



MAINE TAX ALERT

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2019 Maine Tax Law Changes

A summary of the tax law changes enacted by the First Regular Session of the 129th Legislature is available on the Maine Revenue Services (“MRS”) website at www.maine.gov/revenue/rules (click on “2019 Tax Law Changes” at top). View this link to see the latest Maine tax law changes, including changes to Income Tax, Franchise Tax, Withholding Tax, Pass-through Entity Withholding, Sales Tax, and Property Tax.

MRS Rulemaking Activity

Changes to the following rules were adopted by MRS on August 19, 2019:

Rule 302, “Sales to Governmental Agencies and Exempt Organizations.” MRS has amended Rule 302. The Rule explains the circumstances under which a retailer will be relieved of its burden of proving that sales to an entity described in 36 M.R.S. § 1760, including an agency or instrumentality of the Federal Government or of the State of Maine, are exempt from Maine Sales and Use Tax. The Rule was amended to include references to Maine service provider tax and to update certain references to the GSA SmartPay program.

Rule 304, “Sales Tax Returns and Payments.” MRS has amended Rule 304. The Rule establishes requirements for the filing of sales and use tax returns and the payment of taxes due pursuant to Title 36, Chapter 219, of the Maine Revised Statutes. The Rule was amended to eliminate the requirement that retailers of vehicles, watercraft, and manufactured housing file a supplemental report with MRS. However, such retailers must still maintain the supplemental report as part of its records and still make the report available for inspection by the State Tax Assessor.

Rule 318, “Instrumentalities of Interstate or Foreign Commerce.” MRS has repealed and replaced Rule 318. The Rule was repealed and replaced because the controlling statutory provision, 36 M.R.S. § 1760(41), which provided an exemption from sales and use tax for certain instrumentalities of interstate or foreign commerce, was repealed (L.D. 1805, P.L. 2017, c. 375, Part I) and replaced with 36 M.R.S. § 1760(41-A). Under 36 M.R.S. § 1760(41-A), the sales and use tax exemption is expanded by specifying that, in certain situations, property waiting to be loaded or unloaded is considered to be placed in use in interstate or foreign commerce. Also, 36 M.R.S. § 1760(41-A) provides that a trailer, semitrailer, or tow dolly being used by an entity other than the owner is eligible for the exemption if (1) there is a written interchange agreement between the owner and the other entity and (2) the transportation is interstate in nature. The expanded exemption is effective for purchases made on or after January 1, 2012.

The amended Rules are available on the MRS website, at www.maine.gov/revenue/rules (under “Sales/Use Tax”).

2019 Maine Tax Symposiums

MRS is pleased to announce that the dates and locations for the 2019 Maine Tax Symposiums are as follows:

- October 16 – **Augusta, Maine** – Elks Lodge
- October 17 – **Portland, Maine** – Keeley’s Banquet Center
- October 30 – **Bangor, Maine** – Bangor Banquet and Conference Center

This year, the Maine Tax Symposiums, previously known as the Maine Sales and Use Tax Symposiums, are being expanded to include updates on Maine tax law and other changes for both Sales and Use Tax and Income Tax. The registration form and details for this one-day program will be available soon on the MRS website.

2019 Maine Tax Practitioner Institute and 2019 Maine Tax Forum (presented by SCORE Maine)

The agenda and registration materials are available online at www.scoremaine.org/tax-practitioner-institute/ and at www.scoremaine.org/maine-tax-forum/.

The dates and locations for this year are as follows:

Tax Practitioner Institute

- October 22 – Augusta Civic Center
- October 24 – Brewer, Jeff’s Catering
- October 29 – Portland, Clarion Hotel

Maine Tax Forum

- November 6 & 7 – Augusta Civic Center

What’s the difference between these programs?

The Tax Practitioner Institute (TPI) is a one-day program focused on the practical application of Federal and Maine tax rules and updates in tax law. TPI is a primer for newer practitioners and a refresher for the more experienced.

The Maine Tax Forum is a two-day program especially beneficial to experienced professionals providing tax advice to clients and assisting with more complex tax situations. Maine professionals engaged in tax, accounting and legal client service practices that are impacted by annual changes in the federal and state tax laws, will benefit from the in-depth presentations at this event.

The Tax Cuts and Jobs Act of 2017 included numerous tax reforms and these programs are focused on those changes, one year later.

Fraud Alert

If you believe you are a victim of identity theft or that a breach of personally identifiable information has occurred, contact MRS at (207) 626-8475 or email fraudalert.mrs@maine.gov as soon as possible. Timely notification assists MRS in preventing fraudulent tax refunds.

<u>Department</u>	<u>Telephone Numbers</u>	<u>FAX Numbers</u>	<u>E-mail Addresses</u>
Taxpayer Service Center	(207) 626-8475	(207) 287-5855	
Central Registration	(207) 624-5644	(207) 287-6975	taxregistration@maine.gov
Collections & Compliance	(207) 624-9595	(207) 287-6627	compliance.tax@maine.gov
Corporate Tax	(207) 624-9670	(207) 624-9694	corporate.tax@maine.gov
E-file Help Desk (1040 ONLY)	(207) 624-9730	(207) 287-6628	efile.helpdesk@maine.gov
Electronic Funds Transfer	(207) 624-5625	(207) 287-3618	efunds.transfer@maine.gov
Estate & Fiduciary Tax	(207) 626-8480	(207) 624-9694	estatetax@maine.gov
Fuel & Special Taxes	(207) 624-9609	(207) 287-6628	fuel.tax@maine.gov
Forms Request Line	(207) 624-7894		
Individual Income Tax Assistance	(207) 626-8475	(207) 624-9694	income.tax@maine.gov
Insurance Premiums Taxes	(207) 624-9753	(207) 624-9694	
NexTalk (TTY Service)	(888) 577-6690		
Payment Plan/Income Tax	(207) 621-4300	(207) 621-4328	compliance.tax@maine.gov
Payment Plan/Other	(207) 624-9595	(207) 287-6627	compliance.tax@maine.gov
Practitioners' Hotline	(207) 626-8458	(207) 624-9694	
Property Tax	(207) 624-5600	(207) 287-6396	prop.tax@maine.gov
Public Communications	(207) 626-8478	(207) 624-9694	
Sales Tax	(207) 624-9693	(207) 287-6628	sales.tax@maine.gov
Tax Clearance Letters	(207) 624-9595	(207) 287-6627	
Office of Tax Policy	(207) 624-9677	(207) 287-3618	
Taxpayer Advocate	(207) 624-9649	(207) 287-3618	taxpayer.advocate@maine.gov
Withholding Tax	(207) 626-8475	(207) 624-9694	withholding.tax@maine.gov
Tax Violations Hot Line	(207) 624-9600		

This publication is designed to keep taxpayers, tax practitioners and the general public informed of developments, problems, questions and matters of general interest concerning Maine tax law, policy and procedure. The articles in this newsletter are not designed to address complex issues in detail, and they are not a substitute for Maine tax laws and/or regulations.

Suggestions for the Tax Alert?

Please contact:
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