



Legal Overview

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Maine Revenue Services

maine.gov/revenue



Maine Statutes – Title 36 Taxation

Ch. 7 – Uniform Administrative Provisions

- Assessments & Appeals
- Definitions
- Settlements
- Collections
- Set offs
- Tax liens
- Confidentiality

Other Titles?



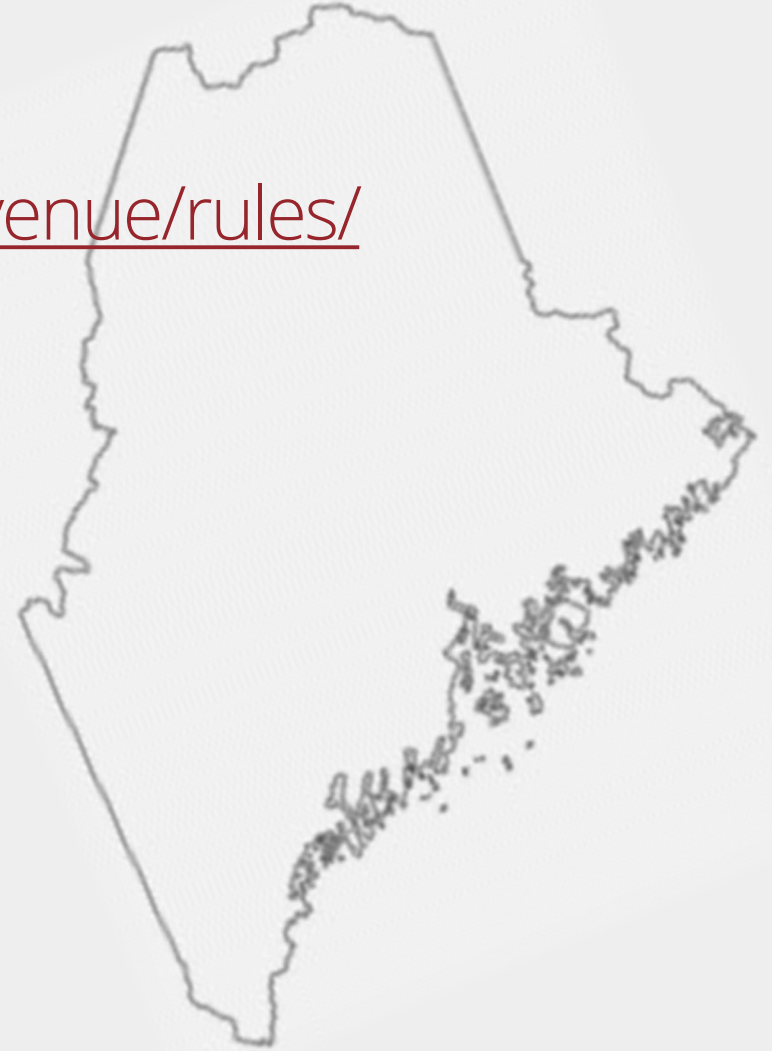


MRS Regulations (Rules)

MRS has over 30 rules: www.maine.gov/revenue/rules/

Rules generally clarify statutes

Sign up – Tax Alerts





Administrative Authority

MRS Publications, Tax Bulletins, Tax Alerts,
FAQs, & Other Written Guidance

www.maine.gov/revenue/publications

MRS Tax Alerts:

www.maine.gov/revenue/publications/maine-tax-alerts

(Reverse order for research)





Addressing Tax Issues

Visit MRS website

Ask MRS

Advisory Rulings

Offer in Compromise

Voluntary Disclosure Agreement (VDA)

Petition for Reconsideration (Appeals)





Advisory Rulings

Authority – 5 M.R.S. § 9001:

1. Written request
2. Rulings written

See MRS Rule 110 – Advisory Rulings

How to submit?

MRS required to issue?





Offer in Compromise (Settlement)

36 M.R.S. § 143 – Compromise of Tax Liability

- “...doubt as to liability or doubt as to collectability, or both.”
- Upon acceptance by the assessor of an offer in compromise, the liability of the taxpayer in question is conclusively settled and neither the taxpayer nor the assessor may reopen the case except by reason of **falsification or concealment of assets by the taxpayer, fraud or mutual mistake of a material fact.**

Response by MRS?

- The decision of the assessor to reject an offer in compromise is **not subject** to review under section 151.



Voluntary Disclosure Agreement (VDA)

Non-filers and current filers (all tax types)

Benefits:

- **Penalty abatement**
 - (but Tax and interest still due)
- **Limited look-back period (how many years??)**
- **Avoid “audit roulette”**
- **Compliance**

MRS required to accept?

Applications available at:

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





Payment Plan

Call Compliance Division

- (207) 621-4300 (Income Tax)
- (207) 624-9595 (Other Taxes)

Other questions? Ask MRS:

www.maine.gov/revenue/contact.html





Poll Question



Reconsideration Process (Appeals)

36 M.R.S. § 151(1) - Appeals: Petition for reconsideration.

A person who is subject to an assessment by the State Tax Assessor or entitled by law to receive notice of a determination of the assessor and who is aggrieved as a result of that action may request in writing, within 60 days after receipt of notice of the assessment or the determination, reconsideration by the assessor of the assessment or the determination.



Reconsideration Process (Appeals)

1. Notice of Assessment or Certain Other Determination
2. Taxpayer submits written petition (within 60 days)
3. MRS Review
4. MRS Issues Decision on reconsideration
5. Subsequent Appeal??

Timing?





Issues in Reconsideration

- Can you petition? (Appeal rights?)
- Untimely (60 days)
- Failure to exhaust administrative remedies
- Payment plan or Settlement offer?
- Lack of documentation
- Power of Attorney (documentation)

Letters of Explanations??





Reconsideration - Interest Abatement?

36 M.R.S. § 186 - 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....

The language of section 186 “indicates a **highly discretionary standard** that is **not easily met by the taxpayer.**”

Victor Bravo Aviation, LLC v. State Tax Assessor, 2011 ME 50, 17 A3d 1237.



Reconsideration – Penalty Abatement?

If a taxpayer makes a timely request, MRS must waive certain penalties (e.g., failure to file or failure to pay penalties) on a showing of **reasonable cause** or if reasonable cause is otherwise apparent. See 36 M.R.S. § 187-B(7).

Underpayment of estimated tax penalties may also be waived for cause. See 36 M.R.S. § 5228(5).

However, negligence, fraud, and insufficient funds penalties are not eligible for abatement by statute. See 36 M.R.S. § 187-B(7).

Check eligible abatement for penalty type



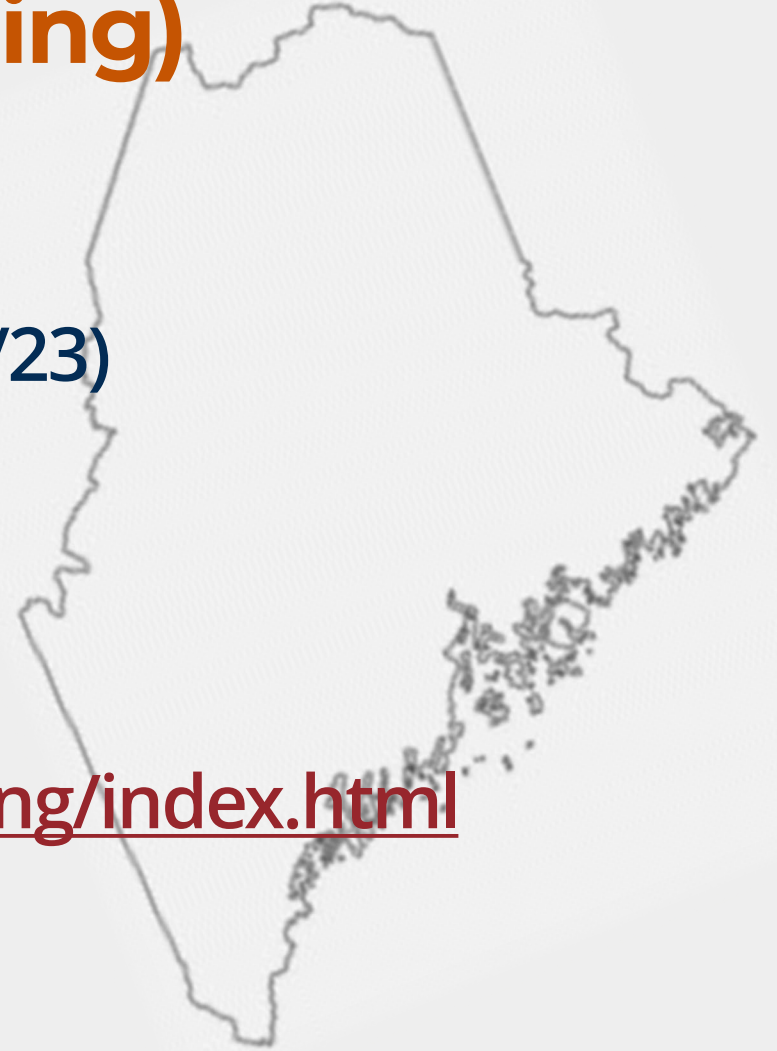
Board of Tax Appeals (Expiring)

1. At least \$1,000 amount in dispute
2. \$500,000 maximum (effective 10/25/23)
3. TIMELY

Board of Tax Appeals:

www.maine.gov/boardoftaxappeals/filing/index.html

Superior Court available





Independent Office of Tax Appeals

1. At least \$500 amount in dispute
2. \$500,000 maximum
3. TIMELY

Effective January 1, 2027

Superior Court still available



A scenic landscape at sunset. In the foreground, a large, gnarled tree trunk is on the left, and a rocky, uneven shoreline with patches of green moss and small plants is on the right. The middle ground features a calm body of water reflecting the warm orange and yellow light of the setting sun. The sun is a small, bright orb on the horizon, with its reflection visible in the water. In the background, a line of evergreen trees is silhouetted against the sky. The sky is a gradient of warm colors, from a deep orange near the horizon to a lighter, hazy pinkish-orange at the top. The overall mood is peaceful and serene.

Thank you