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SERVING THE PUBLIC AND DELIVERING ESSENTIAL SERVICES TO STATE GOVERNMENT

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Maine Taxpayer Advocate Annual Report Fiscal Year 2024

Introduction

The Taxpayer Advocate (Advocate) who held the Advocate position for over 20 years retired in June 2021. The Director of the Compliance Division at Maine Revenue Services (MRS) fulfilled the duties in an acting capacity from July 2021 through mid-December 2021, and the Deputy Director of the Compliance Division fulfilled the duties from mid-December 2021 through June 2024. This is a temporary solution as this was in addition to regular responsibilities of these MRS employees, thus lacking the independence desired of an Advocate.

Pursuant to 36 M.R.S. § 151-C(3), the Advocate must prepare an annual report of activities by August 1st. Inquiries for assistance come in by email, phone, fax, and mail.

The primary duty and responsibility of the Advocate is to assist taxpayers in resolving state tax issues. Other duties include identifying areas where taxpayers are having difficulties in dealing with MRS and proposing changes in the administrative practices to mitigate any potential areas of confusion. See 36 M.R.S. § 151-C(2).

Fiscal Year 2024 (FY24)

FY23 notably included two legislatively authorized pandemic relief programs whereby MRS mailed relief checks to numerous taxpayers. This generated calls about program qualifications and the status of checks.

During FY24, 173 initial inquiries were logged. The inquiries averaged about 14 contacts per month either from taxpayers, through representatives, or other parties. The months with the largest total number of inquiries were March 2024 and April 2024. The highest month for phone inquiries was April 2024. The highest month for email inquiries was March 2024. Inquiries received by facsimile and mail are rare with only one each for the entire year. The length of time spent on an inquiry ranged from 30 minutes to two days. Some required additional research. Follow-up contacts were made by the Acting Taxpayer Advocate and Division staff to taxpayers and their representatives. In turn, some of the taxpayers and their representatives had follow-up questions.

Inquiries included the following topics: filing questions, property tax fairness credits, residency, payment plans, levies, property tax, offers in compromise, Maine Tax Portal, estate tax, account

balance questions, application of payments, sales tax, sales tax exemptions, rental tax, penalties, reconsideration assistance, student loan credits and assistance needed for outstanding balances on older debts. There was contact from concerned taxpayers who had their identity stolen, fraudulent tax returns filed, unemployment fraudulently claimed under their identity and a forged refund check. Several calls were received from concerned taxpayers who had received scam letters and calls. There were also several calls and emails requiring assistance from other Maine state agencies and the Internal Revenue Service.

All 173 logged inquiries for FY24 have been responded to. Follow-up questions were still being received after the end of the fiscal year. Some of these follow-up questions were from initial inquiries from prior months.

