



# MAINE TAX ALERT

A Publication of Maine Revenue Services for Tax Professionals

Volume 18, No. 6

September, 2008

Public Communications Tel: (207) 626-8478

## Maine Revenue Service Rulemaking Activity

Maine Revenue Services has initiated the following rulemaking activity:

Rule 101 "Calculation of Interest"

Rule 102 "Electronic Funds Transfer"

Rule 104 "Electronic Filing of Maine Tax Returns"

Rule 318 "Instrumentalities of Interstate or Foreign Commerce"

**Amendments to Rule 101, "Calculation of Interest."** Rule 101, the purpose of which is to inform taxpayers of the standard interest rate established pursuant to statute that is charged against unpaid taxes and paid by the State on overpayment of taxes, is being amended because the interest rate is changing effective January 1, 2009 from 12% compounded monthly to 8% compounded monthly.

**Amendments to Rule 102, "Electronic Funds Transfer."** This rule, which has been in place since 1998 and was last amended in 2008, describes the requirements for tax and other payments by electronic funds transfer. The proposed amendments clarify and update the rule. Particularly, the proposed Rule brings definitions up-to-date, clarifies the applicable lookback period for mandatory participation, streamlines language related to voluntary participation and restates sections on the ACH debit method, other payment methods, prenotification transactions and reasonable cause. In addition, the proposed Rule eliminates unnecessary citations and makes other minor editing changes.

**Amendments to Rule 104, "Electronic Filing of Maine Tax Returns."** This rule, which has been in place since February, 2008, describes the requirements for mandatory electronic filing of certain Maine tax returns. The proposed amendments clarify and update the rule. Specifically, the proposed Rule modifies the filing requirements for sales, use and service provider tax return filers beginning in 2009. The Rule also modifies the filing requirements for returns filed for withholding, competitive skills scholarship fund and unemployment compensation insurance beginning in 2009.

**Amendments to Rule 318, "Instrumentalities of Interstate or Foreign Commerce."** This rule explains the application of the exemption from Maine sales or use tax provided in 36 MRSA §1760, sub-§41 for a vehicle, railroad rolling stock, aircraft or watercraft placed in use by the

purchaser as an instrumentality of interstate or foreign commerce within 30 days after purchase and used by the purchaser not less than 80% of the time for the next 2 years as an instrumentality of interstate commerce. The proposed amendment simply replaces an obsolete reference to the federal Interstate Commerce Commission with a current reference to the Federal Motor Carrier Safety Administration. The proposed amendment will not change the substantive operation of the rule.

The proposed changes can be found on the MRS web site at [www.maine.gov/revenue](http://www.maine.gov/revenue) (select Laws & Rules). The comment period in all cases ends October 31, 2008. Comments should be directed to John Sagaser, Esq., General Counsel, Maine Revenue Services, 24 State House Station, Augusta, Maine 04333, telephone (207) 624-9536 or via e-mail to [john.w.sagaser@maine.gov](mailto:john.w.sagaser@maine.gov).

<u>Department</u>	<u>Telephone Numbers</u>	<u>FAX Numbers</u>	<u>E-mail Addresses</u>
Taxpayer Service Center	(207) 287-2076	(207) 287-5855	
Appellate	(207) 624-9854	(207) 287-3294	
Central Registration	(207) 621-5129	(207) 287-3733	<a href="mailto:division.uctax@maine.gov">division.uctax@maine.gov</a>
Collections & Compliance	(207) 624-9595	(207) 287-6627	<a href="mailto:compliance.tax@maine.gov">compliance.tax@maine.gov</a>
Corporate Tax	(207) 624-9670	(207) 624-9694	<a href="mailto:corporate.tax@maine.gov">corporate.tax@maine.gov</a>
Economic Research	(207) 624-9789	(207) 287-3618	
E-file Help Desk (1040 ONLY)	(207) 624-9730	(207) 624-9740	<a href="mailto:efile.helpdesk@maine.gov">efile.helpdesk@maine.gov</a>
Electronic Funds Transfer	(207) 287-8276	(207) 287-6975	<a href="mailto:efunds.transfer@maine.gov">efunds.transfer@maine.gov</a>
Estate Tax	(207) 626-8480	(207) 624-9694	<a href="mailto:estatetax@maine.gov">estatetax@maine.gov</a>
Fuel Tax	(207) 624-9609	(207) 287-6628	<a href="mailto:fuel.tax@maine.gov">fuel.tax@maine.gov</a>
Forms Request Line	(207) 624-7894	(207) 622-3517	
Income Tax Assistance	(207) 626-8475	(207) 624-9694	<a href="mailto:income.tax@maine.gov">income.tax@maine.gov</a>
Insurance Premium Tax	(207) 624-9753	(207) 624-7729	
NexTalk (TTY Service)	(888) 577-6690		
Payment Plan/Income Tax	(207) 621-4300	(207) 621-4328	<a href="mailto:compliance.tax@maine.gov">compliance.tax@maine.gov</a>
Payment Plan/Other	(207) 624-9595	(207) 287-6627	<a href="mailto:compliance.tax@maine.gov">compliance.tax@maine.gov</a>
Practitioners' Hotline	(207) 626-8458	(207) 624-9694	
Property Tax	(207) 287-2013	(207) 287-6396	<a href="mailto:prop.tax@maine.gov">prop.tax@maine.gov</a>
Public Communications	(207) 626-8478	(207) 624-9694	
Sales Tax	(207) 624-9693	(207) 287-6628	<a href="mailto:sales.tax@maine.gov">sales.tax@maine.gov</a>
Tax Clearance Letters	(207) 624-9628	(207) 287-6627	
Taxpayer Advocate	(207) 624-9649	(207) 287-3618	<a href="mailto:taxpayer.advocate@maine.gov">taxpayer.advocate@maine.gov</a>
Withholding Tax	(207) 626-8475	(207) 624-9694	<a href="mailto:withholding.tax@maine.gov">withholding.tax@maine.gov</a>
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.

## STATE OF MAINE

John Elias Baldacci, Governor

Ryan Low, Commissioner  
Administrative and Financial Services

Jerome D. Gerard, Acting Executive  
Director, Maine Revenue Services

Suggestions for the Tax Alert?

**Please contact: Public Communications (207) 626-8478**

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