

2012 Maine Tax Forum

New Appeals Process for State Tax Assessor Determinations

Presentation by:



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New Appeals Process for State Tax Assessor Determinations

The process for appealing a tax assessment or other determination made by Maine Revenue Services (MRS) has changed, effective July 1, 2012

New Appeals Process for State Tax Assessor Determinations

To appeal a Maine tax assessment or MRS determination, the taxpayer must, within 60 days of receiving the assessment or determination, submit a written request for reconsideration

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MRS has provided a Petition for Reconsideration Form to assist taxpayers in making a request for reconsideration

Please call 207-624-9595 to have a form mailed to you or visit the MRS website:

www.maine.gov/revenue/forms/general/generalforms.htm

Mail Reconsideration Requests to:

Division Reconsideration

Maine Revenue Services

PO Box 1060, Augusta, ME 04332-1060

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The request for reconsideration should include all information necessary to support the taxpayer's request (e.g. providing documentation to support a serious illness, which caused an unfiled/unpaid tax liability)

Include in your petition the amount of tax, interest and penalty you want MRS to reconsider

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Can a taxpayer ask to have interest waived?

Yes. The State Tax Assessor may waive interest in certain unusual circumstances. However, these cases are very rare. 36 MRSA § 186 indicates, if the failure to pay a tax when required is explained to the satisfaction of the assessor, the assessor may abate or waive the payment of all or any part of that interest.

Can a taxpayer ask to have penalties waived?

Yes. The State Tax Assessor must waive penalties on a showing of reasonable cause as provided by 36 MRSA § 187-B (7). Reasonable cause includes death or serious illness of the taxpayer or member of the taxpayer's immediate family, a natural disaster and other specific items outlined in Maine tax law.

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Under the law, the MRS Division has 90 days from receipt of a request for reconsideration to issue a decision approving or denying the relief requested by the taxpayer.

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This 90-day period may be extended by mutual agreement of the taxpayer and the Division. During this period, the Division may attempt to resolve the matter with the taxpayer.

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If the Division does not issue a decision within the 90-day period absent extension, the taxpayer may deem the request for reconsideration denied to exercise further appeal rights.

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Who makes the decision on a petition for reconsideration?

With the creation of BOTA, effective July 1, 2012, MRS no longer issues an “Appellate Division” reconsideration decision. Rather, the Division that made the assessment will now review the Petition for Reconsideration and will examine any additional evidence presented by the taxpayer; then, the MRS Division will approve or deny the request, based on the information provided.

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How will a taxpayer be notified of our decision?

MRS will mail the taxpayer (or the authorized representative) a letter setting forth the issues considered and the Division decision.

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If the reconsideration decision says that an amount is still due, a taxpayer may contact MRS to make arrangements to pay the amount due.

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Any taxpayer, not satisfied with a decision or if the request for reconsideration has been deemed denied, has additional rights of appeal, which must be exercised within 60 days of receiving the decision.

- A “small claim request” under 36 MRSA § 151 may only be appealed to Superior Court. A small claim request means a petition for reconsideration, which indicates the amount in controversy, is less than \$5,000.
- A taxpayer with a reconsideration request, which indicates the amount in controversy is \$5,000 or greater, may first appeal the matter to the Maine Board of Tax Appeals (BOTA). Decisions of the Board of Tax Appeals may be appealed by the taxpayer or MRS to Superior Court.

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Reconsideration decisions issued by MRS on or after July 1, 2012 are subject to public disclosure in redacted form, so as not to reveal the identity of the taxpayer or other interested party, and to comply with federal confidentiality statutes.