

# MAINE STATE LEGISLATURE

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# 122nd MAINE LEGISLATURE

## FIRST REGULAR SESSION-2005

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Legislative Document

No. 1226

H.P. 844

House of Representatives, March 10, 2005

### **An Act To Amend the Laws Governing the Taxation of Time-share Estates**

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Reference to the Committee on Taxation suggested and ordered printed.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative COLLINS of Wells.  
Cosponsored by Senator NASS of York and  
Representatives: BIERMAN of Sorrento, CLARK of Millinocket, CLOUGH of Scarborough,  
McCORMICK of West Gardiner, PINEAU of Jay, SEAVEY of Kennebunkport, WATSON of  
Bath, Senator: COURTNEY of York.

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

2  
4       **Sec. 1. 33 MRSA §593, sub-§2**, as amended by PL 1987, c. 358,  
§1, is further amended to read:

6       **2. Time-share estates as separate estates or as one**  
7 **parcel.** Each time-share estate constitutes for all purposes a  
8 separate estate in real property. Each time-share estate shall  
9 must be separately assessed and taxed. The When so taxed, the  
10 filing and discharge of tax liens on more than one time-share  
11 estate owned by the same person are governed by Title 36, section  
12 942-A. If required by an ordinance enacted by the municipal  
13 officers, each whole condominium unit in which time-share estates  
14 have been created must be valued for real estate tax purposes as  
15 if the unit were owned by a single taxpayer, in which case the  
16 total cumulative purchase price paid for the time-share estates  
17 may not determine the unit's assessed value. Whether taxed as  
18 separate estates or as one condominium unit, the assessed value  
19 may not include that portion of the purchase price attributable  
20 to marketing costs, vacation or interval exchange rights,  
21 vacation services or club memberships or costs associated with  
22 those rights, services or memberships if the association of unit  
23 owners or a managing entity provides competent information  
24 detailing such costs to the municipal assessor prior to March 1st.

26       **Sec. 2. 33 MRSA §593, sub-§4**, as amended by PL 1991, c. 197,  
27 §1, is further amended to read:

28       **4. Collection and receipt of money for taxes; tax bills.**  
29 The managing entity may collect and receive money from time-share  
30 estate owners for the purpose of paying taxes assessed on  
31 time-share estates.  
32

34 If the municipal officers have enacted an ordinance requiring  
35 that each whole condominium unit in which time-share estates have  
36 been created be valued for real estate tax purposes as if the  
37 unit were owned by a single taxpayer or if otherwise required by  
38 an ordinance enacted by the municipal officers, the managing  
39 entity, or if there is none, the condominium's association, shall  
40 collect and receive money from time-share estate owners for the  
41 purpose of paying taxes assessed on time-share estates. The If  
42 the municipal officers have not enacted an ordinance requiring  
43 that each whole condominium unit in which time-share estates have  
44 been created be valued for real estate tax purposes as if the  
45 unit were owned by a single taxpayer, the ordinance requiring the  
46 managing entity to so collect and receive money must also require  
47 that the municipality send the managing entity a tax bill and  
48 information necessary to identify the assessed value of each  
time-share unit. Nothing in this subsection prevents a

2 municipality from sending separate tax bills to each time-share  
owner.

4 Any managing entity that collects taxes shall maintain an escrow  
6 account and pay the taxes as provided in subsection 5.

8 **Sec. 3. Application.** This Act applies to taxes assessed based  
on the status of property on or after April 1, 2005.

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### SUMMARY

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14 This bill provides that if required by an ordinance enacted  
by the municipal officers, each whole condominium unit in which  
16 time-share estates have been created within a municipality must  
be valued for real estate tax purposes as if the unit were owned  
by a single taxpayer.