

# MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND TWELFTH LEGISLATURE

Legislative Document

No. 698

H.P. 495

House of Representatives, February 26, 1985

Reference to the Committee on Taxation suggested and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative Higgins of Portland.

Cosponsored by Representative Mayo of Thomaston, Representative Zirkilton of Mount Desert and Representative McGowan of Canaan.

STATE OF MAINE

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

AN ACT to Require Adequate Notice of Tax Lien  
Foreclosure.

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

Sec. 1. 36 MRSA §943, 4th ¶ is amended to read:

~~¶~~ Except as provided in this section, if the tax lien mortgage, together with interest and costs, shall is not be paid within 18 months after the date of the filing of the tax lien certificate in the registry of deeds, the said tax lien mortgage shall be deemed to have been foreclosed and the right of redemption to have expired.

Sec. 2. 36 MRSA §943, 5th ¶, as amended by PL 1983, c. 407, §4, is further amended to read:

The municipal treasurer shall notify the party named on the tax lien mortgage and each record holder of a mortgage on the real estate not more than 45

1 days nor less than 30 days before the foreclosing  
2 date of the tax lien mortgage, ~~in a writing left at~~  
3 ~~his last and usual place of abode or sent by certi-~~  
4 ~~fied mail, return receipt requested, to his last~~  
5 ~~known address, and, if the mail is returned un-~~  
6 ~~claimed, in a writing left at his last known and usu-~~  
7 ~~al place of abode, of the impending automatic fore-~~  
8 ~~closure and indicating the exact date of foreclosure.~~  
9 For sending this notice, the municipality shall be  
10 entitled to receive \$3 plus all certified mail, re-  
11 turn receipt requested, fees. These costs shall be  
12 added to and become a part of the tax. If notice is  
13 not ~~given~~ received in the time period specified in  
14 this section to the party named on the tax lien mort-  
15 gage or to any record holder of a mortgage, the per-  
16 son not receiving timely notice shall have the right  
17 to redeem the tax lien mortgage until 30 days after  
18 ~~the treasurer does provide notice in the manner spec-~~  
19 ~~ified in this section~~ receipt of that notice.

20 Sec. 3. 36 MRSA §943, as amended by PL 1983, c.  
21 407, §4, is further amended by adding after the 5th  
22 paragraph the following:

23 The notice of automatic impending foreclosure  
24 shall:

25 1. Understandable language. Be written in sim-  
26 ple and readily understandable language;

27 2. Effect of foreclosure on property title.  
28 Clearly describe the effect of the tax lien foreclo-  
29 sure on the title to the property;

30 3. Prevention of foreclosure. Inform the party  
31 how to prevent foreclosure; and

32 4. Notice of provisions. Inform the party of  
33 the provisions of section 841, subsection 2.

34 The 18-month period for redemption shall be ex-  
35 tended pending final determination of any claim for  
36 abatement made pursuant to section 841, subsection 2.

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STATEMENT OF FACT

2           This bill provides for actual notice of impending  
3 automatic foreclosure to persons about to lose title  
4 to their property as a result of nonpayment of taxes.  
5 It requires that the notice be written in plain and  
6 understandable language making clear the consequences  
7 of foreclosure. It further requires that people fa-  
8 cing foreclosure be given notice of the legal provi-  
9 sion for tax abatement by reason of illness or pover-  
10 ty and extends the period of redemption until any  
11 claim for abatement is finally resolved.

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