

# 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. 490, L.D. 1475, Bill, "An Act to Clarify the Tree Growth Tax Law"

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. Tree growth tax audits**

**1. Periodic, random audits.** To ensure the accountability of landowners with parcels of land enrolled under the provisions of this subchapter, the Department of Conservation, Bureau of Forestry shall perform periodic, random audits of forest management and harvest plans prepared to comply with subsection 574-B and of landowners' compliance with these plans.

**2. Content of audits.** The audits described in subsection 1 must examine:

**A. Management plan conformance to the requirements outlined in this subchapter;**

**B. Conformance of the landowner's management activities to the plan, the nature of any nonconformance and whether such nonconformance is materially at odds with the goals of this subchapter;**

**C. Harvest quality, if applicable; and**

D. Current stand quality and potential.

2  
3. Exemption from audit. The Department of Conservation,  
4 Bureau of Forestry may exempt from audit under subsection 1 any  
5 landowner of a parcel having a sustainable forest management  
6 audit certification or verification conducted by an independently  
7 certified auditor or verifier. A landowner must request the  
8 exemption in writing from the Director of the Bureau of Forestry  
9 and provide a copy of the certification of verification and  
10 sufficient information for the Bureau of Forestry to determine  
11 whether the forest management and harvest plan and the  
12 landowner's performance meet the goals of this subchapter. The  
13 Bureau of Forestry shall issue a written decision that includes  
14 the conditions of the audit exemption or the reason for denial.

16 4. Reports. The Department of Conservation, the Bureau of  
17 Forestry shall make biennial reports to the State Tax Assessor,  
18 the State Board of Licensure for Professional Foresters, the  
19 joint standing committee of the Legislature having jurisdiction  
20 over taxation matters and the joint standing committee of the  
21 Legislature having jurisdiction over agriculture, conservation  
22 and forestry matters. The reports must summarize, by landowner  
23 type and geographic region, the results of the audits required by  
24 this section. The first report is due on January 15, 2002 and  
25 subsequent reports are due on January 15th of even-numbered years.

26 5. Confidentiality. Information contained in audits  
27 conducted under this section may not be made public, except that  
28 summary reports may be published that use aggregated data that do  
29 not reveal the activities of an individual person or firm. Forms  
30 submitted under this section may be made available for the use of  
31 the State Tax Assessor pursuant to this subchapter.

34 6. Rulemaking authority. By March 1, 2000, the  
35 Commissioner of Conservation shall adopt rules according to Title  
36 5, chapter 375 that define the standards, procedures and terms of  
37 accreditation for the Department of Conservation, Bureau of  
38 Forestry audits under this section. Rules adopted pursuant to  
39 this section are major substantive rules as defined in Title 5,  
40 chapter 375, subchapter II-A. For the purposes of Title 5,  
41 section 8072, subsection 3, the committee with jurisdiction over  
42 the subject matter of the rules proposed under this subsection is  
43 the joint standing committee of the Legislature having  
44 jurisdiction over taxation matters.

46 **Sec. 2. Appropriation.** The following funds are appropriated  
47 from the General Fund to carry out the purposes of this Act.

1999-00

2000-01

2 **CONSERVATION, DEPARTMENT OF**

4 **Division of Forest Policy and Management**

6	Positions - Legislative Count	(2.000)	(2.000)
	Personal Services	\$50,174	\$69,498
8	All Other	47,903	16,873
10	Appropriates funds for one		
	additional Forester I		
12	position, one additional		
	Clerk Stenographer III		
14	position, the upgrade of one		
	Planning and Research		
16	Associate I position to a		
	Senior Planner position and		
18	operating costs necessary to		
	implement a random audit		
20	program.		

22	<b>DEPARTMENT OF CONSERVATION</b>		
	<b>TOTAL</b>	<u>\$98,077</u>	<u>\$86,371'</u>

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

28 **'FISCAL NOTE**

30		<b>1999-00</b>	<b>2000-01</b>
32	<b>APPROPRIATIONS/ALLOCATIONS</b>		
34	General Fund	\$98,077	\$86,371

36 This bill includes General Fund appropriations of \$98,077  
38 and \$86,371 in fiscal years 1999-00 and 2000-01, respectively,  
40 for the Division of Forest Policy and Management program within  
42 the Department of Conservation to provide funding for one  
44 additional Forester I position, one additional Clerk Stenographer  
III position, the upgrade of a Planning and Research Associate I  
position to a Senior Planner position and operational costs  
necessary to implement a random audit program.'

46 **SUMMARY**

48 This amendment replaces the bill. The amendment requires  
50 the Department of Conservation, Bureau of Forestry to conduct

**COMMITTEE AMENDMENT**

COMMITTEE AMENDMENT "A" to S.P. 490, L.D. 1475

2 random audits of forest management and harvest plans prepared to  
3 comply with the Maine Tree Growth Tax Law. Landowners may be  
4 exempted from the audits if they have a sustainable forest  
5 management audit certification or verification conducted by an  
6 independently certified auditor or verifier. The amendment  
7 requires the Bureau of Forestry to make biennial reports  
8 regarding the results of the audits to the State Tax Assessor,  
9 the Board of Licensure for Professional Foresters and the joint  
10 standing committee of the Legislature having jurisdiction over  
11 forestry matters and the joint standing committee of the  
12 Legislature having jurisdiction over taxation matters. The  
amendment also adds a fiscal note and appropriation to the bill.

**COMMITTEE AMENDMENT**