

# MAINE STATE LEGISLATURE

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# 119th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1999

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Legislative Document

No. 223

H.P. 161

House of Representatives, January 11, 1999

**An Act to Release Estate Tax Liens on Certain Real Estate.**

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Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative LaVERDIERE of Wilton.  
Cosponsored by Representatives: LEMOINE of Old Orchard Beach, SAVAGE of Buxton,  
THOMPSON of Naples.

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

4 **Sec. 1. 36 MRSA §4072**, as amended by PL 1989, c. 42, §2, is  
further amended to read:

6 **§4072. Lien for taxes**

8 All property subject to taxes under this chapter, in  
10 whatever form of investment it may happen to be, is charged with  
a lien for all taxes, interest and penalties ~~which~~ that are or  
12 may become due on that property. The lien does not attach to any  
real or personal property after the property has been sold or  
14 disposed of for value by the personal representative, trustee or  
surviving joint tenant. Upon payment of those taxes, interest  
and penalties due under this chapter, or upon determination that  
16 no tax is due, the State Tax Assessor shall upon request execute  
a discharge of the tax lien for recording in the appropriate  
18 registry or registries of deeds.

20 Any lien that attached to real property after the property  
22 was sold or disposed of for value by the personal representative,  
trustee or surviving joint tenant prior to September 30, 1989 is  
released by operation of this section.

24  
26 **SUMMARY**

28 Current law provides that an estate tax lien does not attach  
30 to real or personal property after the property is sold for value  
by the personal representative, trustee or surviving joint  
32 tenant. For short periods in the past, however, the law allowed  
liens to attach under these circumstances. For example, as a  
34 result of statutory changes in 1988 and 1989, liens were created  
during the period from August 4, 1988 to September 29, 1989, but  
not before or after that time period. This bill releases estate  
36 tax liens that attached to real property sold by a personal  
representative, trustee or surviving joint tenant prior to  
38 September 30, 1989, so that all property sales since the  
effective date of the estate tax will be treated the same for  
40 purposes of the estate tax lien.