

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 974

H.P. 713

House of Representatives, March 29, 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

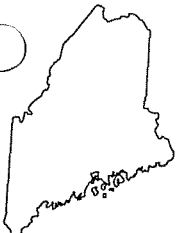
Presented by Speaker MARTIN of Eagle Lake.

Cosponsored by Representative FARNSWORTH of Hallowell, Representative BREWER of Boothbay Harbor and Representative CONSTANTINE of Bar Harbor.

STATE OF MAINE

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

An Act to Increase the Property Tax Exemption for Veterans.



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

3 ~~36 MRSA §653~~, as amended by PL 1985, c. 785, Pt. A, §110,
5 is further amended to read:

7 **§653. Estates of veterans**

9 The following estates of veterans are exempt from taxation:

11 **1. Estates of veterans and servicemen.**

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

25 C-1. The estates up to the just value of \$5,000 ~~for the~~
27 ~~1978 tax year, and \$6,000 for each tax year thereafter~~
\$8,000, having a taxable situs in the place of residence of
29 veterans who served in the Armed Forces of the United States
31 during any federally recognized war period during or before
World War I and who would be eligible for an exemption under
paragraph C.

33 The exemption provided in this paragraph shall be in lieu of
35 any exemption under paragraph C to which the veteran may be
37 eligible and shall apply to the property of such that
veteran, including property held in joint tenancy with his
~~er-her~~ that veteran's spouse.

39 D. The estates up to the just value of \$4,000 ~~\$6,000~~,
41 having a taxable situs in the place of residence, of the
43 unmarried widow or minor child of any veteran who would be
entitled to such the exemption if living, or who is in
receipt of a pension or compensation from the Federal
Government as the widow or minor child of a veteran.

45 The estates up to the just value of \$4,000 ~~\$6,000~~, having a
47 taxable situs in the place of residence, of the mother of a
49 deceased veteran who is 62 years of age or older and is an
unmarried widow who is in receipt of a pension or
51 compensation from the Federal Government based upon the
service-connected death of her son.

1 D-1. The estates up to the just value of \$40,000 ~~\$55,000~~,
3 having a taxable situs in the place of residence, for
5 specially adapted housing units, of veterans who served in
7 the Armed Forces of the United States during any federally
9 recognized war period and who are paraplegic veterans, so
11 called so-called, within the meaning of the U.S. United
13 States Code, Title 38, chapter Chapter 21, section Section
801, and who received a grant from the United States
Government for such the specially adapted housing, or of the
unremarried widows of such the veterans. The exemption
provided in this paragraph shall apply to the property of
such the veteran including property held in joint tenancy
with ~~his-or-her~~ that veteran's spouse.

15 D-2. The estates up to the just value of \$5,000 ~~for the~~
17 ~~1978 tax year, and \$6,000 for each tax year thereafter~~
19 \$8,000, having a taxable situs in the place of residence of
21 the unremarried widow or minor child of any veteran who
23 would be entitled to an exemption under paragraph C-1, if
25 living, or who is in receipt of a pension or compensation
from the Federal Government as the widow or minor child of a
veteran, and who is the unremarried widow or minor child of
a veteran who served during any federally recognized war
period during or before World War I.

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

31 D-3. The estates up to the just value of \$5,000 ~~for the~~
33 ~~1978 tax year, and \$6,000 for each tax year thereafter~~
35 \$8,000, having a taxable situs in the place of residence of
37 the mother of a deceased veteran who is 62 years of age or
39 older and is an unremarried widow who is in receipt of a
pension or compensation from the Federal Government based
upon the service-connected death of her son and who is
receiving the pension or compensation from the Federal
Government based upon the service-connected death of her son
during any federally recognized war period during or before
World War I.

41 The exemption provided in this paragraph shall be in lieu of
43 any exemption under paragraph D to which the person may be
45 eligible.

47 E. The word "veteran" as used in this subsection shall mean
49 any person, male or female, who was in active service in the
51 Armed Forces of the United States during any federally
recognized war period or the Korean Campaign or the Viet-Nam
Vietnam War; and who, if discharged, retired or separated
from the Armed Forces, was discharged, retired or separated
under other than dishonorable conditions. A veteran of the

1 Viet-Nam Vietnam War shall have served on active duty for a
2 period of more than 180 days, any part of which occurred
3 after August 4, 1964 and before May 7, 1975, except that if
4 he the veteran died in service or was discharged for a
5 service-connected disability after such that date. The "Viet
6 Nam Vietnam War" shall mean that period between August 5,
7 1964 and May 7, 1975.

9 F. To be eligible for exemption under this subsection:

11 (3) No exemption may be granted to any person under
12 this subsection unless such the person is a resident of
13 this State; and

15 (4) Notwithstanding any other provisions of this
16 paragraph, prior to April 1, 1982, any person claiming
17 an exemption under paragraph C who is receiving any
18 form of pension or compensation from the Federal
19 Government for total disability, service-connected or
20 nonservice-connected, as a veteran, and any person
21 claiming an exemption under paragraph C-1, D, D-1, D-2
22 or D-3 shall not be required to meet the standards
23 specified in subparagraphs (1) and (2). Any such person
24 who received an exemption in 1980 shall not be required
25 to reapply in 1981. Exemptions granted under this
26 section which are reimbursable pursuant to section 661
27 shall not be considered eligible for reimbursement
28 under paragraph H. Any person whose exemption is
29 reimbursable under section 661 shall, for 1981, be
30 entitled to an extension until May 1, 1981, for filing
31 a written application and written proof of entitlement
32 for exemption with the assessors of the place in which
33 the person resides, notwithstanding the provisions of
34 paragraph G.

35 G. Any person who desires to secure exemption under this
36 subsection shall make written application and file written
37 proof of entitlement on or before the first day of April, in
38 the year in which the exemption is first requested, with the
39 assessors of the place in which the person resides. The
40 assessors shall thereafter grant such the exemption to any
41 person ~~while he~~ who is so qualified and continues remains a
42 resident of that place or until they are notified of reason
43 or desire for discontinuance.

45 H. Any municipality granting exemptions under this
46 subsection shall have a valid claim against the State to
47 recover 90% of the taxes lost by reason of such the
48 exemptions as exceeds 3% of the total local tax levy, upon
49 proof of the facts in form satisfactory to the Commissioner
50 of Finance. Such The claims shall be presented to the
51 Legislature next convening.

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I. No property conveyed to any person for the purpose of obtaining exemption from taxation under this subsection shall may be so exempt, ~~excepting~~ except property conveyed between husband and wife, and the obtaining of such exemption by means of fraudulent conveyance shall be punished by a fine of not less than \$100 and not more than 2 times the amount of the taxes evaded by such the fraudulent conveyance, whichever amount is greater.

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

K. In determining the local assessed value of the exemption, the assessor shall multiply the amount of the exemption by the ratio of current just value upon which the assessment is based as furnished in the assessor's annual return to the State Tax Assessor.

STATEMENT OF FACT

This bill increases the property tax exemption for veterans who served in the United States Armed Forces during a war period. This bill also increases the property tax exemption for unremarried widows of deceased veterans and for certain unremarried widowed mothers of deceased veterans.