

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 544

H.P. 402

House of Representatives, January 19, 1999

An Act to Value Homestead Exemption Farm Land at Current Use.

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 GREEN of Monmouth.
Cosponsored by Representative SNOWE-MELLO of Poland,
Senator KILKELLY of Lincoln and
Representatives: BULL of Freeport, FOSTER of Gray, KNEELAND of Easton, O'NEAL of
Limestone, TRACY of Rome, TRUE of Fryeburg.

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

Sec. 1. 36 MRSA §701-A, as amended by PL 1993, c. 317, §1 and affected by §2, is further amended to read:

§701-A. Just value defined

In the assessment of property, assessors in determining just value are to define this term in a manner ~~which~~ that recognizes only that value arising from presently possible land use alternatives to which the particular parcel of land being valued may be put. In determining just value, assessors ~~must~~ shall consider all relevant factors, including without limitation, the effect upon value of any enforceable restrictions to which the use of the land may be subjected, current use, physical depreciation, functional obsolescence, and economic obsolescence. Restrictions ~~shall~~ must include but are not limited to zoning restrictions limiting the use of land, subdivision restrictions and any recorded contractual provisions limiting the use of lands. The just value of land is ~~deemed~~ considered to arise from and is attributable to legally permissible use or uses only.

For the purpose of establishing the valuation of unimproved acreage in excess of an improved house lot, contiguous parcels and parcels divided by road, powerline or right-of-way may be valued as one parcel when: each parcel is 5 or more acres; the owner gives written consent to the assessor to value the parcels as one parcel; and the owner certifies that the parcels are not held for sale and are not subdivision lots.

For the purpose of establishing the value of a homestead pursuant to subchapter IV-B, an assessor shall value agricultural land in a manner that recognizes only the agricultural land's current use. "Agricultural land" has the same meaning as set out in Title 7, Section 32.

SUMMARY

This bill requires a tax assessor to value agricultural land based on the land's current use for the purpose of a homestead property tax exemption.