

MAINE STATE LEGISLATURE

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115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

Legislative Document

No. 1093

H.P. 759

House of Representatives, March 13, 1991

Received by the Clerk of the House on March 11, 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".

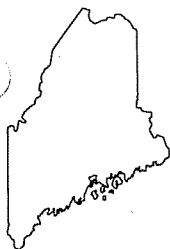
EDWIN H. PERT, Clerk

Presented by Representative MITCHELL of Freeport.

STATE OF MAINE

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

An Act to Establish a Severance Tax on Timber.



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

36 MRSA c. 368 is enacted to read:

CHAPTER 368

TIMBER SEVERANCE TAX

§2751. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Harvest. "Harvest" means cut, sever or remove for use or sale.

2. Harvest value. "Harvest value" means the average stumpage value of the timber determined by the State Tax Assessor under section 576 for the region in which the timber is located.

3. Owner. "Owner" means a person, partnership, corporation or association owning the harvested timber at the time of harvest or acquiring title by virtue of the harvest and payment therefor. A grantor of timber who acquires it after harvest is its owner.

4. Timber. "Timber" means wood growth, mature or immature, growing or dead, standing or down.

§2752. Timber severance tax

1. Imposition of tax. A tax is imposed for the privilege of harvesting timber in the State.

2. Exemption. The tax does not apply to timber harvested for the owner's own domestic use as firewood or for other similar noncommercial purposes.

3. Rate of tax. The tax imposed by this chapter is 5% of the harvest value of timber that is harvested.

§2753. Payment of tax

Within one month of harvesting any taxable timber, the owner shall declare the quantity, forest type and location of the timber on forms supplied by the State Tax Assessor and shall pay the tax due under this chapter.

2 **§2754. Administration**

4 The State Tax Assessor shall administer the timber severance
6 tax and may adopt any rules necessary, in accordance with the
8 Maine Administrative Procedure Act.

10 **STATEMENT OF FACT**

12 This bill establishes a severance tax on timber equal to 5%
of the average stumpage value of the timber.