

MAINE STATE LEGISLATURE

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126th MAINE LEGISLATURE

FIRST REGULAR SESSION-2013

Legislative Document

No. 432

S.P. 164

In Senate, February 14, 2013

An Act To Amend the Gifting of Land Exemption under the Subdivision Laws

Reference to the Committee on Environment and Natural Resources suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator JOHNSON of Lincoln.
Cosponsored by Representative HARLOW of Portland and
Senators: JACKSON of Aroostook, MAZUREK of Knox.

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

2 **Sec. 1. 30-A MRSA §4401, sub-§4, ¶D-4**, as enacted by PL 2001, c. 359, §3, is
3 amended to read:

4 D-4. A division accomplished by gift to a person related to the donor of an interest
5 in property ~~held by the donor for a continuous period of 5 years prior to the division~~
6 ~~by gift~~ does not create a lot or lots for the purposes of this definition, unless the intent
7 of the transferor is to avoid the objectives of this subchapter. If the real estate exempt
8 under this paragraph is transferred within 5 years to another person not related to the
9 donor of the exempt real estate as provided in this paragraph or is transferred to
10 another person not related to the donor of the exempt real estate within 10 years of
11 the date the exempt real estate was acquired by the donor of the exempt real estate,
12 then the previously exempt division creates a lot or lots for the purposes of this
13 subsection. "Person related to the donor" means a spouse, parent, grandparent,
14 brother, sister, child or grandchild related by blood, marriage or adoption. A gift
15 under this paragraph ~~can~~ may not be given for consideration that is more than 1/2 the
16 assessed value of the real estate.

17 **SUMMARY**

18 This bill amends the subdivision law exemption for gifts to relatives by removing the
19 requirement that the donor of the gifted property must have held the property for a
20 continuous period of 5 years prior to the division by gift. The bill also provides that if
21 property that is exempt from the subdivision law pursuant to the gifts to relatives
22 exemption is transferred within 10 years of when the property was acquired by the donor,
23 a lot is created for purposes of the subdivision law.