

# 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)



# 116th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1993

---

Legislative Document

No. 54

S.P. 42

In Senate, January 14, 1992

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator VOSE of Washington  
Cosponsored by Representative TOWNSEND of Eastport.

---

STATE OF MAINE

---

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

---

**An Act to Provide a Method of Taxation for Development Projects.**

---

(EMERGENCY)

Emergency preamble. Whereas, Acts of the Legislature do not  
2 become effective until 90 days after adjournment unless enacted  
as emergencies; and

4  
Whereas, the tax year for property tax purposes commences  
6 April 1, 1993 and, for ease of accounting, this Act should be in  
effect for the entire year; and

8  
Whereas, in the judgment of the Legislature, these facts  
10 create an emergency within the meaning of the Constitution of  
Maine and require the following legislation as immediately  
12 necessary for the preservation of the public peace, health and  
safety; now, therefore,

14  
**Be it enacted by the People of the State of Maine as follows:**

16  
Sec. 1. 36 MRSA §551, as amended by PL 1975, c. 252, §14, is  
18 further amended to read:

20 **§551. Real estate; defined**

22 Real estate, for the purposes of taxation, shall--include  
includes all lands in the State and all buildings, mobile homes  
24 and other things affixed to the same, such as, but not limited  
to, camp trailers, together with the water power, shore  
26 privileges and rights, forests and mineral deposits appertaining  
thereto; interests and improvements in land, the fee of which is  
28 in the State; interests by contract or otherwise in real estate  
exempt from taxation; and lines of electric light and power  
30 companies. A parcel of land that has been subdivided and offered  
for sale but has not yet been transferred is considered one  
32 parcel for the purposes of this chapter. Buildings, mobile homes  
and other things affixed to the land, on leased land or on land  
34 not owned by the owner of the buildings,--shall-be are considered  
real estate for purposes of taxation and shall must be taxed in  
36 the place where said land is located. Mobile homes, except stock  
in trade, shall-be are considered real estate for purposes of  
38 taxation.

40  
Sec. 2. 36 MRSA §701-A, as amended by PL 1985, c. 764, §13,  
is further amended to read:

42  
**§701-A. Just value defined**

44  
In the assessment of property, assessors in determining just  
46 value are--to shall define this term in a manner which that  
recognizes only that value arising from presently possible land  
48 use alternatives to which the particular parcel of land being  
valued may be put. In determining just value, assessors must  
50 shall consider all relevant factors, including, without  
limitation, the effect upon value of any enforceable restrictions  
52 to which the use of the land may be subjected, current use,

2 physical depreciation, functional obsolescence, and economic  
3 obsolescence. Restrictions shall include but are not limited to  
4 zoning restrictions limiting the use of land, subdivision  
5 restrictions and any recorded contractual provisions limiting the  
6 use of lands. The just value of land is deemed to arise from and  
7 is attributable to legally permissible use or uses only. The  
8 just value of a parcel of land that has been subdivided and  
9 offered for sale but has not yet been transferred is the value of  
10 the undivided parcel of land.

12 **Emergency clause.** In view of the emergency cited in the  
13 preamble, this Act takes effect April 1, 1993.

14  
15 **STATEMENT OF FACT**

18 This bill ensures that land developers are not taxed for  
19 each individual lot in a subdivision before those lots are sold.  
20