

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1988

Legislative Document

No. 107

H.P. 76

House of Representatives, February 6, 1989

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Ed Pert".

EDWIN H. PERT, Clerk

Presented by Representative MARSANO of Belfast.

Cosponsored by Representative MAYO of Thomaston and Representative WHITCOMB of Waldo.

STATE OF MAINE

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

An Act to Amend the Real Estate Lien Discharge Law.



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

3 **36 MRSA §3404, first ¶**, as amended by PL 1987, c. 772, §32, is
5 further amended to read:

7 Property subject to taxes as aforesaid, in whatever form of
9 investment it may happen to be, shall be charged with a lien for
11 all taxes and interest which are or may become due on that
13 property; but the lien shall not attach to any real or personal
15 property after the same has been sold or disposed of for value by
17 the personal representative or trustee. The lien charged by
19 chapters 551 to 567 upon any real estate or separate parcel of
real estate may be discharged by the payment of all taxes and
interest due and to become due upon the real estate or separate
parcel and the cost of recording the certificate mentioned. Upon
payment, the State Tax Assessor shall cause a certificate showing
that payment to be recorded in the registry of deeds in each
county where the real estate is located.

21 **STATEMENT OF FACT**

23 This bill restores language deleted last session pertaining
25 to estate tax liens. Current state law requires that a lien for
27 estate tax attaches to any real property in a decedent's estate,
while an estate tax lien attaches to the proceeds of the sale of
29 any personal property. This bill requires the personal
representative to discharge the lien on the real property before
the representative can sell the property.

31 This bill restores the equal treatment of real and personal
33 property, and provides that the estate tax lien will not attach
to the real property in the estate. The lien will attach,
35 however, to the proceeds of the sale of the property. The
personal representative is responsible for payment of any taxes
37 due by reason of the death of the decedent.