

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)

11 01 95

L.D. 93

2
4
6
8
10
12
14
16
18
20
22
24
26
28
30
32
34
36
38
40
42
44
46

DATE: May 17, 1995

(Filing No. S- 153)

TAXATION

Reported by: Senator HATHAWAY of York for the Committee.

Reproduced and distributed under the direction of the Secretary of the Senate.

**STATE OF MAINE
SENATE
117TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to S.P. 64, L.D. 93, Bill, "An Act to Amend the Maine Tree Growth Tax Law"

Amend the bill by striking out all of the emergency preamble.

Further amend the bill in section 1 in subsection 3-B in the 3rd line (page 1, line 30 in L.D.) by inserting after the following: "biomass" the following: 'L'

Further amend the bill by striking out all of section 2 and inserting in its place the following:

Sec. 2. 36 MRSA §574-B, sub-§1, ¶A, as amended by PL 1993, c. 576, §1, is further amended to read:

A. By April 1, ~~1996~~ 1999, file a sworn statement that a revised management plan has been prepared for the parcel of forest land;

Sec. 3. 36 MRSA §574-B, sub-§1, ¶C, as amended by PL 1995, c. 8, §1, is further amended to read:

C. Notwithstanding section 581, withdraw from tree growth classification pursuant to this paragraph for the 1996 tax year.

For withdrawal from tree growth classification under this paragraph, the entire parcel subject to that classification in 1993 must be withdrawn from classification for the 1996

COMMITTEE AMENDMENT

2 tax year. Persons electing to withdraw under this paragraph
3 shall notify the assessor before April 1, 1996 and pay a
4 penalty equal to the taxes that would have been assessed on
5 the first day of April for the 5 tax years, or any lesser
6 number of tax years starting with the year in which the
7 property was first classified, preceding that withdrawal had
8 the real estate been assessed in each of those years at its
9 fair market value on the date of withdrawal less all taxes
10 paid on that real estate over the preceding 5 years and
11 interest at the legal rate from the date or dates on which
12 those amounts would have been payable. Persons electing to
13 withdraw under this paragraph may pay the penalty owed in 5
14 equal annual installments with interest at the legal rate to
15 begin 60 days after the date of assessment. Notwithstanding
16 section 943, the period during which the tax lien mortgage,
17 including interest and costs, must be paid to avoid
18 foreclosure and expiration of the right of redemption is 48
19 months instead of 18 months. The procedure for withdrawal
20 provided in this paragraph is intended to be an alternative
21 to the procedure in section 581;'

22 Further amend the bill by striking out all of the emergency
23 clause.

24 Further amend the bill by inserting at the end before the
25 statement of fact the following:

28 **FISCAL NOTE**

30 This bill may result in some additional land being removed
31 from classification as tree growth. To the extent existing land
32 is withdrawn from tree growth classification, claims for
33 reimbursement by municipalities will be reduced. However, the
34 State currently appropriates amounts equal to only 50% of all
35 claims for reimbursement. The statutory formula calls for 90%
36 reimbursement. These potential savings exist in some
37 undetermined amount, but these savings may be used to increase
38 the prorated reimbursement amounts rather than being available
39 for deappropriation.'

42 **STATEMENT OF FACT**

44 This amendment removes the emergency preamble and the
45 emergency clause, adds punctuation, changes a notification date
46 and reinstates the constitutionally required payment of interest.