

MAINE STATE LEGISLATURE

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122nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2005

Legislative Document

No. 902

S.P. 310

In Senate, February 22, 2005

**RESOLUTION, Proposing an Amendment to the Constitution of
Maine To Change the Method of Calculating Property Values To
Preserve Home Ownership in Maine**

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script, reading 'Joy J. O'Brien'.

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator COURTNEY of York.

Cosponsored by Senators: ANDREWS of York, DAVIS of Piscataquis, Representatives:
DAVIS of Falmouth, McKANE of Newcastle, Representative CLOUGH of Scarborough and
Senators: RAYE of Washington, SNOWE-MELLO of Androscoggin, TURNER of
Cumberland, Representatives: DUGAY of Cherryfield, TARDY of Newport.

2 **Constitutional amendment. Resolved:** Two thirds of each
branch of the Legislature concurring, that the following
amendment to the Constitution of Maine be proposed:

4
6 **Constitution, Art. IX, §8, sub-§6** is enacted to read:

8 **6. Assessment and taxation of real property beginning April**
9 **1, 2006.** Beginning with taxes based on the status of property on
10 or after April 1, 2006, all taxes on real property subject to
11 taxation in the State must be assessed based on the base property
12 value of the property. For purposes of this subsection, "base
13 property value" means the just value of the property on April 1,
14 2006 or on the April 1st preceding the date on which the owner
15 acquired the property, whichever is later, as adjusted under this
16 subsection. Unless there is a change of ownership of the
17 property, the base property value on each April 1st may be
18 adjusted only to reflect the just value of any improvements or
19 degradations to the property since the last assessment and by the
20 lower of the actual increase in just value and the same
21 percentage as the percentage increase in the United States
22 Department of Labor, Bureau of Labor Statistics Consumer Price
23 Index since the last valuation of the property. When there is a
24 change of ownership of the property, the base property value must
25 be adjusted to the just value of the property on the April 1st
26 preceding the change of ownership or the purchase price,
27 whichever is higher. The Legislature may enact legislation to
28 provide for the administration of this subsection.

30
32 ; and be it further

34 **Constitutional referendum procedure; form of question; effective**
35 **date. Resolved:** That the municipal officers of this State shall
36 notify the inhabitants of their respective cities, towns and
37 plantations to meet, in the manner prescribed by law for holding
38 a statewide election, at a statewide election, on the Tuesday
39 following the first Monday of November following the passage of
40 this resolution, to vote upon the ratification of the amendment
41 proposed in this resolution by voting upon the following question:

42 "Do you favor amending the Constitution of Maine to base the
43 taxation of real property on the base property value of the
44 property as of April 1, 2006 and to limit increases in the
45 base value of property to the lower of the rate of inflation
46 and the actual increase in value of the real property,
47 unless there is a change of ownership?"

48 The legal voters of each city, town and plantation shall
49 vote by ballot on this question and designate their choice by a
50 cross or check mark placed within the corresponding square below

2 the word "Yes" or "No." The ballots must be received, sorted,
counted and declared in open ward, town and plantation meetings
4 and returns made to the Secretary of State in the same manner as
votes for members of the Legislature. The Governor shall review
6 the returns and, if it appears that a majority of the legal votes
are cast in favor of the amendment, the Governor shall proclaim
8 that fact without delay and the amendment becomes part of the
Constitution of Maine on the date of the proclamation; and be it
further

10
Secretary of State shall prepare ballots. Resolved: That the
12 Secretary of State shall prepare and furnish to each city, town
and plantation all ballots, returns and copies of this resolution
14 necessary to carry out the purposes of this referendum.

16
SUMMARY

18 This resolution amends the Constitution of Maine to
establish the base property value for real property as the just
20 value of the property as of April 1, 2006. Increases in the
value of real property are limited to the just value of any
22 improvements or degradations to the property and the lower of the
rate of inflation and the actual increase in value of the real
24 property, unless there is a change of ownership. If there is a
change of ownership, the value of the property may be changed to
26 the higher of the actual purchase price and the just value of the
property on the April 1st preceding the change in ownership.