

MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE
4

5 Legislative Document

No. 358

7 H.P. 288

House of Representatives, February 1, 1985

8 Reference to the Committee on Taxation suggested and ordered printed.

9 EDWIN H. PERT, Clerk

10 Presented by Representative Racine of Biddeford.

Cosponsored by Representative Scarpino of St. George and
Representative Swazey of Bucksport.

12 STATE OF MAINE
13

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-FIVE
16

17 AN ACT Concerning Just Property Valuation
18 Under Veterans' Property Tax
19 Exemptions.
20

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

23 36 MRSA §653, as amended by PL 1981, c. 698,
24 §179, is further amended to read:

25 §653. Estates of veterans

26 The following estates of veterans are exempt from
27 taxation:

28 1. Estates of veterans.

29 A.

30 B.

1 C. The estates up to the ~~just~~ value of \$4,000,
2 having a taxable situs in the place of residence,
3 of veterans who served in the Armed Forces of the
4 United States during any federally recognized war
5 period, including the Korean Campaign and the
6 Viet Nam War, when they shall have reached the
7 age of 62 years or when they are receiving any
8 form of pension or compensation from the United
9 States Government for total disability, service-
10 connected or nonservice-connected, as a veteran.
11 The exemption provided in this paragraph shall
12 apply to the property of such veteran including
13 property held in joint tenancy with his or her
14 spouse.

15 C-1. The estates up to the ~~just~~ value of \$5,000
16 for the 1978 tax year, and \$6,000 for each tax
17 year thereafter, having a taxable situs in the
18 place of residence of veterans who served in the
19 Armed Forces of the United States during any fed-
20 erally recognized war period during or before
21 World War I and who would be eligible for an ex-
22 emption under paragraph C.

23 The exemption provided in this paragraph shall be
24 in lieu of any exemption under paragraph C to
25 which the veteran may be eligible and shall apply
26 to the property of such veteran, including prop-
27 erty held in joint tenancy with his or her
28 spouse.

29 D. The estates up to the ~~just~~ value of \$4,000,
30 having a taxable situs in the place of residence,
31 of the unremarried widow or minor child of any
32 veteran who would be entitled to such exemption
33 if living, or who is in receipt of a pension or
34 compensation from the Federal Government as the
35 widow or minor child of a veteran.

36 The estates up to the ~~just~~ value of \$4,000, hav-
37 ing a taxable situs in the place of residence, of
38 the mother of a deceased veteran who is 62 years
39 of age or older and is an unremarried widow who
40 is in receipt of a pension or compensation from
41 the Federal Government based upon the service-
42 connected death of her son;

1 D-1. The estates up to the ~~just~~ value of
2 \$40,000, having a taxable situs in the place of
3 residence, for specially adapted housing units,
4 of veterans who served in the Armed Forces of the
5 United States during any federally recognized war
6 period and who are paraplegic veterans, so
7 called, within the meaning of the U.S. Code, Ti-
8 tle 38, chapter 21, section 801, and who received
9 a grant from the United States Government for
10 such specially adapted housing, or of the unre-
11 married widows of such veterans. The exemption
12 provided in this paragraph shall apply to the
13 property of such veteran including property held
14 in joint tenancy with his or her spouse.

15 D-2. The estates up to the ~~just~~ value of \$5,000
16 for the 1978 tax year, and \$6,000 for each tax
17 year thereafter, having a taxable situs in the
18 place of residence of the unremarried widow or
19 minor child of any veteran who would be entitled
20 to an exemption under paragraph C-1, if living,
21 or who is in receipt of a pension or compensation
22 from the Federal Government as the widow or minor
23 child of a veteran, and who is the unremarried
24 widow or minor child of a veteran who served dur-
25 ing any federally recognized war period during or
26 before World War I.

27 The exemption provided in this paragraph shall be
28 in lieu of any exemption under paragraph D to
29 which the person may be eligible.

30 D-3. The estates up to the ~~just~~ value of \$5,000
31 for the 1978 tax year, and \$6,000 for each tax
32 year thereafter, having a taxable situs in the
33 place of residence of the mother of a deceased
34 veteran who is 62 years of age or older and is an
35 unremarried widow who is in receipt of a pension
36 or compensation from the Federal Government based
37 upon the service-connected death of her son and
38 who is receiving the pension or compensation from
39 the Federal Government based upon the service-
40 connected death of her son during any federally
41 recognized war period during or before World War
42 I.

1 The exemption provided in this paragraph shall be
2 in lieu of any exemption under paragraph D to
3 which the person may be eligible.

4 E. The word "veteran" as used in this subsection
5 shall mean any person, male or female, who was in
6 active service in the Armed Forces of the United
7 States during any federally recognized war period
8 or the Korean Campaign or the Viet Nam War; and
9 who, if discharged, retired or separated from the
10 Armed Forces, was discharged, retired or sepa-
11 rated under other than dishonorable conditions.
12 A veteran of the Viet Nam War shall have served
13 on active duty for a period of more than 180
14 days, any part of which occurred after August 4,
15 1964 and before May 7, 1975, except that if he
16 died in service or was discharged for a service-
17 connected disability after such date. The "Viet
18 Nam War" shall mean that period between August 5,
19 1964 and May 7, 1975;

20 F. To be eligible for exemption under this sub-
21 section:

22 (1)

23 (2)

24 (3) No exemption may be granted to any per-
25 son under this subsection unless such person
26 is a resident of this State; and

27 (4) Notwithstanding any other provisions of
28 this paragraph, prior to April 1, 1982, any
29 person claiming an exemption under paragraph
30 C who is receiving any form of pension or
31 compensation from the Federal Government for
32 total disability, service-connected or
33 nonservice-connected, as a veteran, and any
34 person claiming an exemption under paragraph
35 C-1, D, D-1, D-2 or D-3 shall not be re-
36 quired to meet the standards specified in
37 subparagraphs (1) and (2). Any such person
38 who received an exemption in 1980 shall not
39 be required to reapply in 1981. Exemptions
40 granted under this section which are reim-
41 bursable pursuant to section 661 shall not

1 be considered eligible for reimbursement under
2 paragraph H. Any person whose exemption
3 is reimbursable under section 661 shall, for
4 1981, be entitled to an extension until May
5 1, 1981, for filing a written application
6 and written proof of entitlement for exemp-
7 tion with the assessors of the place in
8 which the person resides, notwithstanding
9 the provisions of paragraph G.

10 G. Any person who desires to secure exemption
11 under this subsection shall make written applica-
12 tion and file written proof of entitlement on or
13 before the first day of April, in the year in
14 which the exemption is first requested, with the
15 assessors of the place in which the person re-
16 sides. The assessors shall thereafter grant such
17 exemption to any person while he is so qualified
18 and continues a resident of that place or until
19 they are notified of reason or desire for discon-
20 tinuance.

21 H. Any municipality granting exemptions under
22 this subsection shall have a valid claim against
23 the State to recover 90% of the taxes lost by
24 reason of such exemptions as exceeds 3% of the
25 total local tax levy, upon proof of the facts in
26 form satisfactory to the Commissioner of Finance
27 and Administration. Such claims shall be pre-
28 sented to the Legislature next convening.

29 I. No property conveyed to any person for the
30 purpose of obtaining exemption from taxation un-
31 der this subsection shall be so exempt, excepting
32 property conveyed between husband and wife, and
33 the obtaining of such exemption by means of
34 fraudulent conveyance shall be punished by a fine
35 of not less than \$100 and not more than 2 times
36 the amount of the taxes evaded by such fraudulent
37 conveyance whichever amount is greater.

38 J. No person shall be entitled to property tax
39 exemption under more than one paragraph of this
40 subsection.

41 K. In determining the local assessed value of
42 the exemption, the assessor shall multiply the

1 amount of the exemption by the ratio of current
2 ~~just~~ value upon which the assessment is based as
3 furnished in the assessor's annual return to the
4 State Tax Assessor.

5 STATEMENT OF FACT

6 The purpose of this bill is to amend the law
7 dealing with property tax exemptions for veterans to
8 remove the requirement that the exemption be based on
9 the just value of the property.

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