

# MAINE STATE LEGISLATURE

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**TAXATION**

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**STATE OF MAINE  
SENATE  
119TH LEGISLATURE  
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT " A " to S.P. 100, L.D. 239, Bill, "An Act to Amend the Maine Tree Growth Tax Law"

Amend the bill by inserting after the title and before the enacting clause the following:

**'Mandate preamble.** This measure requires one or more local units of government to expand or modify activities so as to necessitate additional expenditures from local revenues but does not provide funding for at least 90% of those expenditures. Pursuant to the Constitution of Maine, Article IX, Section 21, two thirds of all of the members elected to each House have determined it necessary to enact this measure.'

Further amend the bill by striking out everything after the enacting clause and before the summary and inserting in its place the following:

**'Sec. 1. 36 MRSA §574-C is enacted to read:**

**§574-C. Property of certain public municipal corporations**

Notwithstanding section 574-B, this subchapter does not apply to a parcel of forest land that is owned by a public municipal corporation and located outside its corporate limits and confines. A parcel of land that is removed from eligibility for classification under this subchapter solely by operation of this section is not subject to any penalty for withdrawal of land from classification under this subchapter.'

Further amend the bill by inserting at the end before the summary the following:

**FISCAL NOTE**

The Tree Growth Tax Reimbursement program will realize savings from the withdrawal of certain lands from classification under the Maine Tree Growth Tax Law. The amount of the savings that will be realized by the program beginning in fiscal year 2000-01 can not be estimated at this time. The amount of land owned by public municipal corporations classified under the Maine Tree Growth Tax Law is not known.

The requirement that land of certain public municipal corporations be withdrawn from classification under the Maine Tree Growth Tax Law represents a state mandate pursuant to the Constitution of Maine. The additional costs for additional property tax payments incurred by certain public municipal corporations that qualify as local units of government can not be determined. Pursuant to the Mandate Preamble, the two-thirds vote of all members elected to each House exempts the State from the constitutional requirement to fund 90% of the additional local costs.'

**SUMMARY**

This amendment relocates the provisions of the original bill in the statutes and provides that land withdrawn from tree growth tax law eligibility by operation of those provisions is not required to pay a withdrawal penalty. It is the determination of the Legislature that the withdrawal of land from eligibility by operation of this bill does not constitute a "change of use," which requires an imposition of a penalty under the provisions of the Constitution of Maine, Article IX, Section 8. The amendment also adds a fiscal note to the bill.