

# MAINE STATE LEGISLATURE

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R O F S

L.D. 418

Date: 6/3/21

(Filing No. H- 373)

Minority  
TAXATION

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
130TH LEGISLATURE  
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to H.P. 302, L.D. 418, "An Act To Create a Graduated Real Estate Transfer Tax"

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

**Sec. 1. 36 MRSA §4641-A, sub-§1, ¶A**, as enacted by PL 2001, c. 559, Pt. I, §3 and affected by §15, is amended to read:

A. The rate of the tax is \$2.20 for each \$500 or fractional part of \$500 of the value of the property transferred, except that for transfers occurring on or after October 1, 2022, the rate of the tax is \$2.20 for each \$500 or fractional part of \$500 of the value of the property transferred that is less than or equal to \$1,000,000 and the rate of tax is \$2.70 for each \$500 or fractional part of \$500 of the value of the property transferred that exceeds \$1,000,000.

**Sec. 2. 36 MRSA §4641-A, sub-§2, ¶A**, as enacted by PL 2001, c. 559, Pt. I, §3 and affected by §15, is amended to read:

A. The rate of the tax is \$2.20 for each \$500 or fractional part of \$500 of the value of the real property owned by the entity and located in this State, except that for transfers occurring on or after October 1, 2022, the rate of the tax is \$2.20 for each \$500 or fractional part of \$500 of the value of the real property owned by the entity and located in this State that is less than or equal to \$1,000,000 and the rate of tax is \$2.70 for each \$500 or fractional part of \$500 of the value of real property owned by the entity that exceeds \$1,000,000.

**Sec. 3. Appropriations and allocations.** The following appropriations and allocations are made.

**HOUSING AUTHORITY, MAINE STATE**

**Housing Authority - State 0442**

Initiative: Allocates funds due to an increase in revenue received from the real estate transfer tax.

**COMMITTEE AMENDMENT**

ROFS

COMMITTEE AMENDMENT "A" to H.P. 302, L.D. 418

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<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2021-22</b>	<b>2022-23</b>
All Other	\$0	\$450,000
<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	\$0	\$450,000

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

**SUMMARY**

This amendment replaces the bill. The amendment increases the rate of the real estate transfer tax for the buyer and seller to \$2.70 per \$500 or the fractional part of \$500 of that portion of the value of the property transferred that exceeds \$1,000,000. The amendment also adds an appropriations and allocations section.

**FISCAL NOTE REQUIRED**

(See attached)

**COMMITTEE AMENDMENT**



# 130th MAINE LEGISLATURE

LD 418

LR 782(02)

## An Act To Create a Graduated Real Estate Transfer Tax

Fiscal Note for Bill as Amended by Committee Amendment 'A' (H-373)

Committee: Taxation

Fiscal Note Required: Yes

### Fiscal Note

	FY 2021-22	FY 2022-23	Projections FY 2023-24	Projections FY 2024-25
<b>Net Cost (Savings)</b>				
General Fund	\$0	(\$738,000)	(\$1,037,000)	(\$1,077,000)
<b>Appropriations/Allocations</b>				
Other Special Revenue Funds	\$0	\$450,000	\$749,000	\$789,000
<b>Revenue</b>				
General Fund	\$0	\$738,000	\$1,037,000	\$1,077,000
Other Special Revenue Funds	\$0	\$450,000	\$749,000	\$789,000

#### Fiscal Detail and Notes

General Fund revenue is increased by \$738,000 in fiscal year 2022-23 from increasing the real estate transfer tax to \$2.70 per \$500 of the value of the property that exceeds \$1,000,000. Additional revenue to be deposited into the Housing Opportunity for Maine Fund (HOME Fund) is estimated to be \$450,000 in fiscal year 2022-23.

This bill includes an Other Special Revenue Funds allocation of \$450,000 in fiscal year 2022-23 to the Maine State Housing Authority to allow expenditure of the money credited to the HOME Fund.