section 151. ~~In any case where a registrant has failed~~If a registrant fails to pay any tax required ~~of him~~ by this Part when the tax is shown to be due on a ~~report~~return filed by the registrant, or admitted to be due by the registrant, or has been determined to be due and that determination has become final, notification of the registrant by the ~~State Tax Assessor~~assessor as provided in this section ~~shall operate~~operates to suspend the registration certificate from the date of the notice of suspension until ~~such time as~~ the delinquent tax is paid or a bond or deposit required under section 1759 is filed with the ~~State Tax Assessor~~assessor or it is determined by an appropriate court that revocation is not warranted.

Sec. 33. 36 MRSA §1760, sub-§6, ¶B, as amended by PL 1991, c. 846, §18 and PL 2003, c. 689, Pt. B, §6, is further amended to read:

B. To patients of ~~hospitals licensed by the State for the care of human beings and other~~ institutions licensed by the ~~State~~Department of Health and Human Services for the hospitalization or nursing care of human beings, or to patients or residents of institutions~~, agencies, hospitals, boarding homes and boarding houses~~ licensed by the Department of Health and Human Services under Title 22, Subtit1e 6 ~~and~~or Title 22, section 1781;

Sec. 34. 36 MRSA §1760, sub-§9, as amended by PL 1977, c. 686, §1, is further amended to read:

9. Coal, oil and wood. Coal, oil, wood and all other fuels, except gas and electricity, when bought for cooking and heating in ~~homes, mobile homes, hotels and apartment houses, and other~~ buildings designed ~~both~~and used for both human habitation and sleeping.

Sec. 35. 36 MRSA §1760, sub-§9-B, as amended by PL 1999, c. 657, §21, is further amended to read:

9-B. Residential electricity. Sale and delivery of the first 750 kilowatt hours of residential electricity per month. For ~~the purpose~~purposes of this subsection, "residential electricity" means electricity furnished to ~~homes, mobile homes, boarding homes and apartment houses~~buildings designed and used for both human habitation and sleeping, with the exception of hotels ~~and motels~~. Where residential electricity is furnished through one meter to more than one residential unit and where the transmission and distribution utility applies its tariff on a per unit basis, the furnishing of electricity is considered a separate sale for each unit to which the tariff applies. For purposes of this subsection, "delivery" means transmission and distribution;

Sec. 36. 36 MRSA §1760, sub-§9-C, as enacted by PL 1977, c. 686, §2, is amended to read:

9-C. Residential gas. Sales of gas when bought for cooking and heating in ~~residences. For the purpose of this subsection, "residences" shall mean homes, mobile homes, boarding homes and apartment houses~~buildings designed and used for both human habitation and sleeping, with the exception of hotels ~~and motels~~.

Sec. 37. 36 MRSA §1760, sub-§20, as amended by PL 1991, c. 546, §20, is further amended to read:

20. Continuous residence; refunds and credits. Rental charged to any person who resides continuously for 28 days or more at any one hotel, rooming house, tourist camp or trailer camp if:

A. The person does not maintain a primary residence at some other location; or

B. The person is residing away from that person's primary residence in connection with employment or education.

Tax paid by such a person to the retailer under section 1812 during the initial 28-day period must be refunded by the retailer. ~~Such~~If the tax has been reported and paid to the State by the retailer, it may be taken as a credit by the retailer on the ~~report~~return filed by the retailer covering the month in which the refund was made to ~~such~~the tenant.

~~This subsection applies to all rentals of any hotel, rooming house or tourist or trailer camp for occupancy on or after July 1, 1991 regardless of the date on which payment for the rental is made.~~

Sec. 38. 36 MRSA §1760, sub-§23-C, as amended by PL 2005, c. 618, §2, is further amended to read:

23-C. Certain vehicles purchased or leased by nonresidents. Sales or leases of the following vehicles to a ~~nonresident~~person that is not a resident of this State, if the vehicle is intended to be driven or transported outside the State immediately upon delivery:

A. Motor vehicles, except:

(1) Automobiles rented for a period of less than one year; and

(2) All-terrain vehicles and snowmobiles as defined in Title 12, section 13001;

B. Semitrailers;

C. Aircraft; and

E. Camper trailers, including truck campers.

If the vehicles are registered for use in the State within 12 months of the date of purchase, the person seeking registration is liable for use tax on the basis of the original purchase price.

~~Notwithstanding section 1752-A, for purposes of this subsection, the term "nonresident" may include an individual, an association, a society, a club, a general partnership, a limited partnership, a domestic or foreign limited liability company, a trust, an estate, a domestic or foreign corporation and any other legal entity.~~

Sec. 39. 36 MRSA §1760, sub-§25, as amended by PL 2005, c. 218, §22, is further amended to read:

25. Watercraft sold to nonresidents. Sales of watercraft to a ~~nonresident~~person that is not a resident of this State, when the watercraft is intended to be sailed or transported outside the State immediately upon delivery by the seller; sales to a ~~nonresident~~person that is not a resident of this State, under contracts for the construction of a watercraft intended to be sailed or transported outside the State immediately upon delivery by the seller, of materials to be incorporated in the watercraft; and sales to a ~~nonresident~~person that is not a resident of this State for the repair, alteration, refitting, reconstruction, overhaul or restoration of a watercraft intended to be sailed or transported outside the State immediately upon delivery by the seller, of materials to be incorporated in the watercraft. Unless the watercraft is present in the State, for a purpose other than temporary storage, for more than 30 days during the 12-month period following its date of purchase or is registered in Maine without also being registered in another state or documented with a location in this State, within 12 months of the date of purchase, the purchaser is exempt from the use tax. ~~Notwithstanding section 1752-A, for purposes of this subsection, the term "nonresident" may include an individual, an association, a society, a club, a general partnership, a limited partnership, a domestic or foreign limited liability company, a trust, an estate, a domestic or foreign corporation and any other legal entity.~~

Sec. 40. 36 MRSA §1760, sub-§25-A, as affected by PL 2003, c. 614, §9 and amended by c. 695, Pt. B, §25 and affected by Pt. C, §1, is further amended to read:

25-A. All-terrain vehicles. ~~All-terrain~~Sales of all-terrain vehicles, as defined in Title 12, section 13001, purchased by ~~a person~~an individual who is not a resident of this State~~;~~.

Sec. 41. 36 MRSA §1760, sub-§25-B, as amended by PL 2003, c. 414, Pt. B, §63 and affected by c. 614, §9, is further amended to read:

25-B. Snowmobiles. ~~A snowmobile~~Sales of snowmobiles, as ~~that term is~~ defined in Title 12, section 13001, subsection 25, purchased by ~~a person~~an individual who is not a resident of this State~~;~~.

Sec. 42. 36 MRSA §1760, sub-§29, as amended by PL 1989, c. 890, Pt. A, §10 and affected by §40, is further amended to read:

29. Water pollution control facilities. Sales of ~~any~~ water pollution control ~~facility~~facilities, certified as such by the Commissioner of Environmental Protection, and ~~any part~~sales of parts or accessories ~~thereof~~of a certified facility, ~~or any~~ materials for the construction, repair or maintenance of a certified facility and chemicals or supplies that are integral to the effectiveness of a certified facility.

As used in this subsection, unless the context otherwise indicates, the following terms have the following meanings.

A. "Disposal system" means any system used primarily for disposing of or isolating industrial or other waste and includes thickeners, incinerators, pipelines or conduits, pumping stations, force mains and all other constructions, devices, appurtenances and facilities used for collecting or conducting water borne industrial or other waste to a point of disposal, treatment or isolation, except that which is necessary to the manufacture of products.

B. "Facility" means any disposal system or any treatment works, appliance, equipment, machinery, installation or structures installed, acquired or placed in operation primarily for the purpose of reducing, controlling or eliminating water pollution caused by industrial or other waste, except septic tanks and the pipelines and leach fields connected or appurtenant thereto.

C. "Industrial waste" means any liquid, gaseous or solid waste substance capable of polluting the waters of the State and resulting from any process, or the development of any process, of industry or manufacture.

D. "Treatment works" means any plant, pumping station, reservoir or other works used primarily for the purpose of treating, stabilizing, isolating or holding industrial or other waste.

Sec. 43. 36 MRSA §1760, sub-§30, as amended by PL 1989, c. 890, Pt. A, §11 and affected by §40, is further amended to read:

30. Air pollution control facilities. ~~Sale~~Sales of ~~any~~ air pollution control ~~facility~~facilities, certified as such by the Commissioner of Environmental Protection, and ~~any part~~sales of parts or accessories ~~thereof~~of a certified facility, ~~or any~~ materials for the construction, repair or maintenance ~~thereof~~of a certified facility and chemicals or supplies that are integral to the effectiveness of a certified facility.

As used in this subsection, unless the context otherwise indicates, the following terms have the following meanings.

A. "Facility" means any appliance, equipment, machinery, installation or structures installed, acquired or placed in operation primarily for the purpose of reducing, controlling, eliminating or disposing of industrial or other air pollutants.

Facilities such as air conditioners, dust collectors, fans and similar facilities designed, constructed or installed solely for the benefit of the person for whom installed or the personnel of such person, and facilities designed or installed for the reduction or control of automobile exhaust emissions shall not be deemed air pollution control facilities for purposes of this subsection.

Sec. 44. 36 MRSA §1760, sub-§39, as enacted by PL 1977, c. 686, §3, is amended to read:

39. Residential water. Sales of water purchased for use in ~~homes, mobile homes, boarding homes and apartment houses and other~~ buildings designed and used for both human habitation and sleeping, with the exception of hotels ~~and motels~~.

Sec. 45. 36 MRSA §1760, sub-§45, as amended by PL 2005, c. 519, Pt. EE, §1 and affected by §3, is further amended to read:

45. Certain property purchased outside State. Sales of property purchased and used by the present owner outside the State:

A. If the property is an automobile, as defined in Title 29-A, section 101, subsection 7, and if the owner is an individual who was, at the time of purchase, a resident of the other state and either employed or registered to vote there;

A-1. If the property is a watercraft that is registered outside the State by an owner who ~~at the time of purchase~~is an individual who was a resident of another state at the time of purchase and the watercraft is present in the State not more than 30 days during the 12 months following its purchase for a purpose other than temporary storage;

A-2. If the property is a snowmobile or all-terrain vehicle as defined in Title 12, section 13001 and the purchaser is an individual who is not a resident of the State;

A-3. If the property is an aircraft not exempted under subsection 88 and the owner at the time of purchase was a resident of another state or tax jurisdiction and the aircraft is present in this State not more than 20 days during the 12 months following its purchase, exclusive of days during which the aircraft is in this State for the purpose of undergoing "major alterations," "major repairs" or "preventive maintenance" as those terms are described in 14 Code of Federal Regulations, Appendix A to Part 43, as in effect on January 1, 2005. For the purposes of this paragraph, the location of an aircraft on the ground in the State at any time during a day is considered presence in the State for that entire day; or

B. For more than 12 months in all other cases.

Property, other than automobiles, watercraft, snowmobiles, all-terrain vehicles and aircraft, that is required to be registered for use in this State does not qualify for this exemption unless it was registered by its present owner outside this State more than 12 months prior to its registration in this State. If property required to be registered for use in this State was not required to be registered for use outside this State, the owner must be able to document actual use of the property outside this State for more than 12 months prior to its registration in this State. For purposes of this subsection, "use" does not include storage but means actual use of the property for a purpose consistent with its design.

~~Notwithstanding section 1752-A, "resident" may include an individual, an association, a society, a club, a general partnership, a limited partnership, a limited liability company, a trust, an estate, a corporation and any other legal entity.~~

Sec. 46. 36 MRSA §1760, sub-§74, as enacted by PL 1989, c. 871, §15, is repealed and the following enacted in its place:

74. Property used in production. Sales of:

A. Tangible personal property that becomes an ingredient or component part of tangible personal property produced for later sale or lease, other than lease for use in this State, or that becomes an ingredient or component part of tangible personal property produced pursuant to a contract with the Federal Government or an agency of the Federal Government; and

B. Tangible personal property, other than fuel or electricity, that is consumed or destroyed or loses its identity directly and primarily in the production of tangible personal property for later sale or lease, other than lease for use in this State, or that is consumed or destroyed or loses its identity directly and primarily in the production of tangible personal property produced pursuant to a contract with the Federal Government or an agency of the Federal Government.

For purposes of this subsection, tangible personal property is "consumed or destroyed" or "loses its identity" in production if it has a normal physical life expectancy of less than one year as a usable item in the use to which it is applied.

Sec. 47. 36 MRSA §1760, sub-§90 is enacted to read:

90. Certain sales of electrical energy. Sale or use of electrical energy, or water stored for the purpose of generating electricity, when the sale is to or by a wholly owned subsidiary by or to its parent corporation, except for electrical energy or water purchased for resale to or by the wholly owned subsidiary.

Sec. 48. 36 MRSA §1811, 2nd ¶, as amended by PL 2003, c. 673, Pt. V, §23 and affected by §29, is further amended to read:

The tax imposed upon the sale and distribution of gas, water or electricity by any public utility, the rates for which sale and distribution are established by the Public Utilities Commission, must be added to the rates so established. ~~No tax may be imposed upon the sale or use of electrical energy, or water stored for the purpose of generating electricity, when the sale is to or by a wholly owned subsidiary by or to its parent corporation, except for electrical energy or water purchased for resale to or by such wholly owned subsidiary.~~

Sec. 49. 36 MRSA §1811-A, as amended by PL 1981, c. 706, §22, is further amended to read:

§ 1811-A. Credit for worthless accounts

The tax paid on sales represented by accounts charged off as worthless may be credited against the tax due on a subsequent ~~report~~return filed within 3 years of the charge-off, but, if any such accounts are thereafter collected by the retailer, a tax ~~shall~~must be paid upon the amounts so collected.

Sec. 50. 36 MRSA §1951-A, sub-§1, as enacted by PL 1991, c. 9, Pt. E, §24, is amended to read:

1. Monthly report and payment. Every retailer shall file with the State Tax Assessor, on or before the 15th day of each month, a ~~report~~return made under the ~~pains and~~ penalties of perjury on ~~such~~a form ~~as~~prescribed by the ~~State Tax Assessor may prescribe that discloses~~assessor. The return must report the total sale price of all sales made during the preceding calendar month and such other information as the ~~State Tax Assessor~~assessor requires. The ~~State Tax Assessor~~assessor may permit the filing of returns other than monthly. The ~~State Tax Assessor~~assessor, by rule, may waive reporting nontaxable sales. Upon application of a retailer, the ~~State Tax Assessor~~assessor shall issue a classified permit establishing the percentage of exempt sales. The classified permit may be amended or revoked ~~as to its classification whenever~~if the ~~State Tax Assessor~~assessor determines that the percentage of exempt sales is inaccurate. The ~~State Tax Assessor~~assessor may for good cause extend for not more than 30 days the time for ~~making~~filing returns required under ~~chapters 211 to 225~~this Part. Every person subject to the use tax shall file similar ~~reports~~returns, at similar dates, and pay the tax or furnish a receipt for the same from a registered retailer.

Sec. 51. 36 MRSA §2113, as repealed and replaced by PL 2003, c. 452, Pt. U, §5 and affected by Pt. X, §2, is repealed.

Sec. 52. 36 MRSA §2526, as amended by PL 1997, c. 24, Pt. C, §5, is repealed.

Sec. 53. 36 MRSA §2551, sub-§10, as enacted by PL 2003, c. 673, Pt. V, §25 and affected by §29, is amended to read:

10. Private nonmedical institution. "Private nonmedical institution" means a person licensed by the Department of Health and Human Services ~~or the Department of Behavioral and Developmental Services~~ to provide private nonmedical institution services to 4 or more MaineCare-eligible and other residents in single or multiple facilities under a written agreement with the Department of Health and Human Services ~~or the Department of Behavioral and Developmental Services~~. "Private nonmedical institution" does not include a health insurance organization, hospital, nursing home or community health care center.

Sec. 54. 36 MRSA §2551, sub-§15, as enacted by PL 2003, c. 673, Pt. V, §25 and affected by §29, is amended to read:

15. Sale price. "Sale price" means the total amount of consideration, including cash, credit, property and services, for which personal property or services are sold, leased or rented, valued in money, whether received in money or otherwise, without any deduction for the cost of materials used, labor or service cost, interest, losses and any other expense of the seller. "Sale price" includes any services that are a part of a sale. "Sale price" does not include:

A. Discounts allowed and taken on sales;

B. Allowances in cash or by credit made upon the return of services pursuant to warranty;

C. The price of services rejected by customers when the full sale price is refunded either in cash or by credit; ~~or~~

D. The amount of any tax imposed by the United States or the State on or with respect to the sale of a service, whether imposed upon the seller or the consumer.; or

E. The cost of transportation from the service provider's place of business or other point from which shipment is made directly to the purchaser, as long as those charges are separately stated and the transportation occurs by means of common carrier, contract carrier or the United States Postal Service.

Sec. 55. 36 MRSA §2551, sub-§16, as enacted by PL 2003, c. 673, Pt. V, §25 and affected by §29, is amended to read:

16. School. "School" means a public or incorporated nonprofit primaryelementary, secondary or postsecondary educational institution that has a regular faculty, curriculum and organized body of pupils or students in attendance throughout the usual school year and that keeps and furnishes to students and others records required and accepted for entrance to schools of secondary, collegiate or graduate rank.

Sec. 56. 36 MRSA §2553, sub-§2, as enacted by PL 2003, c. 673, Pt. V, §25 and affected by §29, is amended to read:

2. Revocation of registration. The assessor may revoke for cause a registration certificate issued under this section. The assessor may revoke the registration certificate of a registrant who fails to file a return with the assessor within 15 days after the due date as required by section 2554. A revocation is reviewable in accordance with section 151. In any case whereIf a registrant has failed to pay any tax imposed by this chapter when the tax is shown to be due on a reportreturn filed by the registrant or is admitted to be due by the registrant or has been determined to be due and that determination has become final, notification of the registrant by the assessor as provided in this section operates to suspend the registration certificate from the date of the notice of suspension until such time as the delinquent tax is paid or it is determined by an appropriate court that revocation is not warranted.

Sec. 57. 36 MRSA §2554, sub-§1, as enacted by PL 2003, c. 673, Pt. V, §25 and affected by §29, is amended to read:

1. Monthly report required. Every person subject to the tax imposed by this chapter shall file with the assessor, on or before the 15th day of each month, a reportreturn made under the pains and penalties of perjury on suchа form asprescribed by the assessor may prescribe that discloses. The return must report the total sale price of all sales made during the preceding calendar month and such other information as the assessor requires. The assessor may permit the filing of returns other than monthly. The assessor may by rule waive the reporting of nontaxable sales. The assessor may for good cause extend for not more than 30 days the time for makingfiling returns required under this section. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. 58. 36 MRSA §2554, sub-§3, as enacted by PL 2003, c. 673, Pt. V, §25 and affected by §29, is amended to read:

3. Credit for uncollectible accounts. The tax paid on sales for which all or a portion of the sale price is charged off by the service provider as uncollectible may be credited against the tax due on a subsequent ~~report~~return filed by the service provider within 3 years of the charge-off but, if any such accounts are thereafter collected by the service provider, a tax must be paid upon the amount so collected.

Sec. 59. 36 MRSA §2557, sub-§4, as enacted by PL 2003, c. 673, Pt. V, §25 and affected by §29, is amended to read:

4. Other institutions. Sales to incorporated private nonprofit residential child care ~~institutions~~facilities that are licensed by the Department of Health and Human Services as residential child care ~~institutions~~facilities;

Sec. 60. 36 MRSA §2557, sub-§6, ¶B, as enacted by PL 2003, c. 673, Pt. V, §25 and affected by §29, is amended to read:

B. Receiving support from the Department of ~~Behavioral and Developmental~~Health and Human Services pursuant to Title 5, section 20005 or Title 34-B, section 3604, 5433 or 6204;

Sec. 61. 36 MRSA §2557, sub-§30, as amended by PL 2005, c. 218, §35, is further amended to read:

30. Sales for resale. Sales of services to another service provider for resale; ~~and~~

Sec. 62. 36 MRSA §2557, sub-§31, as amended by PL 2005, c. 622, §12, is further amended to read:

31. Construction contracts with exempt organizations. Sales to a construction contractor or its subcontractor of fabrication services that are to be physically incorporated in, and become a permanent part of, real property for sale to any organization or government agency provided exemption under this section, except as otherwise provided by section 2560~~.~~; and

Sec. 63. 36 MRSA §2557, sub-§32 is enacted to read:

32. Certain fabrication services. Sales of services for the fabrication of advertising or promotional materials printed on paper when those materials are to be subsequently transported outside the State for use by the purchaser of the services solely outside the State.

Sec. 64. 36 MRSA §2891, sub-§3, as enacted by PL 2003, c. 513, Pt. H, §1, is amended to read:

3. Publicly owned specialty hospital. "Publicly owned specialty hospital" means a publicly owned hospital that is primarily engaged in providing psychiatric services for the diagnosis, treatment and care of persons with mental illness and that is licensed as a specialty hospital by the Department of Health and Human Services.

Sec. 65. 36 MRSA §2893, sub-§3, as enacted by PL 2003, c. 513, Pt. H, §1, is amended to read:

3. Application of revenues. All revenues received by the assessor under this chapter must be credited to a General Fund suspense account. No later than the last day of each month, the State Controller shall transfer all revenues received by the assessor during the month under this chapter to the Medical Care - Payments to Providers Other Special Revenue Funds account in the Department of Health and Human Services.

Sec. 66. 36 MRSA §2902, sub-§1-C is enacted to read:

1-C. Gross gallons. "Gross gallons" means actual measured gallons of internal combustion engine fuel received, sold or used, without adjustment for temperature or barometric pressure.

Sec. 67. 36 MRSA §2902, sub-§4-A is enacted to read:

4-A. Retail dealer. "Retail dealer" means a person that operates in this State a place of business from which internal combustion engine fuel is sold at retail and delivered directly into the fuel tanks of motor vehicles or watercraft. A distributor or wholesaler is a retail dealer only with respect to internal combustion engine fuel delivered into a retail storage tank operated by that distributor or wholesaler or into a retail storage tank of a consignee or commission agent.

Sec. 68. 36 MRSA §2903, sub-§5 is enacted to read:

5. Delivery by distributor. When internal combustion engine fuel is delivered by a distributor to a retail outlet it is deemed to have been sold within the meaning of this chapter, even if the retail outlet is owned in whole or in part by the distributor.

Sec. 69. 36 MRSA §2906, sub-§1, as repealed and replaced by PL 1997, c. 738, §5, is amended to read:

1. Monthly reports from distributors, importers and exporters. Every licensed distributor, importer and exporter shall file with the assessor on or before the 21st day of each month a ~~report~~return stating the number of gross gallons of internal combustion engine fuel received, sold and used in the State by that distributor, importer or exporter during the preceding calendar month. The ~~report~~return must be filed on a form prescribed and furnished by the assessor and must ~~contain~~include any other information reasonably required by the assessor.

Sec. 70. 36 MRSA §2906, sub-§2, as repealed and replaced by PL 1997, c. 738, §5, is amended to read:

2. Payment of tax. At the time of filing the ~~report~~return required by this section, each distributor and importer shall pay to the assessor the tax imposed by section 2903 on each gallon reported as sold, distributed or used.

Sec. 71. 36 MRSA §2906, sub-§4, as repealed and replaced by PL 1997, c. 738, §5, is amended to read:

4. Refunds to retailers. A retail dealer is entitled to a refund for tax paid on account of shrinkage or loss by evaporation of ~~motor~~internal combustion engine fuel in an amount no greater than 1/2 of 1% of the tax paid on gross purchases of such fuel delivered into retail storage tanks from which it is dispensed into the fuel tank of a motor vehicle or watercraft. The procedure for such a refund is as follows.

A. All applications for refunds must be made under penalties of perjury and must be made semiannually within 90 days after June 30th and December 31st respectively.

B. The application must be made on a form prescribed and furnished by the assessor and must be accompanied by a statement from the distributor, supplier or wholesaler of the gross purchases of ~~motor~~internal combustion engine fuel made by the retail dealer during the relevant 6-month period.

C. The assessor shall calculate the amount of the refund due on all properly completed applications and ~~shall~~ certify that amount and the name of the person entitled to the refund to the Treasurer of State. The Treasurer of State shall make a certified refund from taxes imposed by this chapter.

Sec. 72. 36 MRSA §2906, sub-§5, as enacted by PL 1997, c. 738, §5, is amended to read:

5. Monthly reports from wholesalers. Each wholesaler shall ~~submit~~file with the assessor on or before the last day of each month on a form prescribed and furnished by the assessor a ~~report~~return stating the number of gross gallons sold by that wholesaler to each distributor, importer, exporter or any other person that purchased internal combustion engine fuel from that wholesaler during the preceding month. The ~~report~~return must clearly identify each purchaser and indicate the number of gallons that each purchaser received from the wholesaler. The ~~report~~return must also ~~contain~~include any other information reasonably required by the assessor.

Sec. 73. 36 MRSA §2908, as repealed and replaced by PL 2005, c. 683, Pt. B, §31, is amended to read:

§ 2908. Refund of tax in certain cases; time limit

A person who purchases and uses internal combustion engine fuel for any commercial use other than in the operation of a registered motor vehicle on the highways of this State or, except as provided in section 2910, in the operation of an aircraft and who has paid the tax imposed by this chapter on that fuel is entitled to reimbursement in the amount of the tax paid, less 1¢ per gallon, upon presenting to the State Tax Assessor a sworn statement accompanied by ~~the original invoices or other~~ evidence as the assessor may require. The statement must show the total amount of internal combustion engine fuel so purchased and used by that person for a commercial use other than in the operation of registered motor vehicles on the highways of this State or in the operation of aircraft.

A refund application on a form prescribed by the State Tax Assessor must be filed to claim a refund pursuant to this section. Interest must be paid at the rate determined pursuant to section 186, calculated from the date of receipt of the ~~monthly~~ claim, for all proper claims not paid within 30 days of receipt. Applications for refunds must be filed with the assessor within 12 months from the date of purchase.

All fuel that qualifies for a refund under this section is subject to the use tax imposed by chapter 215.

Sec. 74. 36 MRSA §2909, 2nd ¶, as amended by PL 2005, c. 332, §17, is further amended to read:

Applications for refunds must be filed with the State Tax Assessor, on a form prescribed by the assessor ~~and accompanied by the original invoices showing those purchases~~, within 12 months from the date of purchase. A refund may not be issued under this section unless the claimant's commutation fare revenue derived during the ~~calendar quarter~~period for which the refund is claimed is at least 60% of the claimant's total passenger fare revenue derived during that ~~calendar quarter~~period.

Sec. 75. 36 MRSA §2910, as amended by PL 1983, c. 94, Pt. C, §15, is further amended to read:

§ 2910. Refund of tax less 4¢ per gallon to users of aircraft

~~Any~~A person~~, association of persons, firm or corporation who shall buy~~that buys and ~~use any~~uses internal combustion engine fuel ~~as defined in section 2902,~~ for the purpose of propelling piston engine aircraft and ~~who shall have~~that has paid ~~any~~the tax ~~on internal combustion engine fuel levied or directed to be paid as provided~~imposed by this chapter~~, either directly by the collection of such tax by the vendor from such consumer, or indirectly by adding the amount of such tax to the price of such~~on that fuel ~~and paid by such consumer, shall be reimbursed and repaid~~is entitled to reimbursement in the amount of ~~such~~the tax paid ~~by him~~, less 4¢ per gallon, upon presenting to the State Tax Assessor a ~~statement~~refund application accompanied by the original invoices showing ~~such~~those purchases. Applications for refunds must be filed with the ~~State Tax Assessor~~assessor within 12 months from the date of purchase. All fuel that qualifies for a refund under this section is subject to the use tax imposed by chapter 215.

Sec. 76. 36 MRSA §2913, as repealed and replaced by PL 1985, c. 127, §1, is amended to read:

§ 2913. Failure to file statement; false statement

~~Any~~A person who refuses or neglects to make any statement, report, payment or return required by this chapter, or who knowingly makes~~, aids~~ or assists any other person in making a false statement in a return or report to the State Tax Assessor~~,~~ or in connection with an application for refund ~~of any tax~~, or who knowingly collects, attempts to collect or causes to be paid ~~to him or~~ to any ~~other~~ person, either directly or indirectly, any refund ~~of that tax without being~~to which the person is not entitled ~~to the same, or is in violation of the affidavit as prescribed for registered sellers in section 3205~~, is guilty of a Class E crime.

Sec. 77. 36 MRSA c. 457, as amended, is repealed.

Sec. 78. 36 MRSA §3203, sub-§3, as amended by PL 1999, c. 733, §5 and affected by §17, is further amended to read:

3. Delivery by supplier or retailer. When distillates are delivered by a supplier ~~on a consignment basis~~ to a consumer or to a retail outlet, ~~whether or not the retail outlet is wholly owned by the supplier, it is considered~~those distillates are deemed to have been sold within the meaning of this chapter, even if the retail outlet is owned in whole or in part by the supplier.

Sec. 79. 36 MRSA §3203, sub-§6, as amended by PL 1999, c. 733, §6 and affected by §17, is further amended to read:

6. Allowance for certain losses of propane. An allowance of not more than 1% from the amount of propane received by the retailer may be allowed by the assessor to cover the loss through shrinkage, evaporation or handling sustained by the retailer. The total allowance for these losses must be supported by documentation satisfactory to the assessor. The allowance must be calculated on an annual basis. A further deduction may not be allowed unless the assessor is satisfied upon definite proof submitted to the assessor that a further deduction should be allowed for a loss sustained through fire, accident or some unavoidable calamity.

Sec. 80. 36 MRSA §3204-A, sub-§3, as enacted by PL 1995, c. 271, §7, is amended to read:

3. Political subdivision. Special fuel sold in bulk to this State or any political subdivision of this State;

Sec. 81. 36 MRSA §3208, as amended by PL 1999, c. 733, §10 and affected by §17, is further amended to read:

§ 3208. Credit; users

Every user subject to the tax imposed by section 3203 is entitled to a credit on the tax, equivalent to the ~~existing~~then current rate of taxation per gallon imposed by section 3203 as adjusted pursuant to section 3321, on all ~~fuels~~special fuel purchased by that user from a supplier or retailer licensed in accordance with section 3204 upon which ~~fuel~~ the tax ~~is~~ imposed by section 3203 has been paid ~~by that user~~. Evidence of the payment of that tax, in ~~such~~a form ~~as may be~~ required by or ~~is~~ satisfactory to the State Tax Assessor, must be furnished by each user claiming the credit ~~allowed~~. When the amount of the credit to which any user is entitled for any quarter exceeds the amount of the tax for which that user is liable for the same quarter, the excess may~~, under rules of the State Tax Assessor,~~ be allowed as a credit on the tax for which that user would be otherwise liable for another quarter or quarters~~, or upon~~. Upon application ~~within 3 months from the end of any quarter, duly verified and presented in accordance with rules adopted by the State Tax Assessor and supported by such evidence as may be satisfactory~~ to the ~~State Tax Assessor, such~~assessor, the excess may be refunded if ~~it appears that~~ the applicant has paid to another state or province under a lawful requirement of ~~such~~that jurisdiction a tax similar in effect to the tax ~~levied in~~imposed by section 3203~~,~~ on the use or consumption of ~~the same~~that fuel outside the State, at the same rate per gallon that ~~such~~ tax was paid in this State ~~on that number of gallons used in and a tax paid on in such other jurisdiction~~, but in no case to exceed the then current rate per gallon of the ~~then current Maine state fuel~~ tax imposed by section 3203 as adjusted pursuant to section 3321. Upon receipt of the application~~,~~ the ~~State Tax Assessor~~assessor, if satisfied after investigation that a refund is justified, shall so certify to the State Controller ~~and it~~. The refund must be paid out of the Highway Fund. This credit lapses at the end of the last quarter of the year following that in which the credit arose.

~~For those accounts in good standing, a monthly refund application, on a form prescribed by the State Tax Assessor, may be filed at the close of any month to claim credits described in this section. That application must be processed and approved for payment promptly.~~ Interest is paid at the ~~same~~ rate ~~as is computed under~~established pursuant to section 186, calculated from the date of receipt of the ~~monthly~~

claim for all ~~proper~~valid refund claims that are not paid within 30 days of receipt of the claim. ~~This paragraph may not be construed to relieve the applicant from filing quarterly substantiating information as prescribed by this section.~~

Sec. 82. 36 MRSA §3208-A, as amended by PL 2005, c. 664, Pt. M, §1, is further amended to read:

§ 3208-A. Refund to political subdivisions

Any political subdivision of the State that buys and uses special fuel ~~as defined in section 3202, subsection 6,~~ and that has paid a tax ~~levied~~ as provided by this chapter ~~either directly by the collection of the tax by the vendor from the consumer, or indirectly by adding the amount of the tax to the price of the fuel and paid by the consumer, must be reimbursed~~on that fuel is eligible for reimbursement in the amount of the tax paid ~~upon presenting to the State Tax Assessor a statement accompanied by the original invoices showing purchases~~. By contractual agreement, any agency of this State or political subdivision of this State may assign to another person its right to receive funds under this section. A refund application on a form prescribed by the State Tax Assessor must be filed to claim a refund pursuant to this section. Applications for refunds must be filed with the State Tax Assessor within 12 months from the date of purchase.

~~Notwithstanding this section, a county or a municipality may file a claim for refund of special fuel tax paid after January 1, 1984, but before April 1, 1986, for which no refund was previously claimed.~~

Sec. 83. 36 MRSA §3209, as amended by PL 2001, c. 396, §30, is further amended to read:

§ 3209. Reports; International Fuel Tax Agreement; payment of tax; allowance for losses

1. Suppliers. Every licensed supplier shall file on or before the last day of each month a ~~report~~return with the State Tax Assessor stating the gross gallons of distillates received, sold and used in this State by that supplier during the preceding calendar month, on a form prescribed and furnished by the assessor. The ~~report~~return must ~~contain~~include any further information reasonably required by the assessor. At the time of filing the ~~report~~return required by this subsection, each supplier must pay to the assessor a tax as prescribed in section 3203 upon each gallon reported as a taxable sale or as taxable gallons used.

1-A. Retailers. Every licensed retailer shall file on or before the last day of each month a ~~report~~return with the assessor stating the gross gallons of low-energy fuel received, sold and used in this State by that retailer during the preceding calendar month on a form prescribed and furnished by the assessor. The ~~report~~return must ~~contain~~include any further information reasonably required by the assessor. At the time of filing the ~~report~~return required by this subsection, each retailer shall pay to the assessor a tax as prescribed in section 3203 upon each gallon reported as a taxable sale or as taxable gallons used.

1-B. International Fuel Tax Agreement. The State Tax Assessor shall take all steps necessary to maintain the State's membership in the IFTA, in order to:

A. Facilitate the administration of this chapter;

B. Promote the fullest and most efficient possible use of the highway system; and

C. Make uniform the administration, collection and enforcement of special fuel use taxation laws with respect to motor vehicles operated in multiple jurisdictions, by ensuring this State's full participation in the single-base jurisdiction system embodied in the IFTA governing documents, agreed to by other IFTA member jurisdictions and approved by the United States Congress in the Intermodal Surface Transportation Efficiency Act of 1991.

The assessor is authorized to ratify amendments to the IFTA governing documents on behalf of this State, except that the assessor may not ratify any provision that infringes on the substantive taxation authority of the Legislature, including the power to impose taxes, set tax rates and determine exemptions. Subject to the provisions of this Title, the assessor may delegate to the Secretary of State the responsibility for the processing of special fuel tax returns, special fuel tax collection and compliance with IFTA administrative requirements. The assessor shall consult with the Secretary of State and the Commissioner of Public Safety with respect to rules adopted by the Secretary of State pertaining to IFTA.

2. Users generally. Except as provided by subsection 4, ~~for the purpose of determining the amount of tax imposed,~~ each user, not later than the last day of April, July, October and January of each year, shall file with the assessor a ~~report~~return that must include the total gallonage of fuels used within this State during the quarter ending the last day of the preceding month. The ~~report~~return must ~~contain~~include any further information reasonably required by the assessor. At the time of filing the ~~report~~return required by this subsection, each user shall pay to the assessor the tax imposed by section 3203 upon each gallon reported as a taxable use or as taxable gallons used, which has not been subjected to the special fuel tax.

3. Exempt users. Any user of special fuel operating exclusively within this State and using only special fuel purchased within this State upon which the State has received the special fuel tax, may be exempted, at the discretion of the assessor, from filing ~~reports~~returns under this chapter. Any user of special fuel requesting exemption from filing ~~reports~~returns shall ~~file~~submit an affidavit as prescribed by the assessor.

4. Annual returns in certain circumstances. Notwithstanding any other provisions of this section, a user may file an annual return with payment on or before January 31st of each year covering the prior year when the annual tax liability is expected to be $100 or less or when allowed by the IFTA governing documents.

5. Monthly reports from wholesalers. Each wholesaler shall ~~submit~~file on or before the last day of each month on a form prescribed and furnished by the assessor a ~~report~~return stating the number of gross gallons sold by that wholesaler ~~to each supplier, importer, exporter or any other person that purchased special fuel from that wholesaler~~ during the preceding month. The ~~report~~return must

clearly identify each purchaser and indicate the number of gallons that each purchaser received from the wholesaler. The ~~report~~return must also ~~contain~~include any other information reasonably required by the assessor.

Sec. 84. 36 MRSA §3210, as amended by PL 1999, c. 733, §13 and affected by §17, is further amended to read:

§ 3210. Application of tax in special cases

A person ~~who~~that receives ~~any~~ special fuel ~~in such form and~~ under ~~such~~ circumstances ~~as precludes~~that preclude the collection of this tax by the supplier or retailer ~~by reason of the laws of the United States~~ and ~~who~~that sells or uses ~~any~~that special fuel in ~~a manner and under circumstances as may subject the sale or use to the taxing power of~~ this State is considered a supplier or retailer and shall ~~make the same reports and shall pay~~file a quarterly return on a form prescribed by the State Tax Assessor and is subject to the same taxes and ~~is subject to~~ all other provisions of this chapter relating to suppliers and retailers. A person may not be considered a supplier or retailer with respect to special fuel brought into the State in the ordinary ~~standardized~~standard equipment fuel tank attached to and forming a part of a motor vehicle and used in the operation of ~~a~~that vehicle within the State.

Sec. 85. 36 MRSA §3211, as amended by PL 1999, c. 733, §14 and affected by §17, is further amended to read:

§ 3211. Cancellation of licenses, registrations

If any person licensed or registered under this chapter files a false report of the ~~data or~~ information required by this chapter, or fails, refuses or neglects to file ~~the report~~a return required by this chapter or to pay the full amount of the tax as required by this chapter or is in violation of the registration certificate as prescribed in section 3205, the State Tax Assessor may cancel the license or registration and notify that person in writing of the cancellation by registered mail to the last known address of that person ~~appearing on the file of the State Tax Assessor~~.

Upon receipt of a written request from any person licensed or registered under this chapter to cancel the license ~~of~~or registration issued to that person, the ~~State Tax Assessor~~assessor may cancel that license or registration effective 30 days from the date of the written request, ~~but no such license or registration may be canceled upon the request of any person until and unless the person, prior to the date of that cancellation, has paid to this State all excise taxes payable under the laws of this State, together with any and all penalties, interest and fines accruing under any of the provisions of this chapter, and until and unless the person has surrendered to the State Tax Assessor~~in which event the license or registration certificate issued to that person must be surrendered to the assessor. If, upon investigation, the ~~State Tax Assessor~~assessor finds that any person to whom a license or registration has been issued under this chapter is no longer engaged in the sale or use of special fuel and has not been so engaged for a period of 6 months, the ~~State Tax Assessor~~assessor may cancel that license or registration by giving that person 30 days' notice of the cancellation mailed to the last known address of that person, in which event the license or registration certificate issued to that person must be surrendered to the ~~State Tax Assessor~~assessor.

Sec. 86. 36 MRSA §3212, first ¶, as amended by PL 1999, c. 733, §15 and affected by §17, is further amended to read:

~~Whenever~~When a supplier, retailer or user ceases to engage in business as a supplier, retailer or user of special fuel within this State, that supplier, retailer or user shall notify the State Tax Assessor in writing within 15 days after discontinuance. All taxes, penalties and interest under this chapter~~, not yet due and payable under this chapter, together with any and all interest accruing or penalties imposed under this chapter, notwithstanding any provisions thereof,~~ become due and payable concurrently with that discontinuance. The supplier, retailer or user shall ~~make~~file a ~~report~~return and pay all ~~such~~the taxes, interest and penalties and surrender to the ~~State Tax Assessor~~assessor the license or registration certificate issued to that supplier, retailer or user by the ~~State Tax Assessor~~assessor.

Sec. 87. 36 MRSA §3214, as amended by PL 1999, c. 733, §16 and affected by §17, is further amended to read:

§ 3214. Credit for tax paid on worthless accounts

The tax paid on sales made on credit and reported by a supplier or retailer pursuant to section 3209 found to be worthless and actually charged off may be credited upon the tax due on a subsequent ~~report~~return, but if any such accounts are thereafter collected by the supplier or retailer, a tax must be paid upon the amounts so collected. The credit must be reported on the return for the month in which the charge-off occurred.

Sec. 88. 36 MRSA §3215, 2nd ¶, as amended by PL 2005, c. 332, §18, is further amended to read:

Applications for refunds must be filed with the State Tax Assessor, on a form prescribed by the assessor ~~and accompanied by the original invoices showing those purchases~~, within 12 months from the date of purchase. A refund may not be issued under this section unless the claimant's commutation fare revenue derived during the ~~calendar quarter~~period for which the refund is claimed is at least 60% of the claimant's total passenger fare revenue derived during that ~~calendar quarter~~period.

Sec. 89. 36 MRSA §3218, first ¶, as amended by PL 2005, c. 332, §19, is further amended to read:

A person who purchases and uses special fuel for any use other than operation of a registered motor vehicle on the highways of this State, and who has paid the tax imposed by this chapter on that fuel, is entitled to reimbursement in the amount of the tax paid, less 1¢ per gallon, upon presenting to the State Tax Assessor a sworn statement accompanied by ~~the original invoices or other~~ evidence as the assessor may require. The statement must show the total amount of special fuel so purchased and used by that person other than in the operation of registered motor vehicles on the highways of this State ~~or in the operation of aircraft~~.

Sec. 90. 36 MRSA §3218, 2nd ¶, as amended by PL 2005, c. 332, §19, is further amended to read:

A refund application on a form prescribed by the assessor must be filed to claim a refund pursuant to this section. Interest must be paid at the rate determined pursuant to section 186, calculated from the date of receipt of the ~~monthly~~ claim, for all ~~proper~~valid claims not paid within 30 days of receipt. Applications for refunds must be filed with the assessor within 12 months from the date of purchase.

Sec. 91. 36 MRSA §4361, sub-§1, as amended by PL 1997, c. 458, §1, is repealed.

Sec. 92. 36 MRSA §4362-A, sub-§2, as amended by PL 2001, c. 526, §3, is further amended to read:

2. Applications; forms. An application for a distributor's license must be made on a form prescribed and issued by the assessor. Licenses are issued in the form prescribed by the assessor and must contain the name and address of the ~~license holder~~licensed distributor, the address of the place of business and such other information as the assessor may require for the proper administration of this chapter.

Sec. 93. 36 MRSA §4362-A, sub-§5, as enacted by PL 1997, c. 458, §3, is amended to read:

5. Revocation or suspension. The assessor may revoke or suspend the license of a ~~license holder~~distributor for failure to comply with any provision of this chapter or if the ~~license holder~~distributor no longer imports or sells cigarettes. Any person aggrieved by a revocation or suspension may ~~apply to the assessor for a hearing~~request reconsideration as provided in section 151.

Sec. 94. 36 MRSA §4366-A, sub-§1, ¶A, as enacted by PL 2003, c. 452, Pt. U, §10 and affected by Pt. X, §2, is amended to read:

A. Sell, offer for sale or display for sale any cigarettes within this State that do not bear stamps evidencing the payment of the tax imposed by this chapter~~; or~~.

Sec. 95. 36 MRSA §4366-A, sub-§1, ¶B, as enacted by PL 2003, c. 452, Pt. U, §10 and affected by Pt. X, §2, is repealed.

Sec. 96. 36 MRSA §4366-A, sub-§2, as amended by PL 2005, c. 622, §25 and affected by §34, is further amended to read:

2. Provided to sellers. The State Tax Assessor shall provide stamps suitable to be affixed to packages of cigarettes as evidence of the payment of the tax imposed by this chapter. The assessor may permit a licensed distributor to pay for the stamps within 30 days after the date of purchase, if a bond satisfactory to the assessor in an amount not less than 50% of the sale price of the stamps has been filed with the assessor conditioned upon payment for the stamps. Such a distributor may continue to purchase stamps on a 30-day deferral basis only if it remains current with its cigarette tax obligations. The assessor may not sell additional stamps to a distributor that has failed to pay in full within 30 days for stamps previously purchased until such time as the overdue payment is received. The assessor shall sell cigarette stamps to licensed distributors at the following discounts from their face value:

~~A. For stamps at the face value of 37 mills sold through September 30, 2001, 2.5%;~~

~~B. For stamps at the face value of 50 mills sold prior to July 1, 2002, 2.16%;~~

~~C. For stamps at the face value of 50 mills sold on or after July 1, 2002, 2.03%; and~~

D. For stamps at the face value of 100 mills, the discount rate is 1.15%.

Sec. 97. 36 MRSA §4366-A, sub-§4, as repealed and replaced by PL 2003, c. 452, Pt. U, §11 and affected by Pt. X, §2, is amended to read:

4. Resale and reuse of stamps prohibited. A distributor may not:

A. Sell, transfer, reaffix or ~~use more than once~~reuse cigarette stamps issued by the assessor pursuant to this chapter~~; or~~.

~~B. Violate paragraph A when the distributor has 2 prior convictions for violation of this chapter.~~

Sec. 98. 36 MRSA §4366-A, sub-§4-A, as enacted by PL 2003, c. 452, Pt. U, §12 and affected by Pt. X, §2, is amended to read:

4-A. Redemption of stamps. The assessor shall redeem any unused, uncancelled stamps presented within one year of the date of purchase by a licensed distributor at a price equal to the amount paid for them. Credit for uncancelled stamps is allowed only on full, unopened rolls unless the distributor ceases business as a distributor and returns the license issued under section 4362-A. The assessor may also redeem, at face value, cigarette tax stamps affixed to packages of cigarettes that have become unsalable if application is made within 90 days of the return of the unsalable cigarettes to the manufacturer. ~~The Treasurer of State shall provide out of money collected pursuant to this chapter, the funds necessary for the redemption.~~

Sec. 99. 36 MRSA §4366-B, as amended by PL 2003, c. 452, Pt. U, §14 and affected by Pt. X, §2, is further amended to read:

§ 4366-B. Importation of unstamped cigarettes

1. Generally. Except as provided in subsection 2, only a licensed distributor ~~or a dealer~~ may import unstamped cigarettes into this State.

2. Exception for personal use. An individual who is not a licensed distributor ~~or a dealer~~ may transport cigarettes into this State and may transport cigarettes from place to place within this State for the individual's personal use in a quantity not greater than 2 cartons.

3. Evidence. The possession of more than 2 cartons of unstamped cigarettes by a person who is not a licensed distributor ~~or a dealer~~ is prima facie evidence of a violation of this section.

4. Penalties. The following penalties apply to violations of this section.

A. A person who violates this section commits a Class E crime.

B. A person who violates this section when the person has one or more prior convictions for violation of this section commits a Class D crime. Title 17-A, section 9-A governs the use of prior convictions when determining a sentence.

Violation of this section is a strict liability crime as defined in Title 17-A, section 34, subsection 4-A.

Sec. 100. 36 MRSA §4366-C, as amended by PL 2003, c. 452, Pt. U, §15 and affected by Pt. X, §2, is further amended to read:

§ 4366-C. Sales of cigarettes in contravention of law

1. Cigarettes; stamps not affixed. A ~~dealer or~~ distributor may not offer for sale, sell or affix a stamp to a package of cigarettes if the package:

A. Does not comply with the Federal Cigarette Labeling and Advertising Act, 15 United States Code, Section 1331, et seq., for the placement of labels, warnings or any other information for a package of cigarettes to be sold within the United States;

B. Is labeled "For Export Only," "U.S. Tax Exempt," "For Use Outside U.S." or with other wording indicating that the manufacturer did not intend that the product be sold in the United States;

C. Has been altered by adding or deleting wording, labels or warnings described in paragraphs A and B;

D. Has been imported into the United States in violation of 26 United States Code, Section 5754; or

E. In any way violates federal trademark or copyright laws.

2. Deceptive practice. Selling a package of cigarettes described in subsection 1, with or without a stamp, is an unfair or deceptive act or practice under the Maine Unfair Trade Practices Act.

3. Penalties. The following penalties apply to violations of this section.

A. A ~~dealer or~~ distributor who violates this section commits a Class E crime.

B. A ~~dealer or~~ distributor who violates this section when the ~~dealer or~~ distributor has one or more prior convictions for violation of this section commits a Class D crime. Title 17-A, section 9-A governs the use of prior convictions when determining a sentence.

Violation of this section is a strict liability crime as defined in Title 17-A, section 34, subsection 4-A.

Sec. 101. 36 MRSA §4372-A, sub-§2, as amended by PL 1999, c. 616, §5, is further amended to read:

2. Exceptions. The following cigarettes are not subject to seizure:

A. Unstamped cigarettes in the possession of a licensed distributor;

B. Unstamped cigarettes in the course of transit from ~~without~~outside the State ~~and~~that are consigned to a licensed distributor; and

C. Unstamped cigarettes in a quantity of 2 cartons or less in the possession of an individual who is not a licensed distributor.

Notwithstanding paragraphs A, B and C, cigarettes described in section 4366-C, subsection 1 are subject to seizure under the process described in subsection 3, unless the ~~dealer or~~ distributor can prove the cigarettes are to be exported out of the country.

Sec. 102. 36 MRSA §4373-A, as amended by PL 2001, c. 396, §32, is further amended to read:

§ 4373-A. Records required; inspection and examination; assessment of tax deficiency

1. Generally. Distributors ~~and dealers~~ shall keep complete and accurate records of all cigarettes that they manufacture, produce, purchase, transfer or sell. The records must be of a kind and in the form prescribed by the State Tax Assessor and must be safely preserved for 6 years in a manner that ensures permanency and accessibility by authorized agents of the assessor. ~~Records maintained by dealers must include an inventory of stamped cigarettes, by pack size.~~ Records maintained by distributors must include the following data on either a calendar or fiscal year basis:

A. An inventory of unaffixed Maine cigarette stamps by denomination;

B. An inventory of stamped cigarettes, by pack size;

C. An inventory of unstamped cigarettes, by pack size; and

D. Copies of all documents supporting redemption for tax on unused, uncancelled stamps and for unsalable cigarettes.

If the rate of tax imposed by section 4365 is changed, a distributor shall take a new inventory.

2. Inspection and examination; penalty. The assessor or any authorized agent may enter into or upon any premises where there is reason to believe that cigarettes are possessed, stored or sold, and may examine the books, papers, records and cigarette stock of any distributor ~~or dealer~~ to determine compliance with the provisions of this chapter. Failure or refusal to permit an examination pursuant to this subsection is a civil violation for which a fine in the amount of $250 must be imposed, no part of which may be suspended.

3. Assessment of tax deficiency; presumptions. If the assessor determines that a distributor has not purchased sufficient stamps to cover sales of cigarettes or ~~that a dealer~~ has made sales of unstamped cigarettes, the assessor shall assess the tax deficiency pursuant to section 141. When a distributor ~~can not~~cannot produce evidence of sufficient stamp purchases to cover receipts and sales or other disposition of cigarettes, it is presumed that the cigarettes were sold without having the proper stamps affixed to them.

Sec. 103. 36 MRSA §4384, as enacted by PL 2003, c. 705, §7, is amended to read:

§ 4384. Reporting and payment of tax

A person who is not a licensed distributor ~~or dealer~~ who imports, receives or otherwise acquires unstamped cigarettes for use or consumption in the State in a quantity greater than 2 cartons in any one month from a person other than a licensed distributor ~~or dealer~~ shall file, on or before the last day of the month following each month in which unstamped cigarettes were acquired, a return on a form prescribed by the State Tax Assessor together with payment of the tax imposed by this chapter at the rate provided in section 4365. The return must report the number of unstamped cigarettes imported, received or otherwise acquired during the previous calendar month and additional information the assessor may require.

Sec. 104. 36 MRSA §4404, first ¶, as amended by PL 2005, c. 627, §10, is further amended to read:

Every distributor subject to the licensing requirement of section 4402 shall file, on or before the last day of each month ~~submit~~, a return on a form prescribed and furnished by the State Tax Assessor~~, a report~~ together with payment of the tax due under this chapter ~~stating~~. The return must state the quantity and the wholesale sales price of all tobacco products held, purchased, manufactured, brought in or caused to be brought in from outside the State or shipped or transported to retailers within the State during the preceding calendar month. Every ~~such~~ distributor shall keep a complete and accurate record at its principal place of business to substantiate all receipts and sales of tobacco products.

Sec. 105. 36 MRSA §4404, 2nd ¶, as amended by PL 2001, c. 382, §3, is further amended to read:

~~Such monthly reports~~The return must ~~contain such~~include further information as the ~~State Tax Assessor~~assessor may prescribe and must show a credit for any tobacco products exempted as provided in section 4403. Records must be maintained to substantiate the exemption. ~~Tobacco~~Tax previously paid on tobacco products ~~previously taxed~~ that are returned to a manufacturer because the product has become unfit for use, sale or consumption may be taken as a credit on a subsequent return upon receipt of the credit notice from the original supplier.

Sec. 106. 36 MRSA §4404-A, sub-§3, as enacted by PL 2005, c. 627, §11, is amended to read:

3. Exception for personal use. A person who is not a licensed distributor may:

A. ~~Transport~~Import or transport tobacco products other than cigars into this State and transport those tobacco products from place to place within this State for personal use in a quantity not greater than one pound; or

B. Import or transport cigars into this State and transport those cigars from place to place within this State for personal use in a quantity of no more than 125 cigars.

Untaxed tobacco products imported or transported into this State in any quantity are subject to the tax imposed by section 4403.

Sec. 107. 36 MRSA §5223, as enacted by P&SL 1969, c. 154, Pt. F, §1, is repealed.

Sec. 108. 36 MRSA §5228, sub-§1, ¶B, as enacted by PL 1985, c. 691, §§35 and 48, is amended to read:

B. "Estimated tax" means the total amount ~~which~~of tax that a person estimates ~~as the total amount of income tax which~~ will be due for a taxable year under this Part, exclusive of a withholder's liability for taxes withheld ~~for a taxable year~~, less any allowable credits for that taxable year.

Sec. 109. 36 MRSA §5228, sub-§2, as amended by PL 1997, c. 668, §35 and affected by §43, is further amended to read:

2. Requirement to pay estimated tax. Every person subject to taxation under this Part shall make payment of estimated tax as required by this Part ~~in such form as the State Tax Assessor may require~~. If the person's ~~income~~ tax liability pursuant to this Part, exclusive of a withholder's liability for taxes withheld, reduced by allowable credits for the taxable year, is less than $1,000 for the taxable year, or~~,~~ if the person had less than $1,000 tax liability under this Part for the ~~prior tax~~preceding taxable year, the requirement to make ~~the~~estimated tax payments is waived.

Sec. 110. 36 MRSA §5228, sub-§3, ¶A, as enacted by PL 1985, c. 691, §§35 and 48, is amended to read:

A. An amount equal to the ~~preceding year's state income~~person's tax liability under this Part for the preceding taxable year, if that preceding year was a taxable year of 12 months; or

Sec. 111. 36 MRSA §5228, sub-§3, ¶B, as amended by PL 1991, c. 528, Pt. DDD, §1 and affected by §2 and Pt. RRR and amended by c. 591, Pt. DDD, §1 and affected by §2, is further amended to read:

B. An amount equal to 90% of the ~~income~~person's tax liability under this Part for the current taxable year determined without taking into account the current year's investment tax credit set forth in section 5219-E, except that for farmers and persons who fish commercially, this amount is 66 2/3% of the person's tax liability under this Part for the current taxable year.

Sec. 112. 36 MRSA §5255, as amended by PL 2005, c. 618, §16, is further amended to read:

§ 5255. Failure to withhold

A person who fails to deduct and withhold tax as required by this chapter is relieved from liability for that tax to the extent that the tax against which that tax may be credited has been paid, but the person is not relieved from liability for any additions to tax, penalties or interest otherwise applicable with respect to the failure to ~~deduct~~file returns and withhold and pay tax as required by this chapter.

Sec. 113. 36 MRSA §5276, as amended by PL 2005, c. 332, §§25 and 26, is further amended to read:

§ 5276. Authority to make credits or refunds

1. General rule. The State Tax Assessor, within the applicable period of limitations, may credit an overpayment of income tax, including an overpayment reported on a joint return, and interest on the overpayment against any liability arising from a redetermination pursuant to section 6211 or any liability

in respect of any tax imposed under this Title owed by the taxpayer, or by the taxpayer's spouse in the case of a joint return. The balance, after any setoff pursuant to section 5276-A, must be refunded by the Treasurer of State.

2. Excessive withholding. If the amount allowable as a credit for tax withheld from the taxpayer exceeds ~~his~~the tax to which the credit relates, the excess ~~shall~~must be considered an overpayment.

3. Overpayment by withholder. If there has been an overpayment of tax required to be deducted and withheld under ~~section 5250~~chapter 827, refund ~~shall~~must be made to the ~~employer~~withholder only to the extent that the amount of the overpayment was not deducted and withheld by the ~~employer~~withholder.

4. Credits against estimated tax. The assessor may ~~prescribe regulations providing~~provide for the crediting against the estimated income tax for any taxable year of ~~the amount determined to be~~ an overpayment of the income tax for a preceding taxable year.

5. Assessment and collection after limitation period. If any amount of income tax is assessed ~~or~~and collected after the expiration of the applicable period of limitations ~~properly applicable thereto, such~~, that amount ~~shall~~must be considered an overpayment.

6. ~~Overpayment by pass-through entity.~~ ~~If there has been an overpayment of tax required to be withheld under section 5250-B, refund must be made to the pass-through entity only to the extent that the amount of the overpayment was not deducted and withheld by the pass-through entity.~~

Sec. 114. 36 MRSA §6201, sub-§2, as amended by PL 2001, c. 396, §40, is further amended to read:

2. Claimant. "Claimant" means an individual who has filed a claim under this chapter and who was domiciled in this State and occupied a homestead in this State during the entire ~~calendar year preceding the~~ year ~~in~~for which a claim for relief under this chapter is filed. "Claimant" also includes an individual who has filed a claim under this chapter and who was domiciled in this State and owned or otherwise maintained a homestead in this State during the entire ~~calendar year preceding the~~ year ~~in~~for which the claim for relief under this chapter is filed and occupied that homestead for at least 6 months during that year. Regardless of how many names of individuals appear on the property deed, the person who meets the qualifications described in this subsection and proves sole responsibility for the payment of the property taxes on the subject property is the claimant with respect to that property. If 2 or more individuals meet the qualifications in this subsection and share the payment of the rent or the responsibility for the payment of the property taxes, each individual may apply on the basis of the rent paid or the property taxes levied on the homestead that reflect the ownership percentage of the claimant and the claimant's household.

If 2 or more individuals claim the same property, the matter must be referred to the State Tax Assessor, whose decision is final. Ownership of a homestead under this chapter may be by fee, by life tenancy, by bond for deed, as mortgagee or any other possessory interest in which the owner is personally responsible for the tax for which a refund is claimed.

Sec. 115. 36 MRSA §6201, sub-§3, as enacted by PL 1987, c. 516, §§3 and 6, is amended to read:

3. Elderly household. "Elderly household" means a household in which, during the year for which relief is requested:

A. At least one member of the household ~~has~~had attained the age of 62 ~~during the year for which relief is requested~~;

B. The claimant ~~is currently~~was not married and ~~has~~had attained the age of 55 ~~during the year for which relief is requested~~ and ~~is~~was, due to disability, receiving federal disability payments~~,~~ such as supplemental security income; or

C. The claimant ~~is currently~~was married and ~~has~~had attained the age of 55 ~~during the year for which relief is requested~~ and both the claimant and the claimant's spouse ~~are~~were, due to disability, receiving federal disability payments~~,~~ such as supplemental security income.

Sec. 116. 36 MRSA §6201, sub-§9, as amended by PL 2005, c. 618, §17 and as affected by §22, is repealed and the following enacted in its place:

9. Income. "Income" means Maine adjusted gross income determined in accordance with Part 8, modified as provided by this subsection.

A. Maine adjusted gross income must be increased by the following amounts, to the extent not included in Maine adjusted gross income:

(1) Contributions, including catch-up contributions, to any pension, annuity or retirement plan, including contributions to an individual retirement account under Section 408 of the Code, a simplified employee pension plan, a salary reduction simplified employee pension plan, a savings incentive match plan for employees plan and a deferred compensation plan under Section 457 of the Code and cash or deferred arrangements under Section 401 of the Code and qualified, or "Keogh," accounts;

(2) Nontaxable contributions to a flexible spending arrangement under Section 125 of the Code;

(3) Amounts excluded from gross income under Section 129 of the Code;

(4) Distributions from a ROTH IRA;

(5) Capital gains;

(6) The absolute value of the amount of trade or business loss, net operating loss carry-over, capital loss, rental loss, farm loss, partnership or S Corporation loss included in Maine adjusted gross income;

(7) Inheritance;

(8) Life insurance proceeds paid on death of an insured;

(9) Nontaxable lawsuit rewards resulting from lawsuits for actions such as slander, libel and pain and suffering, excluding reimbursements such as medical and legal expenses associated with the case;

(10) Support money;

(11) Nontaxable strike benefits;

(12) The gross amount of any pension or annuity, including railroad retirement benefits;

(13) All payments received under the federal Social Security Act and state unemployment insurance laws;

(14) Veterans' disability pensions;

(15) Nontaxable interest received from the Federal Government or any of its agencies or instrumentalities;

(16) Interest or dividends on obligations or securities of this State and its political subdivisions and authorities;

(17) Workers' compensation and the gross amount of "loss of time" insurance; and

(18) Cash public assistance and relief, but not including relief granted under this chapter.

B. Maine adjusted gross income must be decreased by the following amounts, to the extent included in Maine adjusted gross income:

(1) The first $5,000 of proceeds from a life insurance policy, whether paid in a lump sum or in the form of an annuity;

(2) A rollover from an individual retirement account, pension or annuity fund or plan to an individual retirement account, pension or annuity fund or plan;

(3) Gifts from nongovernmental sources; and

(4) Surplus foods or other relief in kind supplied by a governmental agency.

Sec. 117. 36 MRSA §6652, sub-§1, as amended by PL 2005, c. 618, §19 and c. 623, §3, is repealed and the following enacted in its place:

1. Generally. A person against whom taxes have been assessed pursuant to Part 2, except for chapters 111 and 112, with respect to eligible property and who has paid those taxes is entitled to reimbursement of a portion of those taxes from the State as provided in this chapter. The reimbursement under this chapter is the percentage of the taxes assessed and paid with respect to eligible property specified in subsection 4, except that for claims filed for the application period that begins on August 1, 2006 the reimbursement is limited to 90% of the taxes assessed and paid with respect to eligible property. For purposes of this chapter, a tax applied as a credit against a tax assessed pursuant to chapter 111 or 112 is a tax assessed pursuant to chapter 111 or 112. A taxpayer that included eligible property in its investment credit base under section 5219-E or 5219-M and claimed the credit provided in one or more of those sections on its income tax return may not be reimbursed under this chapter for taxes assessed on that same eligible property in a year in which one or more of those credits are taken. A successor in interest of a person against whom taxes have been assessed with respect to eligible property is entitled to reimbursement pursuant to this section, whether the tax was paid by the person assessed or by the successor, as long as a transfer of the property in question to the successor has occurred and the successor is the owner of the property as of August 1st of the year in which a claim for reimbursement may be filed pursuant to section 6654. For purposes of this subsection, "successor in interest" includes the initial successor and any subsequent successor. When an eligible successor in interest exists, the successor is the only person to whom reimbursement under this chapter may be made with respect to the transferred property. For an item of eligible property that is first subject to assessment under Part 2 on or after April 1, 2008, and for any item of eligible property for which reimbursement is paid under subsection 4, paragraph B, the reimbursement otherwise payable under this section with respect to that item of eligible property must be reduced by an amount equal to the amount, if any, by which the reimbursement otherwise payable under this section plus payments received by the taxpayer under a tax increment financing arrangement pursuant to Title 30-A, chapter 206, subchapter 1 with respect to that item of eligible property exceeds 100% of the property taxes assessed with respect to that item of eligible property.

Sec. 118. PL 2003, c. 20, Pt. B, §1, under the caption "ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF" in the 3rd part designated "Revenue Services - Bureau of 0002," as amended by PL 2003, c. 673, Pt. AAA, §4, is further amended to read:

Sec. .

Revenue Services - Bureau of 0002

Initiative: Provides for the appropriation of Personal Services and All Other funds to establish one Tax Section Manager position, one Tax Enforcement Officer position, one Senior Tax Examiner position, 2 Senior Revenue Agent positions, one Revenue Agent position and 5 Tax Examiner positions for the Tax Amnesty, Enforcement and Withholding on flow throughs initiative within the Maine Revenue Services Bureau. ~~The Bureau of Revenue Services must report on the success of the tax amnesty and tax enforcement programs by August 15th of each fiscal year to the joint standing committees of the Legislature having jurisdiction over taxation and appropriation and financial affairs matters.~~

General Fund	**2003-04**	**2004-05**
Positions - Legislative Count	(11.000)	(11.000)
Personal Services	765,194	619,583
All Other	1,102,625	65,021
General Fund Total	1,867,819	684,604

SUMMARY

This bill makes the following changes to the laws governing taxation.

1. It repeals a provision that authorizes the State Tax Assessor to subtract from revenues credit card fees associated with income tax returns filed by telephone. Maine’s income tax Telefile system has been discontinued.

2. It replaces the imprecise term "report" with the defined term "return" throughout the tax laws.

3. It authorizes a 120-day extension of the time allowed for filing a return after the taxpayer has received a formal demand for filing. The Department of Administrative and Financial Services, Bureau of Revenue Services has been administratively granting such extensions.

4. It provides clear statutory authority for the State Tax Assessor to disclose the fact that a person has or has not been issued a certificate of exemption under the sales tax law or the service provider tax law. The bureau has administratively interpreted existing law to authorize these disclosures.

5. It replaces an obsolete reference to the Bureau of Property Taxation, which was merged into the Bureau of Taxation, now the Bureau of Revenue Services, a number of years ago.

6. It clarifies that all owners of property proposed for tree growth classification must consent to the application in writing.

7. It repeals an obsolete provision that related to valuation of tree growth property for taxable years prior to April 1, 1983.

8. It repeals obsolete language relating to the computation of tree growth reimbursements and authorizes the State Tax Assessor to adopt rules governing the assessment of tree growth land and the computation of reimbursements.

9. It repeals obsolete provisions relating to the administration of changes to the Maine Tree Growth Tax Law that were enacted in 1981 and corrects an erroneous reference.

10. It replaces obsolete terminology, corrects cross-references and clarifies the definition of "nonprofit."

11. It clarifies certain deadlines relating to the certification of pollution control facilities for property tax exemption.

12. It clarifies the deadline for filing an application for a homestead property tax exemption and repeals an obsolete provision that governed program applications for the 1998 tax year.

13. It makes technical changes to the business equipment tax exemption law enacted in 2006.

14. It clarifies that all owners of property proposed for farm and open space classification must consent to the application in writing and repeals obsolete language.

15. It clarifies the deadlines for notifying the landowner of the status of an application for classification of land under the farm and open space law and for reporting income from farmland under the farm and open space law, corrects a cross-reference and reallocates a paragraph into the subsection to which the paragraph's subject matter relates.

16. It repeals an obsolete statute that provided for transfers to the Unorganized Territory Education and Services Fund in fiscal years 1985 to 1990.

17. It replaces the word "primary" with "elementary" in the definition of "school" to match the term that is defined and used in other Maine statutes pertaining to schools.

18. It repeals a superfluous provision relating to determinations of residency under the sales and use tax law.

19. It eliminates redundant language.

20. It clarifies exemptions for certain sales of residential fuel and electricity.

21. It repeals an obsolete provision relating to the administration of changes that were enacted in 1989 in the sales tax exemption for continuous residence in a hotel, rooming house, tourist camp or trailer camp.

22. It simplifies and clarifies existing law providing that certain sales tax exemptions for vehicles purchased by nonresidents are not limited to natural persons.

23. It clarifies existing law providing that certain sales tax exemptions for items purchased by nonresidents are limited to natural persons.

24. It clarifies the sales and use tax exemption for water and air pollution control facilities by including chemicals and supplies for certified facilities within the scope of the exemption. The bureau currently treats these items as exempt based on a 1994 court decision.

25. It clarifies the exemption for sales of residential water.

26. It clarifies an existing sales tax exemption for property used in production.

27. It relocates an existing sales and use tax exemption for certain sales of electricity or water to the section that provides for exemptions.

28. It repeals a statute that imposes criminal penalties for violation of unspecified laws.

29. It repeals the solid waste reduction investment tax credit in the insurance premium tax law. The credit is no longer available.

30. It corrects the name of the state agency that licenses private nonmedical institutions to reflect legislation effective July 1, 2004 that combined and reorganized the former Department of Human Services and the former Department of Behavioral and Developmental Services.

31. It clarifies that certain separately stated transportation charges are excluded from the sale price under the service provider tax law on the same basis as under the sales and use tax law.

32. It adds a specific exemption for purchases of fabrication services to print advertising or promotional materials for the purpose of subsequently transporting those materials outside the State for use by the purchaser thereafter solely outside the State. This is the administrative position taken by the bureau.

33. It clarifies that the basis of reporting for purposes of the gasoline tax is actual measured gallonage, without any adjustment for temperature or barometric pressure variations.

34. It adds a definition of "retail dealer" to the gasoline tax law in order to clarify the type of transaction that qualifies for a retail shrinkage refund under the Maine Revised Statutes, Title 36, section 2906, subsection 4.

35. It clarifies that when gasoline is placed in a retail tank it is deemed to have been sold for purposes of the gasoline tax law. This is longstanding administrative policy of the bureau.

36. It clarifies that gasoline tax refunds to a retail dealer based on shrinkage or loss by evaporation are based on purchases of gasoline delivered to the dealer's tanks and actually sold from those tanks, rather than on the total gross purchases made during the year.

37. It eliminates a reference to a "monthly" refund claim for fuel used in commercial uses since there is no requirement that the claims be filed monthly.

38. It repeals the requirement that original invoices must be submitted with refund claims for gasoline tax paid on fuel used in locally encouraged vehicles. This requirement has not been enforced for several years. It also eliminates the requirement that refund claims must be filed quarterly. By administrative policy they may be filed for any open period.

39. It adds a specific provision to clarify that gasoline tax refunds for fuel used in aircraft are reduced by the amount of Maine use tax due on the fuel. This is consistent with longstanding administrative practice of the bureau.

40. It eliminates an obsolete cross-reference to the affidavit prescribed for registered sellers in Title 36, section 3205. Title 36, section 3205 no longer contains any reference to an affidavit.

41. It repeals statutes that formerly governed taxation of fuel consumed by interstate buses. This tax is now reported under the International Fuel Tax Agreement.

42. It clarifies that distillates delivered to a consumer or a retail outlet, whether or not "on consignment," are deemed to have been sold for purposes of the special fuel tax. This is longstanding administrative policy of the bureau.

43. It clarifies that propane shrinkage allowances must be calculated on an annual basis. This is current administrative policy of the bureau.

44. It limits the exemption for sales of special fuel to the State and its political subdivisions to bulk sales. Because of the way the tax is imposed it is not practical to make exempt sales at the pump. Governmental entities may apply for a refund of the tax paid on those sales.

45. It removes obsolete and redundant language relating to refund applications by special fuel users.

46. It eliminates the requirement that original invoices must be submitted with refund claims for special fuel tax paid by political subdivisions. This requirement has not been enforced for several years. It also repeals an obsolete provision that governed refunds of tax paid before April of 1986.

47. It clarifies the administration of the special fuel tax.

48. It eliminates the requirement that original invoices must be submitted with refund claims for special fuel tax paid on fuel used in locally encouraged vehicles. This requirement has not been enforced for several years. It also eliminates the requirement that refund claims must be filed quarterly. By administrative policy they may be filed for any open period.

49. It eliminates the requirement that original invoices must be submitted with refund claims for special fuel tax paid on fuel used off-highway. This requirement has not been enforced for several years. It also eliminates a reference to a "monthly" refund claim since there is no requirement that the claims be filed monthly.

50. It repeals the definition of "dealer" from the cigarette tax law. There is no longer any distinction between dealers and distributors.

51. It clarifies the cigarette tax law by replacing references to "license holder" with the defined term "distributor."

52. It repeals superfluous criminal provisions and clarifies an ambiguous statute prohibiting sale and reuse of cigarette stamps.

53. It repeals obsolete provisions setting discount rates for cigarette stamps that are no longer in effect.

54. It prohibits the return of partial rolls of cigarette stamps for credit unless the person is ceasing business as a distributor. This is longstanding bureau policy. It also repeals unnecessary language regarding the payment of refunds.

55. It deletes the obsolete term "dealer" from the cigarette tax law and clarifies certain record-keeping requirements.

56. It clarifies that the personal use exception applies to importation of tobacco products other than cigars and that any quantity of untaxed tobacco products imported into the State is subject to tax.

57. It repeals the law requiring certain fiduciaries to notify the State Tax Assessor of their appointment. This requirement has not been enforced for many years.

58. It clarifies that a taxpayer's estimated tax liability includes all taxes due under the income tax law except withholding tax.

59. It clarifies that a person who fails to withhold tax as required is not relieved from liability for penalties for failure to file returns and pay withholding tax. This is the bureau's longstanding position.

60. It consolidates 2 closely related provisions relating to overpayments of withholding tax by employers and pass-through entities into a single subsection and eliminates a superfluous authorization for rulemaking that has never been implemented.

61. It clarifies the determination of the period during which a claimant under the Circuitbreaker Program must have been domiciled in Maine.

62. It clarifies the definition of "elderly household" for purposes of the Circuitbreaker Program. The new language is consistent with the way the statute has been administratively interpreted by the bureau.

63. It restructures for clarity the definition of "income" in the Circuitbreaker Program law, but does not change the way in which income is determined for purposes of the program.

64. It makes technical changes to the business equipment tax reimbursement law. It also corrects a conflict created by Public Law 2005, chapters 618 and 623, which affected the same provision of law, by incorporating changes made by both laws.

65. It eliminates the requirement for an annual revenue enhancement and amnesty report to the Legislature by the bureau.

The bill also corrects several grammatical errors and replaces archaic, redundant and gender-specific language.