

MAINE STATE LEGISLATURE

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TAXATION

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
124TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1163, L.D. 1635, Bill, "An Act To Avoid Unnecessary Removal of Land from the Maine Tree Growth Tax Law Program"

Amend the bill by striking out all of the emergency preamble and inserting the following:

'Mandate preamble. This measure requires one or more local units of government to expand or modify activities so as to necessitate additional expenditures from local revenues but does not provide funding for at least 90% of those expenditures. Pursuant to the Constitution of Maine, Article IX, Section 21, 2/3 of all of the members elected to each House have determined it necessary to enact this measure.'

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

'Sec. 1. 36 MRSA §581, sub-§1, as repealed and replaced by PL 2007, c. 627, §16, is amended to read:

1. Assessor determination; owner request. If the assessor determines that land subject to this subchapter no longer meets the requirements of this subchapter, the assessor must withdraw the land from taxation under this subchapter. Before withdrawing a parcel from taxation under this subchapter, if the sole reason the land does not meet the requirements of this subchapter is that the owner failed to file the sworn statement required under section 574-B, the assessor shall provide the owner with written notice by regular mail of the deadline to file the sworn statement and permit the owner at least 60 days to respond to that notice. An owner of land subject to taxation under this subchapter may at any time request withdrawal of that land from taxation under this subchapter by certifying in writing to the assessor that the land is no longer to be classified under this subchapter.

Sec. 2. 36 MRSA §581, sub-§1-A is enacted to read:

1-A. Notice of compliance. No earlier than 185 days prior to a deadline established by section 574-B, if the landowner has not yet complied with the requirements of that section, the assessor must provide the landowner with written notice informing the

COMMITTEE AMENDMENT

1 landowner that failure to comply will result in the withdrawal of the property from
2 taxation under this subchapter. The notice, at a minimum, must inform the landowner of
3 the statutory requirements that need to be met and the date of the deadline for compliance
4 and that the consequences of withdrawal could include the assessment of substantial
5 financial penalties against the owner. If the notice is issued less than 120 days before the
6 deadline, the owner has 120 days from the date of the notice to provide the assessor with
7 the documentation to achieve compliance with section 574-B, and the notice must specify
8 the date by which the owner must comply.

9 At the expiration of the deadline for compliance with section 574-B or 120 days from the
10 date of the notice, whichever is later, if the landowner has failed to meet the requirements
11 of section 574-B, the assessor must withdraw the parcel from taxation under this
12 subchapter and impose a withdrawal penalty under subsection 3.

13 This subsection does not limit the assessor from issuing other notices or compliance
14 reminders to property owners at any time in addition to the notice required by this
15 subsection.

16 **Sec. 3. Relief from withdrawal and penalty.** The State Tax Assessor shall
17 waive penalties assessed and refund penalties paid with regard to any parcel of land in the
18 unorganized territory that was withdrawn from taxation under the Maine Tree Growth
19 Tax Law between September 20, 2007 and July 1, 2010 and return that land to
20 classification under the Maine Tree Growth Tax Law if the landowner demonstrates the
21 parcel is in compliance with all requirements of the Maine Revised Statutes, Title 36,
22 section 574-B before April 1, 2011.'

23 **SUMMARY**

24 This amendment replaces the bill and creates a process requiring assessors to notify
25 landowners of the deadline for submission of certain information associated with land
26 classified under the Maine Tree Growth Tax Law.

27 The amendment also provides relief from withdrawal and penalty to landowners in
28 the unorganized territory that had land withdrawn between September 20, 2007 and July
29 1, 2010 if the landowner demonstrates compliance with all tree growth classification
30 requirements before April 1, 2011.

31 The amendment removes the emergency preamble and emergency clause and adds
32 the mandate preamble.

33 **FISCAL NOTE REQUIRED**

34 **(See attached)**



124th MAINE LEGISLATURE

LD 1635

LR 2178(02)

An Act To Avoid Unnecessary Removal of Land from the Maine Tree Growth Tax Law Program

Fiscal Note for Bill as Amended by Committee Amendment "A"

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

State Mandate - Exempted

	2009-10	2010-11	Projections 2011-12	Projections 2012-13
Revenue				
Other Special Revenue Funds	\$0	(\$200,000)	\$0	\$0

State Mandates

Required Activity

Requiring local tax assessors to oversee a compliance regime related to the Tree Growth Tax Law according to specified notice requirements over a defined time-period may mean extra time for compliance monitoring work by local municipal tax assessors.

Unit Affected

Municipality

Local Cost

Insignificant statewide

The required local activities in this bill may represent a State mandate pursuant to the Constitution of Maine. With the inclusion of the Mandate Preamble, a two-thirds vote of the members of each House exempts the State from the requirement that it fund 90% of the cost of this mandate.

Fiscal Detail and Notes

Reimbursements to property owners in the Unorganized Territory to refund penalties paid under the Tree Growth Tax Law between September 20, 2007 and the effective date of this Act will result in a loss to the Unorganized Territory Education and Services Fund of approximately \$200,000 during fiscal year 2010-11.