

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)



114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 104

H.P. 73

House of Representatives, February 6, 1989

Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

Ed Pert

EDWIN H. PERT, Clerk

Presented by Representative ROLDE of York.

STATE OF MAINE

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

An Act to Define Taxation of Natural Resource Protection Areas.



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

3 **Sec. 1. 36 MRSA §656, sub-§1, ¶I,** as enacted by PL 1983, c.
555, §3, is amended to read:

5 I. Mining property as provided in section 2854- ; and

7 **Sec. 2. 36 MRSA §656, sub-§1, ¶J** is enacted to read:

9 J. Lands included in areas zoned by a municipality for
11 resource protection under shoreland zoning or by the Land
13 Use Regulation Commission for shoreland protection, provided
15 that the landowner holds less than a total of 500 acres of
land, jointly or individually, within a municipality or the
unorganized territories.

17 **Sec. 3. 36 MRSA §661,** as amended by PL 1985, c.459, Pt. B,
§4, is further amended to read:

19 **§661. Reimbursement for exemptions**

21 As required by the Constitution of Maine, Article IV, Part
23 3, Section 23, the Treasurer of State shall reimburse each
25 municipality 50% of the property tax revenue loss suffered by
that municipality during the previous calendar year as a result
27 of statutory property tax exemptions or credits enacted after
April 1, 1978, except that the State shall reimburse 100% of the
29 revenue loss from section 656, subsection 1, paragraph J. The
property tax revenue loss shall be determined pursuant to the
following procedure.

31 1. **Filing claim.** If a municipality suffers property tax
33 revenue loss as a result of exemptions and credits enacted after
April 1, 1978, it may file a claim for reimbursement by November
35 1st of the following year with the State Tax Assessor on the form
prescribed by the State Tax Assessor in section 383. The form
37 shall contain the following information:

39 A. The total amount of property taxes levied by the
municipality in the previous calendar year;

41 B. The valuation of the property taxed by the municipality
43 which resulted in paragraph A; and

45 C. The valuation of the property which is exempt as a
47 result of exemptions and credits enacted after April 1, 1978.

49 2. **Valuation.** The State Tax Assessor shall add the
valuation as determined in subsection 1, paragraph B, to the
valuation as determined in subsection 1, paragraph C, and divide
51 the sum into the figure determined in subsection 1, paragraph A.

3. Amount of tax revenue loss. The State Tax Assessor shall apply the rate in subsection 2 to the valuation of the exempt property to determine the amount of tax revenue loss.

4. **Payment.** The Treasurer of State shall pay to the municipality 50% of the property tax revenue loss by December 15th of the year following the year in which property tax revenue was lost by the municipality. In the case of property tax revenue loss due to section 656, subsection 1, paragraph J, the State shall pay to the municipality 100% of the property tax revenue loss by December 15th of the year following the year in which property tax revenue was lost by the municipality.

5. Unorganized territory. The unorganized territory shall be entitled to reimbursement under this section in the same manner provided by this section for municipalities. The amount of reimbursement due shall be paid into the Unorganized Territory Education and Services Fund established in chapter 115.

Sec. 4. Effective date. This Act shall take effect on April 1, 1990.

STATEMENT OF FACT

Many small landowners throughout the State are finding their rights to develop their property limited by shoreland zoning restrictions. This bill removes land owned by small landowners that is zoned for resource protection from consideration for property tax. The State will reimburse a municipality or the Unorganized Territory Education and Services Fund for 100% of the cost of this exemption.