

OFFICE OF FISCAL AND PROGRAM REVIEW

Date: February 7, 2013
 To: Members, Joint Standing Committee on Taxation
 From: Elizabeth Cooper, Legislative Analyst

LD 9, An Act To Allow the Maine Potato Board To Have Access to Information Regarding the Potato Tax

Summary: This bill authorizes the State Tax Assessor to disclose to the Maine Potato Board information obtained in the administration of the potato tax.

Public Hearing:

Proponents

Sponsor presented the bill and provided written testimony.

Testifying in favor - Donald Flannery, executive director of the Maine Potato Board (MPB)

Major points – since 1986, MPB has received from MRS a list of growers, dealers, and processors that paid the potato tax; information is needed to determine if all of the tax due is actually paid; stopped receiving information in 2012 as not included in statute to be exempted from confidentiality requirement; other commodity groups have been allowed this exemption to confidentiality.

Opposed

None

NFNA

None

Additional information: It is unlawful for any person (the Maine Potato Board) to disclose taxpayer information that they have been permitted to receive or review. See below.

36 MRSA §191. Confidentiality of tax records

1. Basic prohibition. It is unlawful for any public official or any employee or agent of the bureau to inspect willfully any return or examine information contained on any return, for any purpose other than the conduct of official duties. Except as otherwise provided by law, it is unlawful for any person who, pursuant to this Title, has been permitted to receive or view any portion of the original or a copy of any report, return or other information provided pursuant to this Title to divulge or make known in any manner any information set forth in any of those documents or obtained from examination or inspection under this Title of the premises or property of any taxpayer. This prohibition applies to both state tax information and federal tax information filed as part of a state tax return.

Fiscal Information: The preliminary fiscal impact statement indicates that additional costs associated with complying with the Maine Potato Board's information requests can be absorbed by Maine Revenue Services within existing budgeted resources.