MAINE STATE LEGISLATURE

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123rd MAINE LEGISLATURE

FIRST REGULAR SESSION-2007

Legislative Document

No. 543

H.P. 421

House of Representatives, February 5, 2007

Resolve, To Establish the Maine Tree Growth Tax Law Review Committee

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative SAVIELLO of Wilton.
Cosponsored by Senator PERRY of Penobscot and
Representatives: LANSLEY of Sabattus, MAREAN of Hollis, MILLS of Farmington,
PINKHAM of Lexington Township, WOODBURY of Yarmouth, Senator: MILLS of
Somerset.

1	Sec. 1.	Maine	Tree	Growth	Tax Law	Review	Committee	established.
2	Resolved:	That the S	State Ta	ax Assesso	or shall conv	ene the N	Maine Tree Gro	owth Tax Law

- **Resolved:** That the State Tax Assessor shall convene the Maine Tree Growth Tax Law
- Review Committee, referred to in this resolve as "the committee." In addition to the State 3
- Tax Assessor or the assessor's designee, the committee must be composed of 2 municipal 4
- officials recommended by the Maine Municipal Association representing communities 5
- 6 with a significant amount of property enrolled in the Maine Tree Growth Tax Law
- program and 2 appointees representing the interests of landowners enrolled in the Maine
- Tree Growth Tax Law program, with one appointee recommended by the Small Woodlot 8
- Owners Association of Maine and one appointee recommended by the Maine Forest 9
- Products Association. As appropriate to the committee's duties, the Commissioner of 10
- 11 Education or the commissioner's designee and the Commissioner of Conservation or the
- commissioner's designee shall attend the committee's meetings and provide any pertinent 12
- information or recommendations requested; and be it further 13

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- 14 Sec. 2. Committee duties. Resolved: That the committee shall examine and 15 make recommendations regarding the following issues:
 - 1. The average annual rate of growth in tree growth valuations over the last 20 years, per county;
- 18 2. The differences in the per-acre tree growth rates between the various counties;
- 19 3. The data and methodology used by Maine Revenue Services pursuant to the Maine Revised Statutes, Title 36, section 576 and 576-B to annually calculate the per-20 acre assessed values under the Maine Tree Growth Tax Law program; 21
- 22 4. The accuracy of the fixed capitalization rate established in Title 36, section 576-B;
- 23 The methodology used by Maine Revenue Services to calculate each municipality's 90% reimbursement pursuant to Title 36, section 578, including the 24 determination of each county's undeveloped acreage valuation and the calculation of the 25 additional school support required by the modified state valuation attributable to the 26 27 increased valuation of forest land; and
 - The standards governing enrollment into the Maine Tree Growth Tax Law program pertaining to the property's primary or principal use as forest land; and be it further
- Sec. 3. Reports. Resolved: That the committee shall submit a report of its 31 findings and recommendations no later than December 15, 2007 to the Joint Standing 32 Committee on Taxation. Following receipt and review of the final report, the Joint 33 Standing Committee on Taxation may submit legislation based on the report to the 34 Second Regular Session of the 123rd Legislature. 35

36 **SUMMARY**

This resolve establishes the Maine Tree Growth Tax Law Review Committee to examine and make recommendations regarding a number of administrative issues related

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- to the Maine Tree Growth Tax Law. The committee is required to submit a report of its findings and recommendations to the Joint Standing Committee on Taxation no later than 2
- 3 December 15, 2007.