

# MAINE STATE LEGISLATURE

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# 115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

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Legislative Document

No. 972

H.P. 673

House of Representatives, March 8, 1991

Received by the Clerk of the House on March 6, 1991. Referred to the Committee on Taxation and 1400 ordered printed pursuant to Joint Rule 14.

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

EDWIN H. PERT, Clerk

Presented by Representative NUTTING of Leeds.  
Cosponsored by Senator BERUBE of Androscoggin.

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STATE OF MAINE

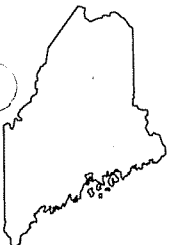
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IN THE YEAR OF OUR LORD  
NINETEEN HUNDRED AND NINETY-ONE

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**An Act to Aid Municipalities in Collecting Past Due Property Taxes.**

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

2  
36 MRSA §505, sub-§4, as amended by PL 1983, c. 480, Pt. A,  
4 §40, is further amended to read:

6 4. When interest collected. The date or dates from and  
7 after which interest shall ~~accrue~~ accrues, which shall is also be  
8 the date or dates on which taxes shall become delinquent. The  
9 rate of interest shall must be specified in the vote and shall  
10 must apply to delinquent taxes committed during the taxable year  
11 until those taxes are paid in full. The rate of interest shall  
12 may not exceed the highest conventional rate of interest charged  
13 for commercial unsecured loans by Maine banking institutions on  
14 the first business day of the calendar year the vote is taken.  
15 For any taxpayer whose payment constitutes 10% or more of the  
16 total property tax commitment for the municipality, when the  
17 property tax payment is delinquent beyond the first 30 calendar  
18 days, interest may accrue at a rate not to exceed 3% above the  
19 highest conventional rate. The highest conventional rate of  
20 interest charged for commercial unsecured loans by Maine banking  
21 institutions on the first business day of each calendar year  
22 shall must be determined in ~~his~~ the best judgment by of the  
23 Treasurer of State, who shall send a written notice of such rate  
24 of interest on or before January 20th of each year to the chief  
25 municipal officer of each municipality. The interest shall must  
26 be added to and become part of the taxes; and

28  
30 STATEMENT OF FACT

32 This bill allows the rate of interest charged by  
33 municipalities on property taxes more than 30 calendar days  
34 delinquent to accrue at a rate not to exceed 3% above the highest  
35 conventional rate. This rate will apply only to a taxpayer that  
36 constitutes 10% or more of the total property commitment in a  
municipality.