

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SIXTH LEGISLATURE

Legislative Document

No. 163

S. P. 56

In Senate, January 16, 1973

Taken from table on motion by the President and on further motion by Senator Speers of Kennebec, referred to the Committee on State Government. Sent down for concurrence and ordered printed.

HARRY N. STARBRANCH, Secretary

Presented by Senator Speers of Kennebec.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-THREE

AN ACT to Establish a Bureau of Property Taxation Within the Department of Finance and Administration.

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

Sec. 1. R. S., T. 5, § 283, sub-§ 7, additional. Section 283 of Title 5 of the Revised Statutes, as amended by section 3 of chapter 615 of the public laws of 1971, is further amended by adding a new subsection 7 to read as follows :

7. Bureau of Property Taxation. The Bureau of Property Taxation, the head of which shall be the State Director of Property Taxation.

Sec. 2. R. S., T. 36, c. 4, additional. Title 36 of the Revised Statutes is amended by adding a new chapter 4 to read as follows :

CHAPTER 4

BUREAU OF PROPERTY TAXATION

§ 76. Bureau; director

The Bureau of Property Taxation, as heretofore created and established, shall be under the control and supervision of the State Director of Property Taxation who shall have the power to distribute the duties given to the bureau among such divisions in said bureau as he may deem necessary for economy and efficiency in administration and may add to or eliminate the number of such divisions and may employ such deputies, assistants and employees as may be necessary, subject to the Personnel Law.

§ 77. Responsibilities; duties; employees

The Bureau of Property Taxation and the State Director of Property Taxation shall exercise such powers and responsibilities heretofore vested in the State Tax Assessor relating to property taxes as may be transferred to same by the State Tax Assessor with the advice and consent of the Commissioner of Finance and Administration.

Sec. 3. Transitional period. The State Director of Property Taxation shall exercise the powers and responsibilities, determined by the Commissioner of Finance and Administration to relate to property taxes, heretofore vested in the State Tax Assessor, after the transfer is made of such powers and responsibilities to the State Director of Property Taxation by the State Tax Assessor with the advice and written consent of the commissioner. The transfer of such powers and responsibilities shall be made from time to time as circumstances warrant and shall be completed on or before July 1, 1975. Upon such delegation there shall be simultaneously transferred such funds, employees, equipment and records as will meet and be proper to carry out said delegated powers and responsibilities. Upon the transfer of a power or responsibility from the State Tax Assessor to the State Director of Property Taxation, wherever in the Revised Statutes the words "State Tax Assessor" appear in respect to such power or responsibility they shall mean "State Director of Property Taxation".

The State Director of Property Taxation shall, in addition to his other duties, prepare recommendations and specific legislation to carry out such recommendations with respect to improved property tax administration at both State and local levels. He shall so report to the next regular legislative session and to each regular legislative session thereafter.

Sec. 4. Appropriation. There is appropriated from the General Fund to the Department of Finance and Administration the sum of \$50,000 for the fiscal year ending June 30, 1974 and the sum of \$50,000 for the fiscal year ending June 30, 1975. The breakdown shall be as follows:

| | 1973-74 | 1974-75 |
|---|----------------|----------------|
| FINANCE AND ADMINISTRATION, DEPARTMENT OF | | |
| Bureau of Property Taxation | | |
| Personal Services | (4) \$40,000 | (4) \$45,000 |
| All Other | 5,000 | 5,000 |
| Capital Expenditures | 5,000 | — |
| | <hr/> \$50,000 | <hr/> \$50,000 |

STATEMENT OF FACT

When the present Bureau of Taxation was first created 40 years ago its most important functions were concerned with property taxes, both State and

local. In the intervening years, and more particularly with the adoption of the cigarette tax in 1941, the transfer of the inheritance tax to the Bureau of Taxation in 1947, the adoption of the sales tax in 1951 and the adoption of the income tax in 1969, the Bureau of Taxation has become more and more preoccupied with aspects of State taxation other than property taxes. At the same time, the problems involved in the administration of the property tax, both at the State level and at the local level, have become more complex and more pressing. The necessity for a vigorous and sustained attack on such problems makes it necessary to separate the property tax function from other State tax functions administered by the Bureau of Taxation, so that adequate attention can be given to a solution of the problems of property tax administration.

The creation of a separate Bureau of Property Taxation in the Department of Finance and Administration to which the property tax functions of the present Bureau of Taxation would be transferred during the course of the biennium, is essential in order to provide more effective assistance to the Executive and to the Legislature in the consideration of property tax matters, to provide leadership at the State level to improve local property tax administration, and to carry out in a satisfactory manner the property tax functions, i.e., State valuation of municipalities and administration of property taxes in the unorganized territory which are presently the direct responsibility of the State.