



MAINE TAX ALERT

A Publication of Maine Revenue Services (“MRS”) for Tax Professionals

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MRS Rulemaking Activity Proposed Rule

MRS Rule 302, “Sales to Government Agencies and Exempt Organizations.” MRS is proposing to amend MRS Rule 302 to strike references to the service provider tax, which was repealed effective January 1, 2026, and to codify current administrative practice regarding the taxability of items purchased by an exempt entity in its capacity as a retailer. Comments on the proposed changes for MRS Rule 302 are due by **September 18, 2026**.

The proposed Rule is available on MRS’s website, at maine.gov/revenue/publications/rules, under “Current MRS Rulemaking Activity.” All comments must be directed to James Phillips, Tax Policy Analyst, Sales, Fuel and Special Tax Division, either by email at James.T.Phillips@maine.gov or by mail at Maine Revenue Services, P.O. Box 1060, Augusta, ME 04332-1060.

MRS Sales Tax Bulletin Update

The Sales, Fuel & Special Tax Division has posted the following updated Instructional Bulletins to the MRS Website:

- **General Information Bulletin No. 116**
This bulletin contains important details about legislation enacted during the Second Regular Session of the 132nd Legislature that affect the taxes administered by the Division.
- **Instructional Bulletin No. 22 – Manufacturers**
In addition to being reformatted, this bulletin was updated to reflect the imposition of sales tax on leases and rentals of tangible personal property extending exemptions available to persons engaged in production to tangible personal property that is leased.
- **Instructional Bulletin No. 41 – Medicines, Medical Equipment, and Prosthetic Devices**
The updates to this bulletin incorporate the recently-enacted exemptions from sales and use tax for durable medical equipment, mobility-enhancing equipment, and breast pumps.

- **Excise Tax Instructional Bulletin No. 3 – Cigarettes and Tobacco Products**

This bulletin was updated to reflect the increased rates of excise tax imposed on smoking and smokeless tobacco products, effective January 5, 2026, as well as information on how to file Tobacco Products Tax returns and Cigarette Tax Refund applications through the Maine Tax Portal.

Sales and Use Tax Instructional Bulletins are available on the MRS website at maine.gov/revenue/taxes/sales-use-service-provider-tax/bulletins. The Cigarettes and Tobacco Products Instructional Bulletin may be found under either the Cigarette Tax or Tobacco Products Tax sections of maine.gov/revenue/tax-return-forms/other-taxes.

MRS Reminder – Electronic Filing and Payment Requirements

MRS Rule 104 requires tax returns filed by individuals, estates and trusts, and businesses to be filed electronically. This includes any Maine return for which MRS provides a program for electronic filing or electronic data submission. For more information about Maine electronic filing requirements, see MRS Rule 104 at maine.gov/revenue/publications/rules.

MRS Rule 102 requires taxpayers with a combined annual tax liability for all taxes that is \$10,000 or more to pay electronically. For more information about electronic payment requirements, see MRS Rule 102 at maine.gov/revenue/publications/rules.

The Maine Tax Portal (MTP) provides the functionality for all Maine taxes administered by MRS to be filed online and allows Maine taxpayers and tax practitioners to make online payments, view bills and notices, and maintain Maine tax accounts. Taxes and programs supported by the MTP include, but are not limited to:

- Individual income tax, composite income tax, fiduciary income tax, corporate income tax, employment tax increment financing reimbursement program, estate tax, franchise tax, income tax withholding, insurance taxes (premiums, fire, non-admitted), partnership audit, pass-through entity withholding, private venture seed capital credit program, real estate withholding, and visual media production reimbursement program.
- Sales tax, use tax, service provider tax, blueberry tax, cannabis excise tax, cigarette tax, fuel taxes, healthcare provider tax, hospital tax, initiator of deposit tax, mahogany quahog tax, milk handling tax, potato tax, railroad excise tax, and tobacco taxes.
- Business equipment tax reimbursement (BETR) program, commercial forestry excise tax, real estate transfer tax, telecommunications excise tax, and property tax in the unorganized territory.

2026 State Tax Symposium

Save the date! The annual State Tax Symposium will take place virtually, on Wednesday, September 23, 2026, from 8:00 am to 4:00 pm. This one-day event will cover recent Maine tax updates and current agency highlights. To register, visit [State Tax Symposium 2026 Tickets](#). For more information or to view prior symposium presentations, visit maine.gov/revenue/symposium.

Careers and Internships at MRS

MRS's mission is to fairly and efficiently administer the State's tax laws with integrity and professionalism.

MRS is looking for smart, motivated, and team-oriented people to join our team. Benefits include:

- Qualifying employer for federal student loan forgiveness
- Tuition reimbursement for continuing education (including CPA exam)
- Public service
- Competitive salary
- MainePERS retirement plan and deferred compensation
- Generous insurance and paid leave (including all state holidays)
- Flexible spending accounts and longevity pay
- Gym membership reimbursement

Regularly posted, full-time positions at MRS include the Tax Examiner and Revenue Agent positions. Click the following link for more information about these positions: maine.gov/cgi-bin/bhrssalary/jobs.pl.

Click the following link for more information about careers and paid internships and to sign up to receive notifications of new MRS job openings: maine.gov/revenue/careers.

MRS Contact Information:

A complete list of MRS contact information is available at maine.gov/revenue.

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.

To report issues with the Maine Tax Alert, contact:
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