

# MAINE STATE LEGISLATURE

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OFFICE OF  
THE GOVERNOR

NO. 9  
DATE March 2, 1973

EXECUTIVE ORDER TO CREATE A LAND USE TAX COMMITTEE

Whereas the current property tax system in Maine is known to have wide variations in valuations for similar properties within the different Maine communities, and

Whereas the ability of any tax assessor, however well trained, to equitably value manufacturing and commercial property is difficult, if not impossible, and

Whereas the need to constantly re-value all property results in an expensive revenue system of constant revaluation, and

Whereas the basic necessity of shelter is penalized with higher taxes with any improvement under the current property tax system, and

Whereas the required real property in any manufacturing or commercial business does not necessarily relate to the ability to generate a profit (the truest measure of ability to pay) and which does not necessarily relate to government service required by a plant and in some cases high property taxes serves as a detriment to capital investment, and

Whereas the Vermont Tax Study promises to eliminate these serious problems and to raise greater revenue more equitably for local government services. As currently formulated, this tax system has five different sources of revenue for local government. The Vermont research study has ten major phases that is being financed by HUD for more than \$5 million. As a part of the project, forty Vermont towns will go through each phase and be able to determine the complete financial picture before any change from the current tax system is made, and

Whereas Maine has a similar tax system to that of Vermont, therefore, conversion of the Land Use Tax system being developed in Vermont will be relatively simple and inexpensive should its implementation in Maine take place

NOW THEREFORE, I, Kenneth M. Curtis, as Governor of the State of Maine hereby create a Land Use Tax Committee to study the land use tax system being developed in Vermont and make recommendations of how this tax system might be used in Maine. The Committee will be composed of State Planning Director, to serve as Chairman, Commissioner Finance and Administration, Commissioner Department of Education, Commissioner Commerce and Industry, and the Director of the Computer Center.

It is further ordered that a land use tax task force including the State Economist, Chairman, one property tax specialist, one systems analyst from the Bureau of Taxation, an appropriate member from the Department of Education and one from the Computer Center be established.

The task force will submit a progress report by December 17, 1973 to the Land Use Tax Committee of the suitability of a land use tax system for the State of Maine which will be the basis for the Land Use Tax Committee's recommendations to the Governor and Legislature.

It shall be the responsibility of the task force to monitor the developing Vermont Tax System and study the advantages and disadvantages for Maine.

It is further ordered that all state agencies cooperate with this study and keep informed on the effect of the proposed Vermont plan on their functions.

  
KENNETH M. CURTIS, GOVERNOR