

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
105TH LEGISLATURE
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to H. P. 1557, L. D. 2018, Bill,
"AN ACT Establishing a Forest Lands Taxation Policy Using a
Productivity Approach."

Amend said Bill in section 8 in that part designated
"§ 576." by striking out all of the 4th and 5th underlined
paragraphs and inserting in place thereof the following:

'After the State Tax Assessor has made the foregoing
determinations, he shall apply a 10% capitalization rate to
determine the 100% valuation per acre for each forest type
for each area and shall state the wood production rates and
values used to compute same.'

Further amend said Bill in section 8 in that part designated
"§ 577." by striking out in the last 3 lines of subsection 2
(same in L.D.) the underlined words, figures and punctuation
"loss, by 50% for the 2nd 10 property tax years following the loss
and by 25% for the 3rd 10 property tax years following the loss."
and inserting in place thereof the following: 'loss.'

Further amend said Bill in section 8 in that part designated
"§ 578." by striking out in the 2nd line of subsection 2 (same in
L.D.) the underlined words and figures "to 50% or"

Further amend said Bill in section 8 in that part designated
"§ 579." by striking out all of the 2nd underlined paragraph
and inserting in place thereof the following:

'The assessor shall determine whether the land is subject to taxation hereunder, shall classify such land as to forest type, and shall notify the owner of such determination prior to the following March 1st. If such notification is not given, the assessor shall be deemed to have denied taxation hereunder on that date. The land shall be so taxed until it is reclassified or is withdrawn from under this subchapter.'

Further amend said Bill by inserting after section 17 the following:

'Sec. 18. Report to the Legislature. The State Tax Assessor shall biennially study and review the needs and uses of the Tree Growth Tax Law as provided in this Act and report his findings and recommendations to the Legislature.'

Further amend said Bill by renumbering section 18 to be section 19.

Further amend said Bill at the end before the Statement of Fact by striking out all of the Fiscal Note and inserting in place thereof the following:

'Fiscal Note

Compared to actual 1971 figures corrected for the 5 mill increase, the revised bill reflects revenue from the unorganized territory in 1973 of approximately 4.9 million dollars compared to approximately 4.5 million dollars in 1971 and increasing by approximately an additional \$400,000 in each of the years 1974-1978, unless limited by a major decrease in the weighted average municipal property tax rate. In addition, over the years there will be additional revenues generated by the withdrawal provision.'

D. OF R.

Statement of Fact

The purpose of this amendment is to clarify provisions under the Act for capitalization rate, adjusted valuation on areas destroyed by natural disaster, tax assessment in unorganized territory and to provide for periodic review of the Tree Growth Tax Law.

HOUSE REPRESENTATIVES
Reported by: Mr. McCloskey
From Com. on TAXATION - A minority

IN HOUSE
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