



MAINE TAX ALERT

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MRS Rulemaking Activity Adopted Rules

New Rule 101, “General Administrative Provisions.” Effective April 27, 2024, MRS has adopted new Rule 101 to explain certain General Administrative Provisions. The rule explains aspects of the reconsideration process related to interest and penalty accrual. Specifically, interest continues to accrue during the reconsideration process whereas penalties that otherwise would accrue are permanently abated during the reconsideration process until the underlying liability is considered “final.”

Rule 102, “Electronic Funds Transfer (EFT).” Effective April 27, 2024, MRS has adopted amended Rule 102 to impose an electronic funds transfer requirement on payers of Maine real estate withholding beginning in 2025 and to clarify the rule by removing obsolete provisions, adding clarifying language, and making other technical changes.

Rule 104, “Filing of Maine Tax Returns.” Effective April 27, 2024, MRS has adopted amended Rule 104 to impose an electronic filing requirement on taxpayers and certain taxpayer representatives for the filing of the following Maine tax returns: corporate income tax returns filed after 2024 if the taxpayer is required to file the related federal return electronically; real estate withholding returns due on or after January 1, 2025; financial institutions franchise tax returns and insurance premiums tax returns filed after 2024; and returns for certain special taxes, such as the blueberry tax, cannabis excise tax, cigarette tax, gasoline distributor tax, special fuel supplier tax, and other special taxes, filed after 2024. A waiver from the electronic filing requirement may be obtained if the requirement causes undue hardship. The amended rule deletes obsolete provisions and contains technical changes for clarification.

Rule 110, “Requests for Advisory Rulings.” Effective April 27, 2024, MRS has adopted amended Rule 110 to clarify that MRS may decline any request for advisory ruling and to make certain other clarifications regarding terminology and method of submission.

Rule 202, “Tree Growth Tax Law Valuations.” Effective April 27, 2024, MRS has repealed and replaced Rule 202 to provide updated valuation rates for each forest type by region. 36 M.R.S. § 576 requires that the State Tax Assessor annually establish the value per acre for each forest type, by economic region, for parcels classified under the Tree Growth Tax Law.

Rule 603, “Maine Estate Tax After 2012.” Effective April 27, 2024, MRS has adopted amended Rule 603 to remove the requirement that a copy of the federal estate tax closing letter be attached to the Maine amended estate tax return. Technical changes are also added to enhance clarity.

Rule 805, “Composite Filing.” Effective April 27, 2024, MRS has adopted amended Rule 805 to reflect that the composite filing of a pass-through entity on behalf of eligible persons (certain nonresident individuals, trusts, and estates) is, for taxable years beginning after 2022, a separate, unique tax type. The amended rule also clarifies that entity income does not include an eligible person’s distributive share of Maine-source net income of an entity if that income is less than zero and to make other technical changes for clarification.

All adopted rules are available on MRS’s website, at www.maine.gov/revenue/publications/rules, under “Current MRS Rulemaking Activity.”

2024 State Tax Symposium

Save the date! The annual State Tax Symposium will take place virtually, on Wednesday, September 18, 2024, from 8:00am to 5:00pm. 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 in late spring/early summer. 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:

<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: www.maine.gov/revenue/careers.

MRS Contact Information:

A complete list of MRS contact information is available at www.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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