

# MAINE STATE LEGISLATURE

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# 120th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2001

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Legislative Document

No. 64

H.P. 55

House of Representatives, January 9, 2001

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### An Act to Increase the Veterans' Property Tax Exemption.

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Reference to the Committee on Taxation suggested and ordered printed.

*Millicent M. MacFarland*

MILLICENT M. MacFARLAND, Clerk

Presented by Representative SCHNEIDER of Durham.  
Cosponsored by Senator DAVIS of Piscataquis and  
Representatives: BRUNO of Raymond, COLLINS of Wells, HEIDRICH of Oxford, MAYO  
of Bath, MORRISON of Baileyville, MURPHY of Berwick, NASS of Acton, SNOWE-  
MELLO of Poland.

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

2  
4       **Sec. 1. 36 MRSA §653, sub-§1, ¶C**, as amended by PL 1999, c. 462, §2, is further amended to read:

6       C. The estates up to the just value of ~~\$5,000~~ \$10,000,  
8       having a taxable situs in the place of residence, of  
      veterans who served in the Armed Forces of the United States:

10           (1) During any federally recognized war period,  
12           including the Korean Campaign, the Vietnam War and the  
14           Persian Gulf War, when they have reached the age of 62  
16           years or when they are receiving any form of pension or  
18           compensation from the United States Government for  
20           total disability, service-connected or  
22           nonservice-connected, as a veteran. A veteran of the  
24           Vietnam War must have served on active duty for a  
26           period of more than 180 days, any part of which  
28           occurred after February 27, 1961 and before May 8, 1975  
30           in the case of a veteran who served in the Republic of  
32           Vietnam and after August 4, 1964 and before May 7, 1975  
34           in all other cases, unless the veteran died in service  
36           or was discharged for a service-connected disability  
38           after that date. "Vietnam War" means the period  
40           between August 5, 1964 and May 7, 1975 and the period  
42           beginning on February 28, 1961 and ending on May 7,  
44           1975 in the case of a veteran who served in the  
46           Republic of Vietnam during that period. "Persian Gulf  
48           War" means service on active duty on or after August 7,  
50           1990 and before or on the date that the United States  
      Government recognizes as the end of that war period; or

      (2) Who are disabled by injury or disease incurred or  
      aggravated during active military service in the line  
      of duty and are receiving any form of pension or  
      compensation from the United States Government for  
      total, service-connected disability.

      The exemptions provided in this paragraph apply to the  
      property of that veteran, including property held in joint  
      tenancy with that veteran's spouse or held in a revocable  
      living trust for the benefit of that veteran.

44       **Sec. 2. 36 MRSA §653, sub-§1, ¶¶C-1 and D**, as amended by PL  
46       1995, c. 368, Pt. CCC, §2 and affected by §11, are further  
      amended to read:

48       C-1. The estates up to the just value of ~~\$7,000~~ \$10,000,  
50       having a taxable situs in the place of residence of veterans  
      who served in the Armed Forces of the United States during

2 any federally recognized war period during or before World  
War I and who would be eligible for an exemption under  
paragraph C.

4  
6 The exemption provided in this paragraph is in lieu of any  
exemption under paragraph C to which the veteran may be  
8 eligible and applies to the property of that veteran,  
including property held in joint tenancy with that veteran's  
10 spouse or held in a revocable living trust for the benefit  
of that veteran.

12 D. The estates up to the just value of ~~\$5,000~~ \$10,000,  
having a taxable situs in the place of residence, of the  
14 unremarried widow or the minor child of any veteran who  
would be entitled to the exemption if living, or who is in  
16 receipt of a pension or compensation from the Federal  
Government as the widow or minor child of a veteran.

18  
20 The estates up to the just value of ~~\$5,000~~ \$10,000, having a  
taxable situs in the place of residence, of the mother of a  
22 deceased veteran who is 62 years of age or older and is an  
unremarried widow who is in receipt of a pension or  
24 compensation from the Federal Government based upon the  
service-connected death of her child.

26 The exemptions provided in this paragraph apply to the  
property of an unremarried widow, minor child or mother of a  
28 deceased veteran, including property held in a revocable  
living trust for the benefit of that unremarried widow,  
30 minor child or mother of a deceased veteran.

32 **Sec. 3. 36 MRSA §653, sub-§1, ¶D-1**, as amended by PL 1999, c.  
462, §3, is further amended to read:

34  
36 D-1. The estates up to the just value of \$47,500, having a  
taxable situs in the place of residence, for specially  
38 adapted housing units, of veterans who served in the Armed  
Forces of the United States during any federally recognized  
40 war period, including the Korean Campaign, the Vietnam War  
and the Persian Gulf War, and who are paraplegic veterans  
42 within the meaning of the Code, Title 38, Chapter 21,  
Section 2101, and who received a grant from the United  
44 States Government for any such housing, or of the  
unremarried widows of such veterans. A veteran of the  
46 Vietnam War must have served on active duty for a period of  
more than 180 days, any part of which occurred after  
48 February 27, 1961 and before May 8, 1975 in the case of a  
veteran who served in the Republic of Vietnam during that  
50 period and after August 4, 1964 and before May 7, 1975 in  
all other cases, unless the veteran died in service or was

2 discharged for a service-connected disability after that  
3 date. "Vietnam War" means the period between August 5, 1964  
4 and May 7, 1975 and the period beginning on February 28,  
5 1961 and ending on May 7, 1978 in the case of a veteran who  
6 served in the Republic of Vietnam during that period.  
7 "Persian Gulf War" means service on active duty on or after  
8 August 7, 1990 and before or on the date that the United  
9 States Government recognizes as the end of that war period.  
10 The exemption provided in this paragraph applies to the  
11 property of the veteran including property held in joint  
12 tenancy with a spouse or held in a revocable living trust  
13 for the benefit of that veteran.

14 **Sec. 4. 36 MRSA §653, sub-§1, ¶¶D-2 and D-3,** as amended by PL  
15 1995, c. 368, Pt. CCC, §4 and affected by §11, are further  
16 amended to read:

18 D-2. The estates up to the just value of ~~\$7,000~~ \$10,000,  
19 having a taxable situs in the place of residence of the  
20 unremarried widow or the minor child of any veteran who  
21 would be entitled to an exemption under paragraph C-1, if  
22 living, or who is in receipt of a pension or compensation  
23 from the Federal Government as the widow or the minor child  
24 of a veteran, and who is the unremarried widow or minor  
25 child of a veteran who served during any federally  
26 recognized war period during or before World War I.

28 The exemption provided in this paragraph is in lieu of any  
29 exemption under paragraph D to which the person may be  
30 eligible and applies to the property of that person,  
31 including property held in a revocable living trust for the  
32 benefit of that person.

34 D-3. The estates up to the just value of ~~\$7,000~~ \$10,000,  
35 having a taxable situs in the place of residence of the  
36 mother of a deceased veteran who is 62 years of age or older  
37 and is an unremarried widow who is in receipt of a pension  
38 or compensation from the Federal Government based upon the  
39 service-connected death of her child and who is receiving  
40 the pension or compensation from the Federal Government  
41 based upon the service-connected death of her child during  
42 any federally recognized war period during or before World  
43 War I.

44 The exemption provided in this paragraph is in lieu of any  
45 exemption under paragraph D to which the person may be  
46 eligible and applies to the property of that person,  
47 including property held in a revocable living trust for the  
48 benefit of that person.

50

2           **Sec. 5. 36 MRSA §653, sub-§1, ¶K**, as amended by PL 1975, c.  
550, §4, is repealed.

4

### SUMMARY

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8           This bill amends the law governing property tax exemptions  
and to eliminate just value as a basis for arriving at the amount  
10 of the exemption. Under this bill, the estates of veterans will  
be exempt from property tax up to the value of \$10,000.