

Chapter 304: SALES AND USE TAX RETURNS AND PAYMENTS

SUMMARY: This rule establishes requirements for the filing of sales and use tax returns and the payment of taxes due pursuant to 36 M.R.S., Chapter 219.

SECTION 1. Definitions

As used in this rule, the term "retailer" has the same meaning ascribed to that term in 36 M.R.S. § 1752(10).

SECTION 2. Sales and Use Tax Returns

- A. Generally; monthly returns.** Except as otherwise provided by this rule, every retailer must file monthly sales and use tax returns.
- B. Due dates.** The due date for filing a return and paying the tax is the fifteenth day of the month following the end of each reporting period.
- C. Quarterly returns.** Every retailer whose average sales and use tax liability is at least \$100 per month but less than \$600 per month must file four returns each year. The reporting periods are January through March; April through June; July through September; and October through December.
- D. Semiannual returns.** Every retailer whose average sales and use tax liability is less than \$100 per month, but more than \$50 per year must file two sales and use tax returns each year. The reporting periods are January through June and July through December.
- E. Annual return.** Every retailer whose average annual sales and use tax liability is less than \$50 must file one return each year. The reporting period is the calendar year.
- F. Exceptions; changes.** The State Tax Assessor may temporarily require retailers to file using different or more frequent reporting periods in order to administer substantial changes in the tax law, such as rate changes. The assessor will periodically review the status of sales and use tax accounts and notify retailers whose filing frequency has been changed. In addition, retailers may request to file returns using different or more frequently reporting periods than this rule requires.

SECTION 3. Seasonal Filing

A retailer whose business is completely closed for one or more calendar months may, on a regular schedule each year, register as a seasonal filer, indicating the months during which the business is open. A retailer that is registered as a seasonal filer is not required to file a sales and use tax return for those reporting periods during which the retailer did not engage in business.

SECTION 4. Extension for Filing

Retailers may apply to the State Tax Assessor to extend the due date for filing sales and use tax returns by 30 days for good cause. An authorized extension remains in effect until revoked in writing by the assessor. The extension does not extend the time for paying the tax.

SECTION 5. Basis of Accounting

Retailers are required to file sales and use tax returns on an accrual basis, but a retailer that properly files its federal income tax returns on a cash basis may elect to file its sales and use tax returns on a cash basis.

SECTION 6. Supplemental Statement

Every retailer of motor vehicles, watercraft, aircraft, special mobile equipment, trailers, camper trailers, or truck campers must complete, in addition to the sales and use tax return, a supplemental statement reporting individually each sale of any of these kinds of property made during the reporting period. In addition, every person who rents or leases automobiles, camper trailers, or motor homes for a rental period of one year or more must complete a supplemental statement reporting individually each lease or rental. The supplemental statements are to be maintained in the retailer's records in accordance with Maine Revenue Services Rule 103 and made available for inspection by the assessor upon audit or other request.

SECTION 7. Agents of Out-of-State Sellers

Every person required to register by 36 M.R.S. § 1754-B(1-B)(C) or (D) must report all sales made by or through the person on behalf of the person's principal.

SECTION 8. Consolidated Filing

A retailer that makes sales at more than one place of business may apply to the State Tax Assessor for authorization to file a single consolidated return reporting the total amount of sales made at all of its locations. A consolidated return must include a schedule showing a breakdown of the taxable sales made at each location.

SECTION 9. Use Tax Returns

Every person not otherwise required to file sales and use tax returns and who regularly makes purchases for business use that are subject to Maine use tax must register with the State Tax

Assessor to file use tax returns. Every person so registered must file a use tax return and pay the use tax for each month in which purchases subject to use tax were made. Use tax returns need not be filed for months during which no tax is due.

AUTHORITY: 36 M.R.S. § 112

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