

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

SECOND REGULAR SESSION

ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 2117

H. P. 2059

House of Representatives, January 27, 1978

EDWIN H. PERT, Clerk

Filed by the Joint Standing Committee on Taxation pursuant to Joint Rule 17.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-EIGHT

AN ACT Relating to the Taxation of the Unorganized Territory.

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

Sec. 1. 36 MRSA § 451, subsection 1, as enacted by PL 1975, c. 660, § 5, is repealed.

Sec. 2. 36 MRSA c. 115 is enacted to read:

CHAPTER 115

UNORGANIZED TERRITORY EDUCATIONAL AND SERVICES TAX

§ 1601. Unorganized Territory Tax District

The Legislature hereby creates a tax district to be known as the Unorganized Territory Tax District. It shall include all of the unorganized territory of the State and any areas which may subsequently become a part thereof.

§ 1602. Annual tax.

1. Annual levy of tax. A tax, to be known as the Unorganized Territory Educational and Services Tax, shall be levied each year upon all nonexempt real and personal property located in the Unorganized Territory Tax District on April 1st of each year. The State Tax Assessor shall fix the status of all taxpayers and of all such property as of that date.

2. **Computation and determination of tax.** The tax shall be computed and apportioned on the basis of the State Tax Assessor's determination of the value of that property.

3. **Determination of original tax.** The State Tax Assessor shall determine the amount of tax due from each taxpayer. He shall notify each taxpayer in writing, not later than June 30th. Interest shall accrue beginning October 1st.

4. **Establishment of mill rate.** The State Tax Assessor shall establish a mill rate, accurate to the nearest quarter of a mill, which is calculated to raise the municipal cost component amount certified to the State Tax Assessor in accordance with section 1603, subsection 2.

5. **Proceeds.** All proceeds of this tax shall be deposited into the General Fund account of this State by the State Tax Assessor.

#### § 1603. Rate of tax

1. **Governor's report to the Legislature.** The Governor shall submit to the Legislature, not later than January 5th of each year, a written report which shall include an itemized list of all services, including education, which he reasonably believes shall be provided by the State to the Unorganized Territory Tax District during the current fiscal year and for which a municipal cost component exists.

2. **Legislative determination of municipal cost component.** The Legislature shall consider the Governor's report and, not later than April 15th of each year, determine the municipal cost component for the current fiscal year. The Legislature shall promptly certify the amount to the State Tax Assessor.

3. **Definition of municipal cost component.** For the purposes of this chapter, "municipal cost component" means the cost of providing services, including education, to the Unorganized Territory Tax District which would not be borne by the State if the Unorganized Territory Tax District were a municipality.

#### STATEMENT OF FACT

The Unorganized Territory Educational and Services Tax is a district tax. Its purpose is to recover from the unorganized territory the state's expenses attributable to providing governmental services and education therein. Briefly stated, the unorganized territory is treated as if it were a municipality and the tax imposed is the equivalent of a local municipal property tax.

The Legislature shall determine the cost of providing governmental services and education to the unorganized territory. The State Tax Assessor shall establish a mill rate, each year, which is calculated to raise that sum. The State Tax Assessor shall collect the tax.