

MAINE STATE LEGISLATURE

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125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 149

H.P. 132

House of Representatives, January 25, 2011

**An Act To Authorize Municipalities To Impose Service Charges on
Tax-exempt Property Owned by Certain Nonprofit Organizations**

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST
Clerk

Presented by Representative CELLI of Brewer.
Cosponsored by Representatives: CRAFTS of Lisbon, RIOUX of Winterport, TIMBERLAKE
of Turner.

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

2 **Sec. 1. 36 MRSA §508, sub-§1**, as enacted by PL 2007, c. 627, §12, is repealed
3 and the following enacted in its place:

4 **1. Imposition.** A municipality may impose service charges on the owner of:

5 A. Residential property, other than student housing or parsonages, that is totally
6 exempt from taxation under section 652 and that is used to provide rental income;
7 and

8 B. Real property that is exempt from taxation under section 652, subsection 1,
9 paragraphs A, B, E, F, H, J or K that is owned by, rented to or occupied by a person
10 or entity that receives more than \$150,000 in gross annual revenues.

11 Service charges must be calculated according to the actual cost of providing municipal
12 services to that real property and to the persons who use that property, and revenues
13 derived from the charges must be used to fund, to the extent possible, the costs of those
14 services. The municipal legislative body shall identify those institutions and organizations
15 upon which service charges are to be levied.

16 **SUMMARY**

17 This bill authorizes municipalities to impose service charges on owners of certain real
18 property that is currently exempt from property tax if those owners or other users of the
19 property receive more than \$150,000 in gross annual revenue.