

# MAINE STATE LEGISLATURE

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ONE HUNDRED AND SIXTH LEGISLATURE

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Legislative Document

No. 736

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H. P. 556

House of Representatives, February 8, 1973

Referred to Committee on Taxation. Sent up for concurrence and ordered printed.

E. LOUISE LINCOLN, Clerk

Presented by Mrs. McCormick of Union.

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STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-THREE

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**AN ACT** Relating to Certain Property and Excise Tax Exemptions.

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

**Sec. 1. R. S., T. 36, § 656, sub-§ 1, ¶ B, repealed.** Paragraph B of subsection 1 of section 656 of Title 36 of the Revised Statutes is repealed.

**Sec. 2. R. S., T. 36, § 656-A, additional.** Title 36 of the Revised Statutes is amended by adding a new section 656-A to read as follows:

**§ 656-A. Payments in lieu of taxes**

All property exempted from taxation by section 651, subsection 1, paragraph B, when said property is rented or leased to persons, individuals or corporations; section 652, subsection 1, paragraphs A, D, E, F and H and section 656, subsection 1, paragraphs B and C, shall be required to pay, annually, to the municipality in which said property is located, a sum equal to the property's assessed valuation, multiplied by the mill rate of that municipality less the portion of that mill rate required to pay for the costs of the educational system in that municipality.

**Sec. 3. R. S., T. 36, § 1483, sub-§ 7, repealed.** Subsection 7 of section 1483 of Title 36 of the Revised Statutes is repealed.

**Sec. 4. Effective date.** The effective date of this Act, to provide for ample time to budget, shall be July 1, 1975.

STATEMENT OF FACT

This bill would require payments in lieu of property and excise taxes to be made to municipalities which provide governmental services, e. x. police

and fire protection, street lighting, road and sidewalk maintenance, snow plowing, rubbish and garbage disposal, etc., to tax exempt property. Included as properties required by this bill to make annual payments in lieu of taxes are (1) state-owned property rented or leased to persons, individuals or corporations and, therefore, not used by the State; (2) property owned by charitable and benevolent institutions; (3) property owned by the American National Red Cross and its chapters in Maine; (4) property owned by posts of the American Legion, Veterans of Foreign Wars, G. A. R., Spanish War Veterans, Disabled American Veterans and Navy Clubs of the U. S. A.; (5) property owned by chambers of commerce and boards of trade; (6) property owned by fraternal organizations; and (7) privately owned airports.

This bill repeals the real property exemption of mines of gold, silver or baser metals and the excise tax exemption for benevolent and charitable institutions.