

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 1822

H.P. 1365

House of Representatives, June 4, 2001

An Act to Amend the Business Equipment Tax Reimbursement Program.

Reported by Representative GREEN for the Joint Standing Committee on Taxation
pursuant to Joint Order 2001, H.P. 1354.

Millicent M. MacFarland

MILLICENT M. MacFARLAND, Clerk

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

4 **Sec. 1. 36 MRSA §§6661 and 6662** are enacted to read:

6 **§6661. Certain leased property**

8 A lessor of eligible property shall pay over to the lessee
10 of that property reimbursement of property taxes received by the
12 lessor under this chapter with respect to that property to the
14 extent that the lessor has been reimbursed for those taxes by the
16 lessee.

18 **§6662. Disallowance of reimbursement for certain property**

20 Reimbursement under this chapter may not be made for
22 property tax payments made with respect to property located at a
24 facility that has permanently ceased all productive operations on
26 April 1st of the year for which the property taxes are assessed
28 and where no productive operations have been conducted for at
30 least 12 months before the date that reimbursement is requested.
32 This section does not apply if the owner of the facility has
34 publicly advertised that the facility is available for sale or
36 lease and has made a good faith effort to market and sell or
38 lease the facility to prospective buyers or lessees.

40 **Sec. 2. Notification.** The Department of Administrative and
42 Financial Services, Bureau of Revenue Services shall develop
44 information describing the availability of reimbursement for
46 property taxes under the Maine Revised Statutes, Title 36,
48 chapter 915 and the method of applying for that reimbursement.
50 The bureau shall periodically include that information in
mailings to businesses and in any materials made generally
available to businesses that describe the State's business
taxes. The bureau shall make copies of the information available
to municipalities for distribution at the local level.

Sec. 3. Application. That section of this Act that enacts the
Maine Revised Statutes, Title 36, sections 6661 and 6662 applies
to property taxes assessed on or after April 1, 2002.

FISCAL NOTE

The changes to the business equipment tax reimbursement
program are not expected to have any measurable impact on General
Fund expenditures in the Personal Property Tax Reform account
administered by the Bureau of Revenue Services within the
Department of Administrative and Financial Services. The bureau
will incur some minor additional costs to revise and distribute
information describing the availability of the program. These
costs can be absorbed within the bureau's existing budgeted
resources.

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SUMMARY

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6 This bill requires business equipment tax reimbursement,
BETR, for property owned by a lessor to be distributed to a
lessee if the lessee has reimbursed the lessor for those taxes.
8 The bill also eliminates BETR reimbursement with respect to
facilities that have permanently ceased operations and have not
10 publicly advertised that the facility is for sale or lease and
requires the Bureau of Revenue Services within the Department of
12 Administrative and Financial Services to develop and distribute
information describing the availability of the BETR program.