MAINE STATE LEGISLATURE

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| 1 2 | SECOND REGULAR SESSION |
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| 3 4 | ONE HUNDRED AND TENTH LEGISLATURE |
| 5 6 | Legislative Document No. 1816 |
| 7 8 | S. P. 758 In Senate, January 13, 1982 Approved for introduction by the Legislative Council pursuant to Joint Rule 26. |
| 0 | Referred to the Committee on Taxation and 1,500 ordered printed. Sent down for concurrence. Ordered sent forthwith. MAY M. ROSS, Secretary of the Senate |
| 9 10 11 | Presented by Senator Perkins of Hancock. Cosponsors: Representative Bordeaux of Mount Desert and Representative Salsbury of Bar Harbor. |
| 12 13 | STATE OF MAINE |
| 14 15 16 | IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-TWO |
| 17 18 19 | AN ACT to Clarify the Tax Status of Time-sharing Condominiums. |
| 20 | Be it enacted by the People of the State of Maine as follows: |
| 21 22 | 36 MRSA §555, is repealed and the following enacted in its place. |
| 23 | §555. Tenants in common and joint tenants |
| 24 25 26 27 28 29 30 31 | 1. Tenants in common; joint tenants. A tenant in common or a joint tenant may be considered sole owner for the purposes of taxation, unless he notifies the assessors what his interest is; but when a tax is assessed on lands owned or claimed to be owned in common, or in severalty, and person may furnish the tax collector an accurate description of his interest in the land and pay his proportion of that tax; and thereafter his land or interest shall be free or all liens are standard by that the |
| 32 | all liens created by that tax. |

2. Time-share estates; assessment to managing entity. For purposes of taxation, the assessors may disregard the creation of "time-share estates," as defined by Title 33, section 588, and may assess tax on the real estate to the managing entity thereof. The lien created by section 552 includes all continuous parcels of real estate subject to the same managing entity.

The managing entity shall be liable for the tax, but may recover the tax or reimbursement therefor from the respective owners of time-share estates in accordance with the provisions of the declaration required by Title 33, section 588. If the declaration makes no adequate provision for that recovery or reimbursement, the managing entity may in a civil action recover a share of the tax from the owner of each time-share estate in proportion to the fair value of that owner's interest, plus costs of action, including a reasonable attorney's fee.

3. Time-share estate; assessment to owner. In the alternative to subsection 2, the municipality may elect to separately assess each time-share estate to the owner.

STATEMENT OF FACT

The segmenting of real estate into time-share units presents unmanageable bookkeeping difficulties to the assessors and tax collector. This bill would allow the municipalities to tax the real estate to the condominium's managing entity while retaining the option to separately assess each time-share unit if the municipality elects.

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