

# MAINE STATE LEGISLATURE

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# 125th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2011

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Legislative Document

No. 1138

H.P. 844

House of Representatives, March 16, 2011

### **An Act To Prevent Unnecessary Expulsion of Landowners from the Maine Tree Growth Tax Law Program**

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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 KNIGHT of Livermore Falls.  
Cosponsored by Senator LANGLEY of Hancock and  
Representatives: BERRY of Bowdoinham, FLEMINGS of Bar Harbor, FOSSEL of Alna,  
HARMON of Palermo, PICCHIOTTI of Fairfield, RUSSELL of Portland, Senator: TRAHAN  
of Lincoln.

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

2 **Sec. 1. 36 MRSA §581, sub-§1-A**, as enacted by PL 2009, c. 577, §2, is amended  
3 to read:

4 **1-A. Notice of compliance.** No earlier than 185 days prior to a deadline established  
5 by section 574-B, if the landowner has not yet complied with the requirements of that  
6 section, the assessor must provide the landowner with written notice informing the  
7 landowner that failure to comply will result in the withdrawal of the property from  
8 taxation under this subchapter. The notice, at a minimum, must inform the landowner of  
9 the statutory requirements that need to be met and the date of the deadline for compliance  
10 and that the consequences of withdrawal could include the assessment of substantial  
11 financial penalties against the owner. If the notice is issued less than 120 days before the  
12 deadline, the owner has 120 days from the date of the notice to provide the assessor with  
13 the documentation to achieve compliance with section 574-B, and the notice must specify  
14 the date by which the owner must comply.

15 At the expiration of the deadline for compliance with section 574-B or 120 days from the  
16 date of the notice, whichever is later, if the landowner has failed to meet the requirements  
17 of section 574-B, the assessor shall impose an administrative penalty of \$100 on the  
18 landowner and provide notice of this penalty to the landowner. Following the imposition  
19 of the penalty, the landowner has one year from the deadline for compliance as specified  
20 in section 574-B to comply with the requirements of that section. If the landowner fails  
21 to comply within a year, the assessor must withdraw the parcel from taxation under this  
22 subchapter and impose a withdrawal penalty under subsection 3.

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

26 **Sec. 2. 36 MRSA §1114**, as enacted by PL 1975, c. 726, §2, is repealed.

27 **SUMMARY**

28 This bill requires the State Tax Assessor to impose a \$100 administrative penalty on a  
29 landowner enrolled in the Maine Tree Growth Tax Law program if the landowner fails to  
30 file a forest management and harvest plan by the later of the end of the 10-year period  
31 and the end of the 120-day notice period given by the assessor to notify the landowner  
32 that a plan is needed. If the landowner still does not file a plan within one year of the end  
33 of the 10-year deadline, then the assessor is required to withdraw the land from the tree  
34 growth tax program and assess a withdrawal penalty. This bill also repeals the  
35 15,000-acre cap on land enrolled in the farm and open space tax law program to allow  
36 easier transfer of property between that program and the tree growth tax law program.