

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 251

H.P. 206

House of Representatives, January 23, 2003

An Act Concerning Tax-acquired Property

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative GLYNN of South Portland.

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

4 **Sec. 1. 36 MRSA §943-A**, as enacted by PL 1985, c. 364, §2, is repealed and the following enacted in its place:

6 **§943-A. Notice of right to apply for abatement or payment plan**

8 **1. Notice of right to apply.** Each notice under section 942 or 1281 that is sent by a municipality or the State Tax Assessor to a person against whom taxes have been assessed must contain:

12 A. A statement that the person may apply for an abatement of taxes or the establishment of a payment plan if the person can not pay the taxes that have been assessed because of poverty or infirmity;

14 B. A statement identifying property tax assistance programs for which the person may be eligible; and

16 C. A statement of the availability of a payment plan developed by the taxing authority under subsection 2 and a statement that as long as the person is making a good faith effort to pay the delinquent taxes through a payment plan, the taxing authority will work with the person to prevent foreclosure.

20 **2. Payment plan.** Each municipality shall develop a procedure for establishing with a person against whom taxes are assessed and who is unable to pay those taxes a payment plan for delinquent taxes based upon ability to pay. If a payment plan is set administratively, a person against whom the taxes are assessed who believes that the plan is unreasonable may appeal to the municipal officers. The payment plan may include the setoff against delinquent taxes of amounts owed by the municipality to the person against whom taxes are assessed. A payment plan may be assumed by a surviving spouse and may be adjusted according to the surviving spouse's ability to pay.

26 **3. Notice to heirs.** If a person against whom taxes have been assessed dies while occupying residential property against which those taxes have been assessed, the municipality shall make reasonable efforts to notify the heirs within 3 months of the death of the right to develop a payment plan for repayment of delinquent taxes in a period not to exceed 2 years.

28 **Sec. 2. 36 MRSA §945-A** is enacted to read:

30 **§945-A. Recovery after foreclosure**

2 who is delinquent. A former owner or the former owner's
3 surviving spouse is permitted to buy back the property by payment
4 of delinquent taxes, interest and costs at any time before the
5 property is sold to a 3rd party. A municipality that sells a
6 tax-acquired property is required to pay the funds received in
excess of delinquent taxes, interest and costs to the former
owner or the former owner's surviving spouse or heirs.