



MAINE TAX ALERT

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MRS Rulemaking Activity Adopted Rule

Rule 801, “Apportionment.” Effective June 25, 2025, MRS has adopted amendments to Rule 801 to clarify the sourcing of receipts from the performance of services for corporate income tax purposes, including providing a set of examples to illustrate sourcing as applied to certain services. For purposes of applying a variation to apportionment, the rule also clarifies the definition of compensation with respect to the use of the payroll factor by specifying that 85% of payments made to an employee-leasing company for leased employees and 100% of payments made to a temporary service company for temporary employees are included as compensation. Other formatting and technical changes are made throughout to enhance clarity.

Changes Made in Response to Comments

MRS made one change to the proposed rule in response to comments received. MRS deleted the language proposed in subsection .06(F)(1): “that is, where the services are acquired or experienced.”

By adding the clause to the end of the first sentence of Rule 801 subsection .06.F(1) (“that is, where the services are acquired or experienced”), MRS did not intend to add to or limit the statutory meaning of the term “received.” Instead, MRS intended to demonstrate that “plain meaning” definitions may be utilized when appropriate to help clarify the term “received.” Despite MRS’s intent to provide clarity, the comments received indicate that the additional proposed language was a source of confusion. Therefore, MRS has removed the proposed language because the proposed language is not necessary to arrive at the plain meaning of the term *received*.

Going forward, MRS will continue to interpret the word “received” in 36 M.R.S. § 5211(16-A)(A) according to its *plain meaning* from the dictionary, as applied by the Maine Law Court. See [*Express Scripts Inc. v. State Tax Assessor*, 2023 ME 68](#), at P22 (“When interpreting a statute, we look to the ‘plain meaning of the statutory language to give effect to the Legislature’s intent, and only if the statute is ambiguous will we look beyond that language to examine other indicia of legislative intent, such as legislative history.’”); see also [*Apex Custom Lease Corp. v. State Tax Assessor*](#), 677 A.2d 530, 533 (Me. 1996) (“In construing a statutory term that is undefined in the statute itself, our primary obligation is to determine its *plain meaning*. We often rely on the definitions provided in *dictionaries* in making this determination.”)(citations omitted)(emphasis added); and Merriam-Webster.com Dictionary, Merriam-Webster (defining “receive” to mean to “acquire, experience.” [merriam-webster.com/dictionary/receive](https://www.merriam-webster.com/dictionary/receive) (def. 5(c))).

MRS's complete written responses and clarifications for all comments received on all topics for the proposed Rule 801 have been submitted to the Maine Secretary of State, and a copy is available here: maine.gov/revenue/publications/rules.

The adopted rule is available on the MRS website, at maine.gov/revenue/publications/rules.

2025 State Tax Symposium

Save the date! The annual State Tax Symposium will take place virtually, on Wednesday, September 24, 2025, from 8:00am to 4:00pm. This one-day event will cover recent Maine tax updates and current agency highlights, including the latest information about the Maine Tax Portal ("MTP").

The MTP makes paying, filing, and managing your state taxes faster, more efficient, more convenient, and more accessible. Visit maine.gov/revenue/portal to learn more. Registration for this event will open soon. To view prior symposium presentations, visit maine.gov/revenue/symposium.

Maine Tax Portal (MTP), Free Training Available

To view free pre-recorded MTP instructional videos, visit maine.gov/revenue/webrecordings.

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: <https://apps.web.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.

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