

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

1 SECOND REGULAR SESSION
2

3 ONE HUNDRED AND TENTH LEGISLATURE
4

5 **Legislative Document**

No. 1735

6
7 H. P. 1746 Office of the Clerk of the House
8 Submitted by the Department of Finance and Administration pur-
9 suant to Joint Rule 24.
10 Reference to the Committee on Taxation suggested and 1,600
ordered printed.

11 EDWIN H. PERT, Clerk
12 Presented by Representative Kilcoyne of Gardiner.
13

14 STATE OF MAINE
15

16 IN THE YEAR OF OUR LORD
17 NINETEEN HUNDRED AND EIGHTY-TWO
18

19 **AN ACT Providing for Administrative Changes in the**
20 **Maine Tax Laws.**
21

22 Be it enacted by the People of the State of Maine as follows:

23 **Sec. 1. 36 MRSA c. 2, as enacted by PL 1981, c. 312,**
24 **is repealed.**

25 **Sec. 2. 36 MRSA §186, 4th sentence, as enacted by PL**
26 **1981, c. 180, §1, is repealed as follows:**

27 ~~The interest rate so determined shall also be the interest~~
28 ~~rate for the state's payment of interest on overpayments.~~

29 **Sec. 3. 36 MRSA §186, as last amended by PL 1981, c.**
30 **364, §14, is further amended by adding at the end a new**
31 **paragraph to read:**

1 Except as otherwise provided in this Title, interest,
2 at the rate determined by the State Tax Assessor for under-
3 payments pursuant to this section, shall be paid from the
4 date of overpayment upon any overpayment of tax, interest or
5 penalty.

6 **Sec. 4. 36 MRSA §578, sub-§2, as amended by PL 1973,**
7 **c. 308, §8, is further amended to read:**

8 2. Unorganized territory. The State Tax Assessor
9 shall adjust the 100% valuation per acre for each type for
10 each county by such ratio or percentage as is then being
11 used to determine the state valuation applicable to other
12 property in the unorganized territory to obtain the assessed
13 values. Commencing April 1, 1973, forest land in the
14 unorganized territory subject to taxation under this sub-
15 chapter shall be taxed at the state same property tax rate
16 provided in section 451, as is applicable to other property
17 in the unorganized territory, which rate shall be applied to
18 the assessed values so determined. If the April 1, 1973
19 total assessed valuation of forest lands under this subchap-
20 ter for the entire unorganized territory is ~~more than 10%~~
21 ~~less than the April 1, 1972 total assessed valuation of such~~
22 ~~forest lands for the entire unorganized territory,~~ the State
23 Tax Assessor shall adjust the April 1, 1973 assessed values
24 of such forest lands proportionately back to a 10% aggregate
25 change. Upon collection by the State Tax Assessor, such
26 taxes shall be deposited in the General Fund Unorganized
27 Territory Education and Services Fund in accordance with
28 section 342 1605. The assessed values so determined shall
29 be used in the 1973 State Valuation of the Unorganized Ter-
30 ritory.

31 **Sec. 5. 36 MRSA §579, first sentence, as repealed and**
32 **replaced by PL 1979, c. 666, §16, is amended to read:**

33 The owner or owners of forest land subject to valuation
34 under this subchapter shall submit a signed schedule in
35 duplicate, on or before April 1st of the year in which that
36 land first becomes subject to valuation under this subchap-
37 ter, to the assessor upon a form to be prescribed by the
38 State Tax Assessor, identifying the land to be valued here-
39 under, listing the number of acres of each forest type,
40 showing the location of each forest type and representing
41 that the land is used primarily for the growth of trees and
42 forest products to be harvested for commercial use.

43 **Sec. 6. 36 MRSA §707, sub-§1 is repealed.**

1 Sec. 7. 36 MRSA §892, first sentence, as amended by PL
2 1977, c. 27, §7, is further amended to read:

3 Beginning with the first day of January, following the
4 date on which state taxes are levied, interest at $1/2\%$ per
5 month or fraction thereof shall accrue on any unpaid bal-
6 ances that are then due.

7 Sec. 8. 36 MRSA §941, 6th ¶ is amended to read:

8 Any person interested in said the real estate may
9 redeem the same it at any time within one year after the its
10 sale thereof by the officer on such that execution by paying
11 the amount for which it was sold with interest at the rate
12 of- 6%- a year determined by the State Tax Assessor pursuant
13 to section 186.

14 Sec. 9. 36 MRSA §1281, 2nd sentence, as amended by PL
15 1977, c. 509, §30-A, is repealed and the following enacted
16 in its place:

17 Annually, on or before February 20th, the State Tax Assessor
18 shall send by mail to the last known address of each owner
19 of such real estate upon which taxes remain unpaid a notice
20 in writing, containing a description of the real estate
21 assessed, the amount of unpaid taxes and interest, and
22 alleging that a lien is claimed on that real estate for pay-
23 ment of those taxes, interests and costs, with a demand that
24 payment be made by the next March 1st.

25 Sec. 10. 36 MRSA §1281, 5th sentence, as amended by PL
26 1977, c. 509, §30-C, is repealed and the following enacted
27 in its place:

28 If those taxes and interest to date of payment and costs are
29 not paid by March 1st, the State Tax Assessor shall record
30 by March 15th, in the registry of deeds of the county or
31 registry district where the real estate lies, a certificate
32 signed by him, setting forth the name or names of the owners
33 according to the last state valuation, or the valuation
34 established in accordance with section 1331; the description
35 of the real estate assessed as contained in the last state
36 valuation, or the valuation established in accordance with
37 section 1331; the amount of unpaid taxes and interest; the
38 amount of costs; and a statement that demand for payment of
39 those taxes has been made, and that those taxes, interests
40 and costs remain unpaid.

41 Sec. 11. 36 MRSA §1283, 2nd ¶, 4th sentence, is
42 amended to read:

1 The State Tax Assessor shall biennially make a report annu-
2 ally to the Legislature not later than 15 days after such
3 Legislature it convenes.

4 **Sec. 12. 36 MRSA §1286**, as amended by PL 1967, c. 271,
5 §11, is further amended to read:

6 §1286. Limitation on recovery of tax sold real estate in
7 unorganized places

8 When the State has taxed real estate in unorganized
9 territory, and the ~~Treasurer of State~~ State Tax Assessor has
10 conveyed it, or part of it, for nonpayment of tax, by deed
11 purporting to convey the interest of the State by forfeiture
12 for such nonpayment, or it or a part of it has been conveyed
13 under authority given by the Legislature by a deed purport-
14 ing to convey the interest of the State acquired under sec-
15 tions 1281 to 1283, and the pertinent records of the ~~Treas-~~
16 ~~urer of State or the~~ State Tax Assessor show that the
17 grantee, his heirs or assigns, has paid the state and county
18 taxes thereon, or on his acres or interest therein, as
19 stated in the deed, continuously for the 20 years subsequent
20 to such deed; and when a person claims under a recorded deed
21 describing real estate in unorganized territory taxed by the
22 State, and the pertinent records of the ~~Treasurer of State~~
23 ~~or the~~ State Tax Assessor show that he has, by himself or by
24 his predecessors under such that deed, paid the state and
25 county taxes thereon, or on his acres or interest therein as
26 stated in the deed, continuously for 20 years subsequent to
27 recording such that deed; and whenever, in either case, it
28 appears that the person claiming under such a deed, and
29 those under whom he claims, have, during such that period,
30 held such exclusive, peaceable, continuous and adverse pos-
31 session thereof as comports with the ordinary management of
32 real estate in unorganized territory in this State, and it
33 further appears that during such period no former owner, or
34 person claiming under him, has paid any such tax, or any
35 assessment by the county commissioners, or done any other
36 act indicative of ownership, no action ~~shall~~ may be main-
37 tained by a former owner, or those claiming under him, to
38 recover such real estate or to avoid such deed, unless com-
39 menced within said those 20 years. Such That payment shall
40 give such the grantee or person claiming, his heirs or
41 assigns, a right of entry and seizin in the whole, or such
42 part, in common and undivided, of the whole tract as the
43 deed states, or as the number of acres in the deed is to the
44 number of acres assessed.

1 This section shall apply to rights and interests ac-
2 quired under tax sales made by the ~~Treasurer of State~~ State
3 Tax Assessor for the nonpayment of taxes.

4 **Sec. 13.** 36 MRSA §1331, first sentence, as repealed
5 and replaced by PL 1977, c. 509, §31, is amended to read:

6 Supplemental assessments may be made within ~~5~~ 3 years
7 from the last assessment date whenever it is determined that
8 any estates in the unorganized territory liable to taxation
9 have been omitted from assessment or any tax on estates is
10 invalid or void by reason of illegality, error or irregu-
11 larity in assessment.

12 **Sec. 14.** 36 MRSA §1481, sub-§5, first sentence, as
13 repealed and replaced by PL 1977, c. 564, §132, is repealed
14 and the following enacted in its place:

15 "Vehicle" means a motor vehicle, mobile home, camper
16 trailer, heavier-than-air aircraft or lighter-than-air air-
17 craft.

18 **Sec. 15.** 36 MRSA §1752, sub-§8 is repealed.

19 **Sec. 16.** 36 MRSA §1752, sub-§13 is amended to read:

20 **13. Sale.** "Sale" means any transfer, exchange or bar-
21 ter, in any manner or by any means whatsoever, for a consid-
22 eration ~~in the regular course of business~~ and includes
23 leases and contracts payable by rental or license fees for
24 the right of possession and use, but only when such leases
25 and contracts are deemed by the State Tax Assessor to be in
26 lieu of purchase by the ~~State Tax Assessor~~.

27 **Sec. 17.** 36 MRSA c. 217, as amended, is repealed.

28 **Sec. 18.** 36 MRSA §1925, as enacted by PL 1977, c. 316,
29 §2, is repealed.

30 **Sec. 19.** 36 MRSA §2970 is repealed.

31 **Sec. 20.** 36 MRSA §4067, as enacted by PL 1981, c.
32 451, §7, is repealed.

33 **Sec. 21.** 36 MRSA §4073, as enacted by PL 1981, c. 451,
34 §7, is repealed.

35 **Sec. 22.** 36 MRSA §4074, 3rd ¶, as enacted by PL 1981,
36 c. 451, §7, is repealed.

1 The State Tax Assessor shall review the returns
2 received by him within 50 days after the date of mailing the
3 ballots. If at least 51% of the taxpayers eligible to vote
4 have voted and if at least a majority of that number have
5 approved the tax by an affirmative vote, the tax is effec-
6 tive. In any event, the State Tax Assessor shall declare
7 the results.

8 The costs of any election shall be paid out of tax
9 money received from the special tax imposed on the industry
10 for which the election is held.

11 Sec. 26. 36 MRSA §5127, sub-§3, ¶A, sub-¶(3), as
12 enacted by PL 1979, c. 577, §1, is repealed and the follow-
13 ing enacted in its place:

14 (3) "Wood furnace" means a wood burning appliance
15 designed to operate as part of a central heating
16 system. The furnace may burn wood solely or in
17 combination with another fuel. "Central heating
18 system" means a system whereby heat is produced in a
19 central combustion chamber and distributed by a
20 series of pipes, ducts or similar physical distri-
21 bution system throughout a building or group of
22 buildings. "Wood furnace" does not include a
23 "fireplace," meaning a hearth, fire chamber of
24 similarly prepared place with a chimney intended
25 to be useable in an open configuration whether or
26 not it can also be closed or operated closed; or a
27 "wood stove," meaning a wood burning appliance
28 designed primarily for space heating purposes.

29 Sec. 27. 36 MRSA c. 902, as amended, is repealed.

30 Statement of Fact

31 Sections 1 and 25 relocates, to the special taxes por-
32 tion of the tax laws, the requirement that certain industry
33 taxes be imposed only upon referendum approval by the indus-
34 try involved.

35 Sections 2 and 3 extend the payment of interest on
36 overpaid taxes to all taxes imposed by Title 36.

37 Section 4 deletes the obsolete language and conforms
38 the section to the repeal of the uniform property tax and
39 enactment of the unorganized territory educational and ser-
40 vices tax.

1 Section 5 conforms the section to the definition of
2 "forest land" to Title 36, section 573.

3 Section 6 repeals an obsolete provision.

4 Sections 7 and 8 conform interest rates to the standard
5 interest rate provided by section 186.

6 Sections 9 and 10 provide for continuing accrual of
7 interest on unpaid property taxes.

8 Section 11 provides for an annual, rather than a bien-
9 nial, report to the Legislature regarding disposal of tax
10 delinquent properties.

11 Section 12 repeals obsolete references to the Treasurer
12 of State.

13 Section 13 conforms the time period for supplemental
14 assessment of unorganized territory property tax to the time
15 period used for organized municipalities.

16 Section 14 includes "camper trailer" in definition of
17 "vehicle" for excise tax purposes.

18 Section 15 repeals an obsolete definition.

19 Section 16 removes superfluous language which clouds
20 the distinction between "sale" and "retail sale" in the
21 sales tax law.

22 Sections 17 through 21 and sections 23 and 24 repeal
23 provisions made unnecessary by uniform administrative provi-
24 sions.

25 Section 22 repeals an unnecessary provision.

26 Section 26 clarifies the definition of "wood furnace"
27 for the purposes of an energy credit.

28 Section 27 repeals an obsolete Homestead Tax Relief
29 Act.