

18 DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES

125 BUREAU OF REVENUE SERVICES

Chapter 102: ELECTRONIC FUNDS TRANSFER (EFT)

SUMMARY: This rule describes the requirements for tax and other payments made by electronic funds transfer. This rule applies to payments of taxes imposed by Title 36 of the Maine Revised Statutes (“M.R.S.”), as well as to payments processed by Maine Revenue Services (“MRS”) for other agencies of Maine State Government pursuant to agreements with those agencies. Authority to collect taxes electronically is provided in 36 M.R.S. § 193. ~~An electronic funds transfer (“EFT”) allowed by MRS is considered a “return” for purposes of state tax law.~~

This rule does not prohibit the collection of taxes or other payments processed by MRS by credit or debit card or other payment mechanism, with the exception of mandatory EFT participation required by section .02 below.

OUTLINE OF CONTENTS:

.01	Definitions
.02	Mandatory EFT participation
.03	Registration <u>EFT payment methods</u>
.04	Payments
.05	Tax returns
.065	Request for waiver from mandatory EFT participation
.076	Prenotification and tests
.087	CTX files
.098	Emergencies
.109	Problem resolution
.110	Interest and penalties
.121	Taxpayer and service provider responsibilities

.01 DEFINITIONS Definitions

As used in this rule, the following terms have the following meanings:

- A. **Automated Clearing House.** “Automated Clearing House” (ACH) means a central distribution and settlement point for the electronic clearing of debits and credits between financial institutions. An automated clearing house may be a federal reserve bank or any organization that operates as a processing agent for ACH transactions between financial institutions pursuant to an operating agreement with the North American Clearing House Association.

- B. **ACH credit method.** “ACH credit method” means an electronic funds transfer ~~using~~ that utilizes the ACH network and that is initiated by a taxpayer or service provider through its via a financial institution to credit (i.e., deposit) a payment amount to a

designated ~~State of Maine State Government~~ bank account and debit (i.e., withdraw) that amount from the taxpayer's bank account for a payment amount.

- C. ACH debit method.** “ACH debit method” means an electronic funds transfer ~~using that utilizes the ACH network and that is, upon authorization by the taxpayer or service provider, initiated by MRS, upon taxpayer instruction, to debit (i.e., withdraw from) a taxpayer's designated bank account for a payment amount and credit that amount to for deposit into a designated State of Maine State Government~~ bank account.
- D. ACH Network.** “ACH ~~n~~Network” means the electronic funds transfer system governed by the rules of the North American Clearing House Association.
- E. Addendum record.** “Addendum record” means ~~an ACH record type that carries the supplemental data included in the electronic ACH data file that is necessary needed to completely identify for the accurate, timely processing of an electronic EFT payment to the receiving financial institution and the payee.~~
- F. Bank account.** “Bank account” means a financial account, including, without limitation, a savings account or checking account, established at a financial institution in the taxpayer's name or in the name of the service provider.
- FG. Cash Concentration or Disbursement Plus Addendum (CCD+).** “Cash Concentration or Disbursement Plus Addendum” (CCD+) means a standard ACH transaction format that is accompanied by one addendum record.
- GH. Customer Initiated Entry (CIE+).** “Customer Initiated Entry” (CIE+) means a standard ACH transaction format. A CIE entry is a credit entry that is initiated by or on behalf of the holder of a consumer account to effect a transfer of funds to the deposit account of a receiver. It is accompanied by one addendum record in the CCD+. ~~CIE+ entries were created for electronic funds transfer for consumer bill payments.~~
- HI. Combined annual tax liability.** “Combined annual tax liability” means a taxpayer's tax liability for the prior calendar year for all taxes administered by MRS. The tax liability is measured as tax reported by the taxpayer, or as adjusted by MRS, and includes estimated tax liabilities required to be paid. For example, the combined annual tax liability for an individual income tax return equals the tax liability on Form 1040ME after application of non-refundable tax credits, either as reported by the taxpayer or as subsequently adjusted by MRS, less Maine income tax withheld and any applicable refundable tax credits. Any tax liability that is under reconsideration or judicial review and any assessment of tax for which the reconsideration period under 36 M.R.S. § 151 has not yet expired as of the last day of the prior calendar year is not considered part of the combined annual tax liability.
- IJ. Corporate Trade Exchange (CTX).** “Corporate Trade Exchange” (CTX) means a standard ACH transaction format that accommodates multiple addenda records.
- JK. Electronic Funds Transfer (EFT).** “Electronic Funds Transfer” (EFT) means a standard ACH funds transfer to credit or debit a bank account or wire transfer. EFT does not include payments by check, draft, or similar paper instrument.
- L. Financial institution.** “Financial institution” means a bank, savings bank, savings and loan association, credit union, or any other entity that manages savings accounts.

checking accounts, or other financial accounts for its customers that can support the EFT transactions described in this rule.

- KM.** **Intra-bank transfer.** “Intra-bank transfer” means the transfer of funds from a depositor’s account to a ~~State of Maine~~ State Government bank account within the same financial institution.
- LN.** **Maine Revenue Services (MRS).** “Maine Revenue Services” (MRS) means the Maine Bureau of Revenue Services.
- MO.** **North American Clearing House Association (NACHA).** “North American Clearing House Association” (NACHA) means the national regulatory body that establishes the standards, rules, and procedures governing the ACH Network.
- NP.** **Prenotification test.** “Prenotification test” means ~~a zero-dollar entry that may be sent through the an ACH, at least six (6) business days prior to live entries affecting an account at a financial institution~~ transaction test submitted to MRS by the taxpayer, service provider, or financial institution in the amount of at least one cent (\$.01).
- Q.** **REW remitter.** “REW remitter” means a person, such as a title company or broker, that remits Maine real estate withholding (“REW”) of tax pursuant to 36 M.R.S. § 5250-A on behalf of a buyer of Maine real property.
- PR.** **Service provider.** “Service provider” means a person that performs accounting, tax preparation, or other similar services and remits tax payments on behalf of its clients. Examples of service providers are payroll processors as that term is defined in Title 10, chapter 222; accountants; third-party withholders such as banks; REW remitters; and bill-paying services.
- QS.** **Settlement date.** “Settlement date” means the date an electronic payment is deposited in a bank account designated by the State of Maine for deposit of electronic tax payments or the date a prenotification test transaction occurs.
- RT.** **Standard EFT payment methods.** “Standard EFT payment methods” means the ACH credit method or the ACH debit method of electronic funds transfer.
- SU.** **Taxpayer identification number.** “Taxpayer identification number” means the account number assigned by MRS to a person’s tax account.
- TV.** **Tax payment convention.** “Tax ~~P~~payment convention” (TXP) means the standard format approved by the Bankers EDI Council of NACHA that identifies tax payments in the addendum record portion of a CCD+ transaction.
- UW.** **Wire transfer.** “Wire transfer” means the same-day transfer of funds from a depositor’s account to a ~~State of Maine~~ State Government bank account using a wire transfer payment system such as Fedwire. Wire transfers do not contain a standard addendum record and may be used only in an emergency situation.

A. ~~EFT MANDATE~~ mandate.

1. Effective until December 31, 2021, any person with a combined tax liability during the 12-month period ending June 30th of the prior calendar year of \$10,000 or more is required, upon notification by MRS, to remit all Maine tax payments electronically, using either the ACH credit method or ACH debit method, for any payment for which an electronic processing method is provided by the State Tax Assessor. This requirement does not apply to property taxes imposed by 36 M.R.S., Part 2, Commercial Forestry excise taxes imposed by 36 M.R.S., Part 4, and any assessment derived from a criminal investigation. Once a taxpayer has been required to remit tax electronically under this provision, the taxpayer must continue to remit taxes electronically in future years, without regard to the \$10,000 threshold, unless that taxpayer obtains a waiver from participation as provided in this rule.

2. Effective January 1, 2022, any person with a combined annual tax liability of \$10,000 or more is required to remit all Maine tax payments electronically for which an electronic processing method is provided by the State Tax Assessor and must continue to remit taxes electronically in future years, without regard to their combined annual tax liability, unless the taxpayer obtains a waiver from participation as provided in this rule. Any person who has not previously been required to make tax payments electronically pursuant to this rule who becomes subject to the requirement on or after January 1, 2022, will be allowed until March 1st of the calendar year they first become subject to the requirement to come into compliance with the electronic payment requirement.

B. ~~SERVICE PROVIDERS~~ Service providers. Service providers (other than payroll processing companies and REW remitters) that remit taxes on behalf of a client must remit electronically for that client using a standard EFT payment method if the client is mandated to pay the tax electronically. Payroll processing companies, including fiscal agents designated in accordance with 36 M.R.S. § 5250(5), and REW remitters that remit real estate withholding tax payments on or after January 1, 2025 must remit electronically for all clients regardless of whether those individual clients are mandated. A payroll processing company or REW remitter may request a waiver from this requirement from the State Tax Assessor for good cause.

.03 ~~REGISTRATION~~ EFT Payment methods

A. ~~GENERALLY~~ Generally; ~~EFT PAYMENT METHODS ALLOWED~~. A taxpayer may use either ~~of the EFT payment methods: the ACH credit method or the ACH debit method to make an EFT payment.~~ Taxpayers making payments via EFT A taxpayer must have an existing tax account with MRS ~~prior to making a~~ which an EFT payment via EFT may be made. ~~Tax registration is accomplished by completing the~~ Generally, a business taxpayer must submit an Application for Tax Registration and submitting it to the Central Registration Unit. The application may also be filed to establish a tax account with MRS either by filing online through the Maine Tax Portal or via the downloadable application form, both of which are available at <https://revenue.maine.gov>.

B. ~~ACH CREDIT METHOD~~ credit method ~~PROGRAM~~. All taxpayers ~~choosing submitting a payment using the ACH credit method must be able to transmit funds do so using the CCD+ and TXP format, unless use of a different format is approved by MRS. The State Tax Assessor will consider the feasibility of accepting ACH transactions in the~~

~~CIE+ and other ACH formats if requested by a taxpayer. Any service provider remitting for 25 or more separate taxpayer accounts may request to make payments using the ACH credit method and CTX format. The taxpayer must utilize a financial institution that supports the ACH credit method and must provide an electronic file to the institution in a specified format. MRS will provide the file specifications to the taxpayer upon request via the **Electronic Funds Transfer Application – ACH Credit** available on the MRS website.~~

~~The ACH credit method requires the taxpayer to have a relationship with a financial institution that supports credit method transactions for its customers. Payments to the State through the financial institution are usually initiated by sending a computer file in a specified format to the bank. MRS will provide ACH file specifications upon the taxpayer selecting an ACH payment method through the Maine Tax Portal or the ACH file specifications can be obtained from the MRS website.~~

- C. ~~**ACH DEBIT METHOD-debit methodPROGRAM.** Registration-Pre-registration~~ is not required if an ACH debit payment is initiated on an electronically filed return ~~sent submitted via I-File the Maine Tax Portal or E-File. Taxpayers choosing to use MRS's EZ Pay online payment system will be required to register through EZ Pay prior to initiating payments. As of May 31, 2023, I-File, MEETRS (Maine Employers Electronic Tax Reporting System for Maine income tax withholding), and EZ Pay will no longer be available for the payment of sales tax, use tax, service provider tax, withholding, and pass-through entity withholding. Those can be paid through the Maine Tax Portal beginning December 1, 2022.~~

- D. ~~**SERVICE PROVIDERS**~~**Service providers.** All ~~service-Service~~ providers must use the ACH credit method unless funds ~~will be~~ are withdrawn directly from client bank accounts ~~and the funds are not held in trust by the service provider prior to remittance to the State, in which case the ACH debit method must be used. Those service-Service~~ providers that qualify for using the ACH debit method and wish to use it must ~~pre-~~ register each client separately with MRS. Service providers that remit via the ACH credit method on behalf of 25 or more taxpayer accounts may request to submit the payments using the CTX format.

~~Service providers may use the ACH credit method for all client payments and the ACH debit method for those payments that are directly debited to clients' bank accounts.~~

- E. ~~**INFORMATION PROVIDED TO TAXPAYERS**~~**Information provided to taxpayers.** If ACH payment is selected by the taxpayer, MRS will provide the taxpayer with the following information to taxpayers electing to use an ACH payment method:

1. General EFT program information and instructions;
2. Tax-specific information; and
3. ACH credit method addendum record layouts for each type of tax payment and depository bank information, or ACH debit method data input instructions, whichever applies.

- F. ~~**TAXPAYERS TO NOTIFY**~~**Taxpayers to notify MRS OF CHANGES**of changes. Taxpayers using either the ACH credit ~~and~~ or debit methods must provide MRS with

current taxpayer information ~~and shall use~~ using the Maine Tax Portal ~~to make required changes~~, including without limitation, changes in contact person, mailing address, telephone number, tax remittance frequency, tax account number, bank account numbers, and the establishment of a new tax account.

.04 PAYMENTS Payments

- A. ~~GENERALLY; DUE DATES~~ Due date.** ~~A tax payments made by, whether submitted via EFT are or otherwise, is due by the same on the date as otherwise provided for payment required by Maine tax law or regulation, except 36 M.R.S. § 153(1). If a due date falls on a weekend or legal holiday, the EFT must occur on the next succeeding day that is not a Saturday, Sunday, or legal holiday in this State. The taxpayer is responsible for ensuring that MRS receives tax payments timely.~~
- B. ~~ACH CREDIT METHOD~~ credit method.** ~~An ACH credit method transactions payment must be initiated and accepted by a the taxpayer's financial institution at least one business day prior to the payment due date for to ensure that the payment to be is credited to the depository bank taxpayer's tax account on by the payment due date. It is the taxpayer's responsibility to determine the transfer deadline required by their financial institution for acceptance of ACH credit method transactions.~~
- C. Service providers.** A service provider using the ACH credit method and CTX must use its own name in field 3, positions 5 through 20 of the '5,' "Company/Batch Header Record" of the ACH file. A service provider must also use its own Employer Identification Number in field 7, positions 40 through 54 of the '6,' CTX Corporate Entry Detail Record" of the ACH file when using the ACH credit method and CTX format to make tax payments.

Service providers using the CTX format must transmit a separate, and unique ACH files for each designated State of Maine depository bank and bank financial institution account number.

- CD. VALUE OF PAYMENT Value of payment; Fees.** ~~EFTs payments, intra-bank transfers, and wire transfers must be in U.S. funds. Any bank financial institution or third-party fees are the responsibility of the taxpayer.~~

.05 TAX RETURNS

~~Payment of taxes by EFT eliminates the necessity of filing estimate, coupon, voucher, or other similar forms otherwise required by the State Tax Assessor.~~

.065 ~~REQUEST FOR WAIVER FROM MANDATORY EFT PARTICIPATION~~ Request for waiver from mandatory EFT participation

~~A For good cause, a taxpayer or service provider may make a written request to in writing that MRS for a waiver from the mandatory EFT participation for good cause. Good cause determinations will be made on a case by case basis. The following will is generally be considered by the State Tax Assessor to constitute good cause:~~

- A. ~~The taxpayer's current tax liability and reporting trend shows a decline in the amount of reported tax liability. If projected into the future, the tax liability will not meet or exceed the applicable mandatory threshold amount. The taxpayer can demonstrate that the tax liability for subsequent tax periods will decline to an amount below the EFT threshold and that the tax liability will not increase in the foreseeable future to an amount that will exceed the threshold. This subsection does not apply to an REW remitter or to a person remitting Maine income tax withholding.~~
- B. ~~The taxpayer's tax liability is the result of an unusual event unique to the tax period that is the cause for exceeding the EFT threshold-meets or exceeds the applicable mandatory threshold amount only because of uncharacteristically high tax amounts reported in three or fewer months of the prior calendar year. However, good cause does not exist under this paragraph in the case of This subsection does not apply to an REW remitter or to a person reporting remitting Maine income tax withholding tax on a quarterly basis.~~
- C. The taxpayer is under the payroll administration of the federal government.

.076 PRENOTIFICATIONS AND TESTS Prenotification tests

- A. ~~**ACH CREDIT METHOD**credit method.~~ It is recommended that a taxpayer make submit an error-free prenotification ~~transaction before commencing the electronic transmission of funds to MRS~~ test at least six (6) business days prior to submitting an EFT payment to MRS using the ACH credit method. ~~Only one A prenotification test per depository bank is required for each financial institution account is necessary if payments will be made for more than one account. Each P prenotification type transactions will test must be for a \$.01 payment submitted in compliance with CCD+ specifications with and must include the addendum record information. Taxpayers are discouraged from sending test transactions for one dollar. CCD+ depositors will be notified if addenda errors are found in prenotification transaction(s) or upon request.~~
- B. ~~**ACH DEBIT METHOD**debit method.~~ The Maine Tax Portal will automatically perform a prenotification ~~test transaction~~ on all ACH debits ~~the first time that a bank account is used by a taxpayer. The prenotification transactions is an automatic process that does not require any additional steps from the taxpayer submitted via the portal.~~

.087 CTX FILES files

- A. ~~**GENERALLY**Generally.~~ Any person remitting for 25 or more separate taxpayer accounts may ~~request to make~~ submit payments to MRS using the ACH credit method and CTX format. ~~CTX formatted files will be processed by MRS only if formatted correctly. The submitting taxpayer will be notified of the error and may discuss remedies with the MRS EFT Unit.~~
- B. ~~**TESTING REQUIRED**Testing required.~~ To ensure that accounts are properly established, ~~the A person making a request under this section to use the ACH credit method and CTX format must, at least six (6) business days prior to submitting an EFT payment to MRS, submit an error-free prenotification test. making a request under this~~

~~section~~ The prenotification test must ~~successfully submit to MRS~~ include a minimum of two (2), and a maximum of eight (8), test payment transactions of \$.01 each. Payments must include addendum information for valid ~~and~~ active taxpayer accounts ~~and must be correctly submitted in the formatted required by MRS specifications.~~ Transactions should include at least one payment for each separate tax type code and State of Maine designated depository bank account.

- C. ~~FILE PROCESSING~~ **File processing.** MRS will ~~perform a validation check to confirm that the dollar amount deposited equals the sum of dollar amounts contained in the addendum records file for each tax payment. Files that do not balance.~~ If the amounts are not equal, the file will not be processed by MRS.

.098 EMERGENCIES Emergencies

If an ~~otherwise required~~ ACH ~~debit method or credit method~~ transaction cannot be made due to an ~~unusual event~~ circumstances beyond the payer's control, ~~taxpayers~~ the payer must remit the ~~tax amount~~ due by other means, including wire transfer, intra-bank transfer, or ~~payment~~ by check. ~~Taxpayers paying~~ To ensure accurate, timely processing, the payer must provide MRS with the following information if paying by wire transfer or intra-bank transfer in an emergency situation are responsible for notifying MRS of the following information:

- A. Payment amount;
- B. Settlement date;
- C. Taxpayer name;
- D. Taxpayer identification number;
- E. Tax payment type code or payment description;
- F. ~~Reporting Tax period in for which to post the payment is made;~~ and
- G. ~~Maine State Government~~ Depository bank account number.

~~Credit for wire or intra bank transfers in emergency situations will not be given unless all of the above information is provided. A P~~ payment by check must be accompanied by either (1) the appropriate related tax return or other document that would typically accompany the payment if paid by check, or (2) the payer must provide the taxpayer name, taxpayer identification number, payment description the tax type to which the payment is directed, reporting period in for which to post the payment is made, contact person, and telephone number.

.109 **PROBLEM RESOLUTION****Problem resolution**

- A. ~~RESEARCH SERVICES~~**Research services.** Generally, MRS will ~~not verify receipt of routine EFT payments but will, upon request, make reasonable efforts to assist taxpayers in resolving payment discrepancies. MRS will also research, upon taxpayer request, including whether or not a particular payment has or has not been received. Taxpayers requesting research.~~**This request must be submitted in writing and must provide the following information:**
1. Requester's name if not the taxpayer;
 2. Taxpayer name and phone number;
 3. Settlement date;
 4. Maine State Government ~~D~~depository bank account number;
 5. Payment amount;
 6. Taxpayer identification number;
 7. Tax payment type code or payment description; and
 8. If ACH debit method, the payment confirmation number.
- B. ~~DEBIT OR ADJUSTING ENTRIES~~**Debit or adjusting entries.** Generally, debit or adjusting entries to Maine State Government ~~of Maine~~ depository bank accounts are prohibited. **If a prohibited entry has occurred, MRS reserves the right to return a payment reversal if the original remittance has already been processed reverse the entry.**
- C. ~~DUPLICATE AND OTHER ERRONEOUS PAYMENTS~~**Duplicate and other erroneous payments.** Duplicate and other erroneous payments to a valid taxpayer account will be posted (credited) to the taxpayer's account, ~~as will overpayments made to a valid taxpayer account. Payments made in error will also be posted to that account. Other erroneous payments will be handled on a case-by-case basis.~~
- D. ~~REFUND OR CREDIT PROCEDURES.~~ For instructions on refund or credit procedures, remitters should contact the Tax Division within MRS responsible for administering the particular tax in question (i.e., Income/Estate Tax Division, Sales, Fuel and Special Tax Division, etc.).

.110 **INTEREST AND PENALTIES****Interest and penalties**

- A. ~~GENERALLY~~**Generally.** Payments made by EFT are subject to the interest and penalty provisions of 36 M.R.S., including §§ 186, 187-A, and 187-B.
- B. ~~INSUFFICIENT FUNDS~~**Insufficient funds.** EFT deposits to a designated Maine State Government ~~of Maine~~ bank account that are reversed by the State's depository bank due to insufficient funds in the originator's account are subject to the insufficient funds penalty provided by 36 M.R.S. § 187-B(5). When a payment is returned for insufficient

funds due to a change in financial institution or bank account number by the taxpayer, the insufficient funds penalty will be imposed where the taxpayer has not followed the provisions of ~~section .03(C) above~~ this rule. In circumstances where the State has changed financial institutions or depository bank account numbers, payments returned for insufficient funds will incur the insufficient funds penalty when MRS has notified the taxpayer in writing of the change.

C. ~~FAILURE TO REMIT ELECTRONICALLY~~ Failure to remit electronically. ~~36 M.R.S. § 187-B(5-A) provides that any A taxpayer that is required to remit taxes by via EFT that fails to do so is liable for a the EFT penalty pursuant to 36 M.R.S. § 187-B(5-A) of the lesser of 5% of the tax due or \$5,000. The law states that a failure to remit electronically has occurred when:~~

1. ~~Two or more required payments in any consecutive 6 month period are either not made or are made by the taxpayer by means other than EFT, and the taxpayer has been notified in writing by MRS of the noncompliance and of the fact that the penalty may be imposed; or~~
2. ~~The taxpayer makes 2 or more required electronic payments in any consecutive 6 month period that do not comply with the specifications set forth in this rule.~~

D. ~~WAIVER OR ABATEMENT OF PENALTIES~~ Waiver or abatement of penalties. ~~A taxpayer may request waiver or abatement of a payment-related penalty for reasonable cause if the penalty is imposed under subsection 2, 4 A, or 5 A, of 36 M.R.S. § 187-B. The insufficient funds penalty under 36 M.R.S. § 187-B(5) is not subject to waiver or abatement under in accordance with 36 M.R.S. § 187-B(7). The request must be made in writing within 60 days after receipt of notice of the assessment or determination in accordance with 36 M.R.S. § 151 and directed to the MRS EFT Unit. “Reasonable Cause” is defined in 36 M.R.S. § 187-B(7). However, the insufficient funds penalty under 36 M.R.S. § 187-B(5) is not subject to waiver or abatement.~~ In addition, for purposes of the EFT program, the State Tax Assessor may make a finding of reasonable cause when the State Tax Assessor determines that the taxpayer has made a good-faith effort to remit payment in accordance with this rule. In determining whether a good-faith effort has been made, the State Tax Assessor will consider:

1. In the case of a taxpayer or service provider using the ACH credit method, whether written documentation is provided from company or bank records substantiating the taxpayer’s belief that a timely payment was initiated;
2. In the case of a taxpayer or service provider using the ACH debit method, whether the person provides documentation of a payment confirmation number provided by MRS or its service provider ~~when a~~ showing that the payment was initiated timely;
3. ~~In a case where the taxpayer or service provider contends that its bank has made an error, whether w~~ Written documentation substantiating a bank error is provided to MRS;
4. Whether an ACH or other system failure beyond the taxpayer’s control occurred; and

5. Whether remittance to satisfy the underpayment is made in a timely manner.

- E. ~~**ABATEMENT OF INTEREST**~~**Abatement of interest.** Interest abatement will be considered on a case-by-case basis in accordance with 36 M.R.S. § 186. Written request for abatement of interest must be made within 60 days after receipt of notice of the assessment or determination submitted to the MRS division that issued the assessment of interest in accordance with 36 M.R.S. § 151. ~~The request should be directed to the division that issued the underpayment notice.~~

.1211 TAXPAYER AND SERVICE PROVIDER RESPONSIBILITIES**Taxpayer and service provider responsibilities**

- A. ~~**GENERALLY**~~**Generally.** Persons that remitting electronically should must maintain adequate documentation to substantiate the initiation of an EFT ~~for payment of tax for all EFT payment methods.~~
- B. ~~**ACH CREDIT METHOD PROGRAM**~~**credit method program.** Taxpayers and service providers ~~who~~ that remit using the ACH credit method ~~are responsible for ensuring~~ must ensure that their financial institution ~~can~~ is able to support that method for of payments to the State of Maine. MRS is not responsible for instruction on the usage and reliability of the products and services of financial institutions or other companies, nor for fees charged by financial institutions, service providers, and others. Taxpayers and service providers remitting by ACH credit method are ~~also~~ responsible for understanding the correct usage proper use of the all software or the and services they used to remit electronically and to submit payments information contained in the "Addenda" and other sections of an ACH file in the correct format via EFT. MRS will provide ACH file layouts upon request.
- C. ~~**ACH DEBIT METHOD PROGRAM**~~**debit method program.** Taxpayers ~~are responsible for understanding and~~ must following all debit program instructions issued by MRS. Taxpayers must maintain a record of the confirmation number or sequence provided when an ACH debit method payment is initiated, the payment amount, the payment initiation date, the tax reporting period, and the taxpayer identification number related to the payment.
- D. ~~**RECORDKEEPING REQUIREMENTS**~~**Recordkeeping requirements.** Persons ~~remitting electronically should maintain documentation to substantiate the initiation of an EFT for payment of tax for all EFT payment methods. Mandatory~~ The recordkeeping requirements for EFT remitters are ~~the same as stated in~~ governed by 36 M.R.S. § 135, subsection 1, ~~which states that records pertaining to income and estate taxes must be retained as long as required by applicable federal law and regulation, while records pertaining to all other taxes must be retained for a period of at least 6 years. Records must be kept in such a manner as to ensure their security and accessibility for inspection by the State Tax Assessor.~~

EFFECTIVE DATE:

September 23, 1998

AMENDED:

January 7, 2008 – filing 2008-1

November 21, 2008

December 16, 2008 – filing 2008-575

August 23, 2010 – filing 2010-361

July 11, 2015 – filing 2015-123

July 4, 2021 – filing 2021-140