

MAINE STATE LEGISLATURE

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SECOND SPECIAL SESSION

ONE HUNDRED AND THIRD LEGISLATURE

Legislative Document

No. 1879

H. P. 1335 House of Representatives, January 19, 1968
Reported by Mr. Foster from Committee on Judiciary. Printed under Joint
Rules No. 18.

BERTHA W. JOHNSON, Clerk

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-EIGHT

AN ACT Relating to Tax on Real Estate Transfers.

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after the adjournment of the Legislature unless enacted as emergencies; and

Whereas, the 103rd Legislature in regular session by chapter 154 of the private and special laws of 1967 provided for a tax on real estate transfers; and

Whereas, members of the bar of this State differ as to the application and interpretation of this law and its effect upon the certification of good and marketable title by them; and

Whereas, the provisions of this law are not clear in their effect upon the validity of the recordation of deeds filed without compliance with its provisions; and

Whereas, uniform provisions and interpretations are vitally necessary to the uninterrupted transfer of property in this State and to the integrity of title to real property conveyed in this State; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine, and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. R. S., T. 36, c. 712, additional. Title 36 of the Revised Statutes is amended by adding a new chapter 712, to read as follows:

CHAPTER 712

REAL ESTATE TRANSFERS

§ 4651. Rate of tax

There is imposed, on each deed, instrument or writing by which any lands, tenements or other realty sold shall be granted, assigned, transferred or otherwise conveyed to, or vested in, the purchaser or purchasers, or any other person or persons, by his or their direction, when the consideration or value of the interest on property conveyed, exclusive of the value of any lien or encumbrance remaining thereon at the time of the sale, exceeds \$100, a tax at the rate of 55¢ for each \$500 or fractional part thereof.

§ 4652. Tax stamps; rules

The State Tax Assessor shall prepare tax stamps of varying denominations which will become available for purchase at their denominated value. The State Tax Assessor is authorized and empowered to carry this chapter into effect and, in pursuance thereof, to make and enforce such reasonable rules and regulations consistent with this chapter as he may deem necessary, including the appointment of the several registers of deeds or such other agents as he may designate as sales agents and providing for compensation of such agents, which compensation shall not exceed a 10% commission of the legal price of the stamps sold.

§ 4653. Stamps affixed; cancellation

The stamps shall be affixed either before recording or immediately after the deed is recorded and returned to the grantee or his attorney. Failure by either the grantor or grantee to affix the stamps shall be subject either or both to all penalties of \$25 or 5 times the amount of the stamps required to be affixed, whichever shall be the greater amount, to be recovered in a civil action in the name of the State of Maine.

When such stamps are affixed to the instrument of conveyance they shall be cancelled by writing in ink or typing on the face thereof the date and the initials of the person affixing said stamp.

§ 4654. Exemptions

1. Exemptions. The following deeds shall be exempt from the tax imposed by this chapter:

- A. Deeds to property acquired by or from the United State of America, the State of Maine or any of their instrumentalities, agencies or subdivisions;
- B. Mortgage deeds and discharges of mortgage deeds;
- C. Deeds of partition;
- D. Deeds made pursuant to mergers of corporations;
- E. Deeds made by a subsidiary corporation to its present corporation for no consideration other than the cancellation or surrender of the subsidiary's stock.

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Sec. 2. R. S., T. 36, §§ 4641-4644, repealed. Sections 4641 to 4644 of Title 36 of the Revised Statutes, as enacted by Section H of chapter 154 of the private and special laws of 1967, are repealed.

Sec. 3. Validation. All deeds and other instruments recorded under the Revised Statutes, Title 36, sections 4641 to 4644 between January 1, 1968 and March 1, 1968 are validated.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect March 1, 1968.