

MAINE STATE LEGISLATURE

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January 17, 1995
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117th MAINE LEGISLATURE

FIRST REGULAR SESSION-1995

Legislative Document

No. 93

S.P. 64

In Senate, January 17, 1995

An Act to Amend the Maine Tree Growth Tax Law.

(EMERGENCY)

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "May M. Ross".

MAY M. ROSS
Secretary of the Senate

Presented by Senator CAREY of Kennebec.
Cosponsored by Representatives: DiPIETRO of South Portland, MURPHY of Berwick,
SPEAR of Nobleboro.

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

4
6 **Whereas,** the Tree Growth Tax Law includes a number of
requirements with dates by which certain landowners must comply;
and

8
10 **Whereas,** it is necessary that this legislation be enacted as
an emergency in order that certain changes which will affect
these landowners take effect immediately; and

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

18
20 **Be it enacted by the People of the State of Maine as follows:**

22 **Sec. 1. 36 MRSA §573, sub-§§2-A and 3-B** are enacted to read:

24 2-A. Commercial harvesting or harvesting for commercial
use. "Commercial harvesting" or "harvesting for commercial use"
means the harvesting of forest products that have commercial
value, as defined in subsection 3-B.

28 3-B. Forest products that have commercial value. "Forest
products that have commercial value" means logs, pulpwood,
veneer, bolt wood, wood chips, stud wood, poles, pilings, biomass
fuel wood, Christmas trees, maple syrup, nursery products used
for ornamental purposes, wreaths, bough material or cones or
other seed products.

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

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

42 C. Notwithstanding section 581, withdraw from tree growth
classification pursuant to this paragraph for the 1995 tax
44 year.

46 For withdrawal from tree growth classification under this
paragraph, the entire parcel subject to that classification
48 in 1993 must be withdrawn from classification for the 1995
tax year. Persons electing to withdraw under this paragraph
50 shall notify the assessor before April 1, 1995 and pay a

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

20 **Emergency clause.** In view of the emergency cited in the
21 preamble, this Act takes effect when approved.
22

24 STATEMENT OF FACT

26 This bill amends the Tree Growth Tax Law by including
27 definitions for commercial harvesting and forest products that
28 have commercial value. The bill also extends the time for filing
29 a revised management plan from April 1, 1996 to April 1, 1999.
30 The bill also allows a person who elects to withdraw from the
31 tree growth classification to pay the penalty in 5 equal annual
32 installments.