



# **123rd MAINE LEGISLATURE**

# FIRST REGULAR SESSION-2007

Legislative Document	No. 1494
S.P. 521	March 19, 2007

## **RESOLUTION, Proposing an Amendment to the Constitution of** Maine To Reform Property Taxes by Limiting Increases

Reference to the Committee on Taxation suggested and ordered printed.

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator SNOWE-MELLO of Androscoggin. Cosponsored by Senator COURTNEY of York, Representative LANSLEY of Sabattus and Representatives: CEBRA of Naples, HOTHAM of Dixfield, ROBINSON of Raymond. 1 **Constitutional amendment. Resolved:** Two thirds of each branch of the 2 Legislature concurring, that the following amendment to the Constitution of Maine be 3 proposed:

4 **Constitution, Art. IX, §8, first** ¶ is amended to read:

5 Section 8. Taxation. All taxes upon real and personal estate, assessed by authority 6 of this State, shall be apportioned and assessed equally according to the just value thereof, 7 except as provided in this section.

### 8 **Constitution, Art. IX, §8, sub-§6** is enacted to read:

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9 6. Base property value. Beginning with taxes based on the status of property on or 10 after April 1, 2008, taxes on real property subject to taxation in the State must be assessed based on the base property value of the property. For purposes of this subsection, "base 11 12 property value" means the just value of the property on April 1, 2008 or on the April 1st preceding the date on which the owner acquired the property, whichever is later, as 13 14 adjusted under this subsection. Unless there is a change of ownership of the property, the 15 base property value on each April 1st must be adjusted only to reflect the just value of 16 any improvements or degradations to the property since the last assessment and by the 17 lower of the actual increase in just value and the same percentage as the rate of inflation 18 as determined using a common index of consumer prices published by the Federal Government since the last valuation of the property. When there is a change of 19 ownership of the property, the base property value must be adjusted to the just value of 20 the property on the April 1st preceding the change of ownership or the purchase price, 21 22 whichever is higher. The Legislature may enact legislation to provide for the 23 administration of this subsection.

; and be it further

Constitutional referendum procedure; form of question; effective date.
Resolved: That the municipal officers of this State shall notify the inhabitants of their
respective cities, towns and plantations to meet, in the manner prescribed by law for
holding a statewide election, at a statewide election held in the month of November
following the passage of this resolution, to vote upon the ratification of the amendment
proposed in this resolution by voting upon the following question:

31 "Do you favor amending the Constitution of Maine to base the taxation of real 32 property on the just value of property as of April 1, 2008 and to limit increases in the 33 assessed value of property to the lower of the rate of inflation and the actual increase 34 in value of property, unless there is a change of ownership?"

The legal voters of each city, town and plantation shall vote by ballot on this question and designate their choice by a cross or check mark placed within the corresponding square below the word "Yes" or "No." The ballots must be received, sorted, counted and declared in open ward, town and plantation meetings and returns made to the Secretary of State in the same manner as votes for members of the Legislature. The Governor shall review the returns. If it appears that a majority of the legal votes are cast in favor of the amendment, the Governor shall proclaim that fact without delay and the amendment becomes part of the Constitution of Maine on the date of the proclamation; and be it
 further

Secretary of State shall prepare ballots. Resolved: That the Secretary of State
 shall prepare and furnish to each city, town and plantation all ballots, returns and copies
 of this resolution necessary to carry out the purposes of this referendum.

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#### SUMMARY

7 This resolution proposes to amend the Constitution of Maine to establish the base 8 property value for real property as the just value of the property as of April 1, 2008. 9 Increases in the value of real property are limited to the just value of any improvements or degradations to the property and the lower of the rate of inflation and the actual 10 increase in value of the real property, unless there is a change of ownership. If there is a 11 change of ownership, the value of the property may be changed to the higher of the actual 12 13 purchase price and the just value of the property on the April 1st preceding the change in 14 ownership.