



## **118th MAINE LEGISLATURE**

## FIRST REGULAR SESSION-1997

Legislative Document

No. 972

H.P. 708

House of Representatives, February 11, 1997

An Act to Amend the Maine Tree Growth Tax Law to Shift the Reimbursement from Municipality to Beneficiary.

Reference to the Committee on Taxation suggested and ordered printed.

JOSEPH W. MAYO, Clerk

Presented by Representative BUNKER of Kossuth Township.

Cosponsored by Senator GOLDTHWAIT of Hancock, Representative PINKHAM of Lamoine and

Senator RUHLIN of Penobscot and

Representatives: BARTH of Bethel, DEXTER of Kingfield, HATCH of Skowhegan, NICKERSON of Turner, WHEELER of Bridgewater, Senator: KILKELLY of Lincoln.

	Be it enacted by the People of the State of Maine as follows:
2	Sec. 1. 36 MRSA §578, sub-§1-A is enacted to read:
4	1-A. Organized areas beginning tax year 1998. The
6	following provisions apply to organized areas beginning in tax year 1998.
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10	A. Notwithstanding any assessment practice established in this subchapter for property tax years based on the status of property on and after April 1, 1998, the municipal
12	assessors or chief assessor of a primary assessing area shall assess all acreage properly classified and subject to
14	taxation under this subchapter according to the undeveloped acreage valuations used in the state valuation then in
16	effect or according to current local valuation on undeveloped acreage, whichever is less. Forest land
18	assessed in this manner is deemed to have been assessed at current use.
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22	B. Notwithstanding any reimbursement program established in subsection 1, a person against whom taxes have been assessed pursuant to this subsection and who has paid those taxes is
24	entitled to reimbursement of a portion of those taxes equal to the difference between the taxes actually paid and the
26	taxes that would have been paid had the property been assessed pursuant to subsection 1.
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30	C. In order to file a claim for reimbursement, the taxpayer must first submit to the assessor or assessors of the appropriate taxing jurisdiction, on or after the day of
32	commitment, a written request that the assessor or assessors of each taxing jurisdiction provide to the taxpayer a
34	statement identifying the property for which reimbursement is claimed by map and lot number according to the municipal
36	tax maps, describing how many acres in each parcel are classified according to each forest type, certifying the
38	actual assessed value of each parcel as assessed pursuant to this subsection and listing the tax attributed to that
40	property. The assessor or assessors of the taxing jurisdiction shall make the statement available to the
42	taxpayer within 30 days of receiving the request.
44	D. A person entitled to reimbursement pursuant to this subsection may file a claim with the State Tax Assessor.
46	The reimbursement claim must be filed with the State Tax Assessor no later than 60 days after the tax is fully paid.
48	In order to obtain reimbursement the taxpayer must fully pay the tax levied against the property assessed pursuant to
50	this section within the municipal fiscal year financed by

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

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the commitment associated with the April 1st assessment date. The State Tax Assessor may for good cause extend the date on which the claim for reimbursement is due. Except as otherwise provided, the claim must be accompanied by the statement obtained by the claimant pursuant to paragraph C, along with a tax payment receipt or other documentary evidence that the tax was actually paid. If for any reason the claimant is unable to obtain the statement specified in paragraph C within the specified time period, the claimant shall submit to the State Tax Assessor a self-declaration containing all the information specified in paragraph C, along with the tax receipt or other documentary evidence required by this paragraph. The State Tax Assessor shall process the claim in consultation with the assessor or assessors of the pertinent tax jurisdiction.

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E. Upon receipt of a timely and properly completed claim for reimbursement, the State Tax Assessor shall certify that the claimant is eligible for reimbursement of the differential amount defined in paragraph B and shall pay that amount to the taxpayer within 60 days after the claim is filed.

## SUMMARY

Under current law, property under the Maine Tree Growth Tax 28 Law is assessed at specified rates and the municipality is entitled to reimbursement of 90% of the difference between the 30 tax revenue received at the tree growth assessed value and the tax revenue that would have been received if the property were 32 assessed at the local rate for undeveloped acreage. This bill requires a municipality to assess the property at the rate of undeveloped acreage, rather than at the reduced tree growth rate, 34 and provides that the taxpayer is reimbursed the difference formerly provided to the municipality. 36