

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document

No. 1384

H. P. 1163

House of Representatives, March 18, 1981

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

EDWIN H. PERT, Clerk

Presented by Representative H. C. Higgins of Portland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

AN ACT to Improve the Valuation of Property for Tax Purposes.

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

Sec. 1. 36 MRSA § 327, sub-§ 1, as enacted by PL 1975, c. 545, § 13, is amended to read:

1. Minimum assessment ratios. A 50% minimum assessment ratio by 1977; a 60% minimum assessment ratio by 1978; ~~and~~ a 70% minimum assessment ratio by 1979; a 75% minimum assessment ratio by 1983 and thereafter;

Sec. 2. 36 MRSA § 327, sub-§ 1-A is enacted to read:

1-A. Maximum assessment ratio. A 110% maximum assessment ratio by 1982 and thereafter;

Sec. 3. 36 MRSA § 327, sub-§ 2, as enacted by PL 1975, c. 545, § 13, is amended to read:

2. Maximum rating of assessment. A maximum rating of assessment quality of 30 by 1977; a maximum rating of assessment quality of 25 by 1978; a maximum rating of assessment quality of 20 by 1979; a maximum rating of assessment quality of 15 by 1983; a maximum rating of assessment quality of 10 by 1984 and thereafter;

Sec. 4. 36 MRSA § 328, sub-§§ 8 and 9, as enacted by PL 1975, c. 545, § 13, are amended to read:

8. **Annual sales ratio studies.** Assessors will conduct annual sales ratio studies; ~~and~~

9. **Tax maps.** Municipal assessing units ~~do not necessarily have to~~ **must** maintain tax maps; ~~and~~

Sec. 5. 36 MRSA § 328, sub-§ 10 is enacted to read:

10. **Indexing.** Indexing shall not be used as a means of achieving minimum assessment standards.

For the purposes of this subsection, indexing means the application of a factor to the current assessment ratio in order to achieve the minimum assessment standards.

STATEMENT OF FACT

The purpose of this bill is to improve the valuation placed on property on which property taxes are computed. The bill changes the minimum assessing standards and establishes a maximum assessment ratio of 100%. The bill also changes the current maximum rating of assessment quality; requires the maintenance of tax maps and prohibits indexing as a means of achieving minimum assessment standards.