

# MAINE STATE LEGISLATURE

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137  
11/18/95

L.D. 747

DATE: 6/5/95

(Filing No. H- 365)

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
117TH LEGISLATURE  
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 551, L.D. 747, Bill, "An Act to Improve and Make More Consistent the Administration of Personal Property Tax Assessing"

Amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

'Sec. 1. 36 MRSA §655, as amended by PL 1991, c. 545, §9, is further amended to read:

§655. Personal property

The following personal property is exempt from taxation:

1. Personal property. Personal property, which includes:

A. Industrial inventories including raw materials, goods in process and finished work on hand;

B. Stock in trade, including inventory held principally for resale by a distributor, wholesaler, retail merchant or service establishment. In addition to any other facts or circumstances that may establish that property is held principally for resale by a retailer, as defined in section 1752, subsection 10, that both rents and sells property of that type, the property is conclusively considered held principally for resale if:

(1) The property is listed in a certification of election filed with the State Tax Assessor under section 1758;

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2                   (2) The property would be eligible to be listed in a  
4                   certification of election under section 1758 but for  
6                   the fact that no certification has been filed or timely  
                    filed with the State Tax Assessor or but for the fact  
                    that the property has never been rented; or

8                   (3) During the most recent calendar year the gross  
10                   receipts of the retailer from the business location  
12                   derived from sales of property held for either sale or  
14                   rental plus sales of property held solely for sale that  
16                   is of like character to property held for either sale  
18                   or rental are greater than the gross receipts during  
                    the same period from that business location derived  
                    from the rental of property held for either sale or  
                    rental plus rental of property held solely for rental  
                    that is of like character to property held for either  
                    sale or rental;

20                   C. Agricultural produce and forest products, including  
22                   logs, pulpwood, woodchips and lumber;

24                   D. Livestock, including farm animals, neat, cattle and fowl;

26                   E. The household furniture, including television sets and  
28                   musical instruments of each person in any one household; and  
                    his the property owner's wearing apparel, farming utensils  
                    and mechanical tools necessary for his business;

30                   F. All radium used in the practice of medicine;

32                   G. Property in the possession of a common carrier while in  
34                   interstate transportation or held en route awaiting further  
                    transportation to the destination named in a through bill of  
                    lading;

36                   H. Vessels built, in the process of construction, or  
38                   undergoing repairs, ~~which~~ that are within the State on the  
40                   first day of each April and are owned by persons residing  
                    out of the State. "Vessels" as used in this paragraph ~~shall~~  
                    may not be construed to include pleasure vessels and boats;

42                   I. Pleasure vessels and boats in the State on the first day  
44                   of each April whose owners reside out of the State, and  
46                   ~~which~~ that are left in this State by the owners for the  
                    purpose of repair or storage, except those regularly kept in  
                    the State during the preceding year;

48                   J. Personal property in another state or country and  
50                   legally taxed there;

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2 K. Vehicles exempt from excise tax in accordance with  
3 section 1483;

4 L. Registered snowmobiles as defined in Title 12, section  
5 7821, subsection 5-;

6 M. All farm machinery used exclusively in production of hay  
7 and field crops to the aggregate actual market value not  
8 exceeding \$10,000, excluding motor vehicles. Motor vehicle  
9 shall-mean means any self-propelled vehicle;

10 N. Water pollution control facilities and air pollution  
11 control facilities as defined in section 656, subsection 1,  
12 paragraph E-;

13 O. All beehives;

14 P. All items of individually owned personal property with a  
15 just value of less than \$1,000, except:

16 (1) Items used for industrial or commercial purposes;  
17 and

18 (2) Vehicles and camp trailers as defined in section  
19 1481 not subject to an excise tax-; and

20 S. Mining property as provided in section 2854.

21 Any information furnished in connection with subsection 1,  
22 paragraph B and stamped as confidential must be treated as  
23 confidential by the receiving authority and all reviewing  
24 authorities, including, without limitation, the assessor or  
25 assessors, the chief assessor of a primary assessing area, the  
26 State Tax Assessor, municipal officers, the local board of  
27 assessment review, the State Board of Property Tax Review, county  
28 commissioners or any court; may not be deemed a public record  
29 under the Maine Freedom of Access Act; and may not be released or  
30 disclosed by the receiving or reviewing authority to any person  
31 or entity. The information and documents treated as confidential  
32 under this paragraph include not only the confidential  
33 information and documents furnished by the taxpayer but any  
34 information or document derived from such confidential  
35 information or document, including, without limitation, materials  
36 created by or on behalf of the receiving or reviewing authority  
37 that recite or include the confidential information. Nothing in  
38 this paragraph in any way affects any agreement, other provision  
39 of law or judicial determination relating to the protection of  
40 confidential information from disclosure.'

P. of S.

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**STATEMENT OF FACT**

This amendment, which is the minority report of the committee, replaces the bill. This amendment amends the personal property tax exemption section to adopt a principally-for-resale test for stock-in-trade and to set forth certain situations in which items are conclusively considered held principally for resale. The personal property tax exemption section is also amended to include a confidentiality provision for certain information provided to assessing and assessment appeal jurisdictions. This amendment is in response to the decisions in Eagle Rental v. City of Waterville, 632 A.2d 130.