

# MAINE STATE LEGISLATURE

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# 131st MAINE LEGISLATURE

## FIRST SPECIAL SESSION-2023

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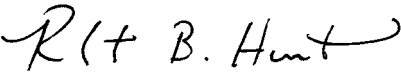
H.P. 1122

House of Representatives, April 20, 2023

### **An Act to Eliminate the Personal Property Tax**

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Reference to the Committee on Taxation suggested and ordered printed.

  
ROBERT B. HUNT  
Clerk

Presented by Representative ANDREWS of Paris.

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

2 **Sec. 1. 10 MRSA §1050**, as enacted by PL 1981, c. 476, §2, is amended to read:

3 **§1050. Leasehold or other interests of lessee taxable**

4 The interest of the user of any project is subject to taxation in the manner provided for  
5 similar interest in Title 36, section 551, subject to Title 36, ~~sections 655 and~~ section 656.

6 **Sec. 2. 10 MRSA §1070**, as amended by PL 1983, c. 480, Pt. B, §14, is further  
7 amended to read:

8 **§1070. Leasehold or other interests of lessee taxable**

9 The interest of the lessee of any project is subject to taxation in the manner provided  
10 for fee interests in real estate ~~and personal property~~ in Title 36, ~~sections~~ section 551 and  
11 ~~602~~, subject to the provisions of Title 36, ~~sections 655 and~~ section 656.

12 **Sec. 3. 29-A MRSA §409, sub-§5**, as amended by PL 2017, c. 67, §2, is further  
13 amended to read:

14 **5. Other taxes.** A motor vehicle, mobile home or camp trailer may not be registered  
15 until the excise tax ~~or personal property tax~~ or real estate tax has been paid in accordance  
16 with Title 36, sections 551, ~~602~~, 1482 and 1484. The Secretary of State may provide  
17 municipal excise tax collectors with a standard vehicle registration form for the collection  
18 of excise tax.

19 **Sec. 4. 30-A MRSA §5721-A, sub-§1, ¶C**, as amended by PL 2009, c. 545, §1, is  
20 further amended to read:

21 C. "Property growth factor" means the percentage equivalent to a fraction established  
22 by a municipality, whose denominator is the total valuation of the municipality, and  
23 whose numerator is the amount of increase in the assessed valuation of any real ~~or~~  
24 ~~personal~~ property in the municipality that became subject to taxation for the first time,  
25 or taxed as a separate parcel for the first time for the most recent property tax year for  
26 which information is available, or that has had an increase in its assessed valuation over  
27 the prior year's valuation as a result of improvements to or expansion of the property.  
28 ~~A municipality identified as having a personal property factor that exceeds 5%, as~~  
29 ~~determined pursuant to Title 36, section 694, subsection 2, paragraph B, may calculate~~  
30 ~~its property growth factor by including in the numerator and the denominator the value~~  
31 ~~of personal and otherwise qualifying property introduced into the municipality~~  
32 ~~notwithstanding the exempt status of that property pursuant to Title 36, chapter 105,~~  
33 ~~subchapter 4-C.~~

34 **Sec. 5. 36 MRSA §191, sub-§2, ¶AA**, as amended by PL 2013, c. 67, §1, is further  
35 amended to read:

36 AA. The disclosure by employees of the bureau to designated representatives of the  
37 Finance Authority of Maine necessary for the administration of ~~section 6656,~~  
38 ~~subsection 3 and~~ section 6758, subsection 4 and of information required to ensure that  
39 recipients of certain benefits under Title 20-A, chapter 417-E are eligible to receive  
40 such benefits;

1           **Sec. 6. 36 MRSA §199-B, sub-§1, ¶D**, as amended by PL 2017, c. 211, Pt. E, §4,  
2 is further amended to read:

3           D. Any issues regarding tax expenditures that need to be considered by the Legislature;  
4           and

5           **Sec. 7. 36 MRSA §199-B, sub-§1, ¶E**, as amended by PL 2017, c. 211, Pt. E, §4,  
6 is further amended to read:

7           E. Any recommendation regarding the amendment, repeal or replacement of the tax  
8           expenditure; ~~and.~~

9           **Sec. 8. 36 MRSA §199-B, sub-§1, ¶F**, as enacted by PL 2017, c. 211, Pt. E, §4, is  
10 repealed.

11           **Sec. 9. 36 MRSA §305, sub-§1**, as amended by PL 2017, c. 170, Pt. B, §1, is further  
12 amended to read:

13           **1. Just value.** Certify to the Secretary of State before the first day of February each  
14 year the equalized just value of all real ~~and personal~~ property in each municipality and  
15 unorganized place that is subject to taxation under the laws of this State. The equalized  
16 just value excludes the following:

17           A. That percentage of captured assessed value located within a tax increment financing  
18 district that is used to finance that district's development plan;

19           B. The captured assessed value located within a municipal affordable housing  
20 development district; and

21           C. The amount by which the current assessed value of commercial and industrial  
22 property within a municipal incentive development zone exceeds the assessed value of  
23 that property as of the date the development zone is approved by the Commissioner of  
24 Economic and Community Development. This excess value as determined under Title  
25 30-A, chapter 208-A and referred to in this subsection as the "sheltered value" is limited  
26 to the amount invested by a municipality in infrastructure improvements pursuant to  
27 the infrastructure improvement plan adopted under Title 30-A, chapter 208-A.

28           The equalized just value must be uniformly assessed in each municipality and unorganized  
29 place and be based on 100% of the current market value. The bureau's valuation documents  
30 must separately show for each municipality and unorganized place the actual or estimated  
31 value of all real estate that is exempt from property taxation by law or is the captured value  
32 within a tax increment financing district that is used to finance that district's development  
33 plan, as reported on the municipal valuation return filed pursuant to section 383, or that is  
34 the sheltered value of a municipal incentive development zone;

35           **Sec. 10. 36 MRSA §328, sub-§7**, as enacted by PL 1975, c. 545, §13, is amended  
36 to read:

37           **7. Physical inspection and inventory.** Physical inspection and inventory of each real  
38 property parcel ~~and personal property account~~ will take place at least every 4 years rather  
39 than every 3 years;

40           **Sec. 11. 36 MRSA §384**, as amended by PL 2019, c. 501, §17, is further amended  
41 to read:

1           **§384. Investigation of valuation; actions and prosecutions; reassessment orders;**  
2                           **appeals**

3           The State Tax Assessor shall, at the State Tax Assessor's own instance or on complaint  
4 from another person, diligently investigate all cases of concealment of property from  
5 taxation, of undervaluation, of overvaluation, and of failure to assess property liable to  
6 taxation. The State Tax Assessor shall bring to the attention of assessors all such cases in  
7 their respective jurisdictions. The State Tax Assessor shall direct proceedings, actions and  
8 prosecutions to be instituted to enforce all laws relating to the assessment and taxation of  
9 property and to the liability of individuals, public officers and officers and agents of  
10 corporations for failure or negligence to comply with the laws governing the assessment or  
11 taxation of property, and the Attorney General and district attorneys, upon the written  
12 request of the State Tax Assessor, shall institute such legal proceedings as may be necessary  
13 to carry out this Title. The State Tax Assessor may order the reassessment of any or all real  
14 ~~and personal~~ property, ~~or either~~, in any jurisdiction where in the State Tax Assessor's  
15 judgment such reassessment is advisable or necessary to the end that all classes of property  
16 in such jurisdiction are assessed in compliance with the law. Neglect or failure to comply  
17 with such orders on the part of any assessor or other official is deemed willful neglect of  
18 duty and the assessor or other official is subject to the penalties provided by law in such  
19 cases. If a satisfactory reassessment is not made by the assessors, then the State Tax  
20 Assessor may employ assistance from within or without the jurisdiction where such  
21 reassessment is to be made, and ~~said~~ that jurisdiction bears all necessary expense incurred.  
22 Any person aggrieved because of such reassessment has the same right of petition and  
23 appeal as from the original assessment. The State may intervene in any action resulting  
24 from an order of the State Tax Assessor pursuant to this section.

25           **Sec. 12. 36 MRSA §457, sub-§7**, as amended by PL 2011, c. 430, §1, is further  
26 amended to read:

27           **7. Collection.** Taxes assessed under this section by the State Tax Assessor must be  
28 enforced as generally provided by this Title. Taxes assessed under this section by  
29 municipal assessors must be enforced in the same way as locally assessed ~~personal~~ property  
30 taxes.

31           **Sec. 13. 36 MRSA §501, sub-§1** is amended to read:

32           **1. Estates.** "Estates" ~~shall be construed to mean both~~ means real estate ~~and personal~~  
33 ~~property.~~

34           **Sec. 14. 36 MRSA §501, sub-§7** is amended to read:

35           **7. Property.** "Property" ~~shall be construed to mean both~~ means real estate ~~and~~  
36 ~~personal property.~~

37           **Sec. 15. 36 MRSA §502**, as amended by PL 1997, c. 216, §1, is further amended to  
38 read:

39           **§502. Property taxable; tax year**

40           All real estate within the State, ~~all personal property of residents of the State and all~~  
41 ~~personal property within the State of persons not residents of the State~~ is subject to taxation  
42 on the first day of each April as provided; and the status of all taxpayers and of such taxable  
43 property must be fixed as of that date. Upon receipt of a declaration of value under section

1 4641-D reflecting a change of ownership in real property, the assessor may change the  
2 records of the municipality to reflect the identity of the new owner, if notice of tax liabilities  
3 is sent both to the new owner and to the owner of record as of the April 1st when the liability  
4 accrued. The taxable year is from April 1st to April 1st. Notwithstanding this section,  
5 proration of taxes must be over the period specified in section 558.

6 **Sec. 16. 36 MRSA §578, sub-§1, ¶C**, as amended by PL 2021, c. 630, Pt. C, §3,  
7 is further amended by amending subparagraph (1) to read:

8 (1) "Property tax burden" means the total real ~~and personal~~ property taxes assessed  
9 in the most recently completed municipal fiscal year, except the taxes assessed on  
10 captured value within a tax increment financing district, divided by the latest state  
11 valuation certified to the Secretary of State.

12 **Sec. 17. 36 MRSA c. 105, sub-c. 3**, as amended, is repealed.

13 **Sec. 18. 36 MRSA §652, sub-§1, ¶A**, as amended by PL 2021, c. 630, Pt. B, §2,  
14 is further amended to read:

15 A. The real estate ~~and personal property~~ owned and occupied or used solely for their  
16 own purposes by incorporated benevolent and charitable institutions ~~are~~ is exempt from  
17 taxation. Such an institution may not be deprived of the right of exemption by reason  
18 of the source from which its funds are derived or by reason of limitation in the classes  
19 of persons for whose benefit the funds are applied.

20 For the purposes of this paragraph, "benevolent and charitable institutions" includes,  
21 but is not limited to, nonprofit nursing homes licensed by the Department of Health  
22 and Human Services pursuant to Title 22, chapter 405, nonprofit residential care  
23 facilities licensed by the Department of Health and Human Services pursuant to Title  
24 22, chapter 1663, nonprofit community mental health service facilities licensed by the  
25 Commissioner of Health and Human Services in accordance with rules adopted  
26 pursuant to Title 34-B, chapter 3 and nonprofit child care centers. For the purposes of  
27 this paragraph, "nonprofit" refers to an institution that has been determined by the  
28 United States Internal Revenue Service to be exempt from taxation under Section  
29 501(c)(3) of the Code.

30 **Sec. 19. 36 MRSA §652, sub-§1, ¶B**, as amended by PL 2007, c. 627, §20, is  
31 further amended to read:

32 B. The real estate ~~and personal property~~ owned and occupied or used solely for their  
33 own purposes by literary and scientific institutions ~~are~~ is exempt from taxation. If any  
34 building or part of a building is used primarily for employee housing, that building, or  
35 that part of the building used for employee housing, is not exempt from taxation.

36 **Sec. 20. 36 MRSA §652, sub-§1, ¶C**, as amended by PL 2019, c. 501, §19, is  
37 further amended by amending subparagraph (6) to read:

38 (6) An exemption allowed under paragraph A or B for real ~~or personal~~ property  
39 owned and occupied or used to provide federally subsidized residential rental  
40 housing is limited as follows: Federally subsidized residential rental housing  
41 placed in service prior to September 1, 1993 by other than a nonprofit housing  
42 corporation that is acquired on or after September 1, 1993 by a nonprofit housing  
43 corporation and the operation of which is not an unrelated trade or business to that

1 nonprofit housing corporation is eligible for an exemption limited to 50% of the  
2 municipal assessed value of that property.

3 An exemption granted under this subparagraph must be revoked for any year in  
4 which the owner of the property is no longer a nonprofit housing corporation or  
5 the operation of the residential rental housing is an unrelated trade or business to  
6 that nonprofit housing corporation.

7 (a) For the purposes of this subparagraph, the following terms have the  
8 following meanings.

9 (i) "Federally subsidized residential rental housing" means residential  
10 rental housing that is subsidized through project-based rental assistance,  
11 operating assistance or interest rate subsidies paid or provided by or on  
12 behalf of an agency or department of the Federal Government.

13 (ii) "Nonprofit housing corporation" means a nonprofit corporation  
14 organized in the State that is exempt from tax under Section 501(c)(3) of  
15 the Code and has among its corporate purposes the provision of services  
16 to people of low income or the construction, rehabilitation, ownership or  
17 operation of housing.

18 (iii) "Residential rental housing" means one or more buildings, together  
19 with any facilities functionally related and subordinate to the building or  
20 buildings, located on one parcel of land and held in common ownership  
21 prior to the conversion to nonprofit status and containing 9 or more  
22 similarly constructed residential units offered for rental to the general  
23 public for use on other than a transient basis, each of which contains  
24 separate and complete facilities for living, sleeping, eating, cooking and  
25 sanitation.

26 (iv) "Unrelated trade or business" means any trade or business whose  
27 conduct is not substantially related to the exercise or performance by a  
28 nonprofit corporation of the purposes or functions constituting the basis  
29 for exemption under Section 501(c)(3) of the Code.

30 (b) Eligibility of the following property for exemption is not affected by the  
31 provisions of this subparagraph:

32 (i) Property used as a nonprofit nursing home, residential care facility  
33 licensed by the Department of Health and Human Services pursuant to  
34 Title 22, chapter 1663 or a community living arrangement as defined in  
35 Title 30-A, section 4357-A or any property owned by a nonprofit  
36 organization licensed or funded by the Department of Health and Human  
37 Services to provide services to or for the benefit of persons with mental  
38 illness or intellectual disabilities;

39 (ii) Property used for student housing;

40 (iii) Property used for parsonages;

41 (iv) Property that was owned and occupied or used to provide residential  
42 rental housing that qualified for exemption under paragraph A or B prior  
43 to September 1, 1993; or

1 (v) Property exempt from taxation under other provisions of law; and

2 **Sec. 21. 36 MRSA §652, sub-§1, ¶C**, as amended by PL 2019, c. 501, §19, is  
3 further amended by amending subparagraph (7) to read:

4 (7) In addition to the requirements of subparagraphs (1) to (4), an exemption is not  
5 allowed under paragraph A or B for real ~~or personal~~ property owned and occupied  
6 or used to provide residential rental housing that is transferred or placed in service  
7 on or after September 1, 1993, unless the property is owned by a nonprofit housing  
8 corporation and the operation of the residential rental housing is not an unrelated  
9 trade or business to the nonprofit housing corporation.

10 For the purposes of this subparagraph, the following terms have the following  
11 meanings.

12 (a) "Nonprofit housing corporation" means a nonprofit corporation organized  
13 in the State that is exempt from tax under Section 501(c)(3) of the Code and  
14 has among its corporate purposes the provision of services to people of low  
15 income or the construction, rehabilitation, ownership or operation of housing.

16 (b) "Residential rental housing" means one or more buildings, together with  
17 any facilities functionally related and subordinate to the building or buildings,  
18 containing one or more similarly constructed residential units offered for rental  
19 to the general public for use on other than a transient basis, each of which  
20 contains separate and complete facilities for living, sleeping, eating, cooking  
21 and sanitation.

22 (c) "Unrelated trade or business" means any trade or business whose conduct  
23 is not substantially related to the exercise or performance by a nonprofit  
24 organization of the purposes constituting the basis for exemption under Section  
25 501(c)(3) of the Code.

26 **Sec. 22. 36 MRSA §652, sub-§1, ¶E**, as amended by PL 2007, c. 627, §20, is  
27 further amended to read:

28 E. The real estate ~~and personal~~ property owned, occupied and used for their own  
29 purposes by posts of the American Legion, Veterans of Foreign Wars, American  
30 Veterans, Sons of Union Veterans of the Civil War, Disabled American Veterans and  
31 Navy Clubs of the U.S.A. that ~~are~~ is used solely by those organizations for meetings,  
32 ceremonials or instruction or to further the charitable activities of the organization,  
33 including all facilities that are appurtenant to that property and used in connection with  
34 those purposes, ~~are~~ is exempt from taxation. If an organization is not the sole occupant  
35 of the property, the exemption granted under this paragraph applies only to that portion  
36 of the property owned, occupied and used by the organization for its purposes.

37 Further conditions to the right of exemption are that:

38 (1) A director, trustee, officer or employee of any organization claiming exemption  
39 may not receive directly or indirectly any pecuniary profit from the operation of  
40 that organization, except as reasonable compensation for services in effecting its  
41 purposes or as a proper beneficiary of its purposes;



1 (2) All profits derived from the operation of the organization and the proceeds  
2 from the sale of its property must be devoted exclusively to the purposes for which  
3 it is organized; and

4 (3) The institution, organization or corporation claiming exemption under this  
5 paragraph must file with the assessors upon their request a report for its preceding  
6 fiscal year in such detail as the assessors may reasonably require.

7 **Sec. 23. 36 MRSA §652, sub-§1, ¶F**, as amended by PL 2021, c. 410, §1, is further  
8 amended to read:

9 F. The real estate ~~and personal property~~ owned and occupied or used solely for their  
10 own purposes by central labor councils, chambers of commerce or boards of trade in  
11 this State ~~are~~ is exempt from taxation. For the purposes of this paragraph, "central  
12 labor council" means an association or network of labor unions designed to promote  
13 and protect the interests of their members.

14 Further conditions to the right of exemption are that:

15 (1) A director, trustee, officer or employee of any organization claiming exemption  
16 may not receive directly or indirectly any pecuniary profit from the operation of  
17 that organization, except as reasonable compensation for services in effecting its  
18 purposes or as a proper beneficiary of its purposes;

19 (2) All profits derived from the operation of the organization and the proceeds  
20 from the sale of its property must be devoted exclusively to the purposes for which  
21 it is organized; and

22 (3) The institution, organization or corporation claiming exemption under this  
23 paragraph must file with the assessors upon their request a report for its preceding  
24 fiscal year in such detail as the assessors may reasonably require.

25 **Sec. 24. 36 MRSA §652, sub-§1, ¶G**, as amended by PL 2007, c. 627, §20, is  
26 further amended to read:

27 G. Houses of religious worship, including vestries, and the pews and furniture within  
28 them; tombs and rights of burial; and property owned and used by a religious society  
29 as a parsonage up to the value of \$20,000, ~~and personal property not exceeding \$6,000~~  
30 ~~in value~~ are exempt from taxation, except that any portion of a parsonage that is rented  
31 is subject to taxation. For purposes of this paragraph, "parsonage" means the principal  
32 residence provided by a religious society for its cleric whether or not the principal  
33 residence is located within the same municipality as the house of religious worship  
34 where the cleric regularly conducts religious services.

35 **Sec. 25. 36 MRSA §652, sub-§1, ¶H**, as amended by PL 2007, c. 627, §20, is  
36 further amended to read:

37 H. Real estate ~~and personal property~~ owned by or held in trust for fraternal  
38 organizations, except college fraternities, operating under the lodge system that ~~are~~ is  
39 used solely by those fraternal organizations for meetings, ceremonials or religious or  
40 moral instruction, including all facilities that are appurtenant to that property and used  
41 in connection with those purposes ~~are~~ is exempt from taxation. If a building is used in  
42 part for those purposes and in part for any other purpose, only the part used for those  
43 purposes is exempt.

1 Further conditions to the right of exemption under this paragraph are that:

2 (1) A director, trustee, officer or employee of any organization claiming exemption  
3 may not receive directly or indirectly any pecuniary profit from the operation of  
4 that organization, except as reasonable compensation for services in effecting its  
5 purposes or as a proper beneficiary of its purposes;

6 (2) All profits derived from the operation of the organization and the proceeds  
7 from the sale of its property must be devoted exclusively to the purposes for which  
8 it is organized; and

9 (3) The institution, organization or corporation claiming exemption under this  
10 paragraph must file with the assessors upon their request a report for its preceding  
11 fiscal year in such detail as the assessors may reasonably require.

12 **Sec. 26. 36 MRSA §652, sub-§1, ¶J**, as amended by PL 2007, c. 627, §20, is  
13 further amended to read:

14 J. The real ~~and personal~~ property owned by one or more of the organizations in  
15 paragraphs A and B and E to H and occupied or used solely for their own purposes by  
16 one or more other such organizations ~~are~~ is exempt from taxation.

17 **Sec. 27. 36 MRSA §652, sub-§1, ¶K**, as amended by PL 2009, c. 425, §1, is further  
18 amended to read:

19 K. Except as otherwise provided in this subsection, the real ~~and personal~~ property  
20 leased by and occupied or used solely for its own purposes by an incorporated  
21 benevolent and charitable organization that is exempt from taxation under section 501  
22 of the Code and the primary purpose of which is the operation of a hospital licensed by  
23 the Department of Health and Human Services, a health maintenance organization or  
24 a blood bank ~~are~~ is exempt from taxation. For property tax years beginning on or after  
25 April 1, 2012, the exemption provided by this paragraph does not include real property.

26 **Sec. 28. 36 MRSA §655**, as amended by PL 2021, c. 181, Pt. C, §2, is repealed.

27 **Sec. 29. 36 MRSA c. 105, sub-c. 4-C**, as amended, is repealed.

28 **Sec. 30. 36 MRSA §708**, as amended by PL 1973, c. 620, §17, is further amended  
29 to read:

30 **§708. Assessors to value real estate ~~and personal property~~**

31 The assessors and the chief assessor of a primary assessing area shall ascertain as nearly  
32 as may be the nature, amount and value as of the first day of each April of the real estate  
33 ~~and personal property~~ subject to be taxed; and shall estimate and record separately the land  
34 value, exclusive of buildings, of each parcel of real estate.

35 **Sec. 31. 36 MRSA §760-A**, as enacted by PL 1991, c. 231, is repealed.

36 **Sec. 32. 36 MRSA §841, sub-§3**, as repealed and replaced by PL 1979, c. 73, is  
37 amended to read:

38 **3. Inability to pay after 2 years.** If after 2 years from the date of assessment a  
39 collector is satisfied that a tax upon real ~~or personal~~ property committed to ~~him~~ the collector  
40 for collection cannot be collected by reason of the death, absence, poverty, insolvency,  
41 bankruptcy or other inability of the person assessed to pay, ~~he~~ the collector shall notify the

1 municipal officers thereof in writing, under oath, stating the reason why that tax cannot be  
2 collected. The municipal officers, after due inquiry, may abate that tax or any part thereof.

3 **Sec. 33. 36 MRSA c. 107, sub-c. 3**, as amended, is repealed.

4 **Sec. 34. 36 MRSA §1485** is repealed.

5 **Sec. 35. 36 MRSA §1486**, as amended by PL 2011, c. 610, Pt. A, §9, is further  
6 amended to read:

7 **§1486. Tax paid before registration**

8 ~~No~~ A vehicle may not be registered under Title 29-A until the excise tax or ~~personal~~  
9 ~~property tax~~ or real estate tax has been paid in accordance with sections 1482 and 1484.

10 **1. Exempt status.** ~~Where~~ When a ~~personal property~~ or real estate tax is to be paid as  
11 a prerequisite to registration, the exempt status of the vehicle ~~shall~~ must be determined by  
12 section 1483.

13 **Sec. 36. 36 MRSA §1602, sub-§1**, as enacted by PL 1977, c. 698, §8, is amended  
14 to read:

15 **1. Annual levy of tax.** A tax, to be known as the Unorganized Territory Educational  
16 and Services Tax, ~~shall~~ must be levied each year upon all nonexempt real ~~and personal~~  
17 property located in the Unorganized Territory Tax District on April 1st of each year. The  
18 State Tax Assessor shall fix the status of all taxpayers and of all such property as of that  
19 date.

20 **Sec. 37. 36 MRSA §1606, sub-§1**, as enacted by PL 2007, c. 627, §35, is amended  
21 to read:

22 **1. Credit and appropriation of special funds or taxes for political subdivisions.**  
23 Notwithstanding any other statute to the contrary, the gross amount of property taxes  
24 assessed upon real ~~and personal~~ property in the unorganized territory through the State Tax  
25 Assessor for the benefit of any special fund or political subdivision of the State may be  
26 credited on the books of the State to the special fund or to the proper fiscal officer of the  
27 political subdivision. The Treasurer of State shall pay to that fiscal officer the amount of  
28 the tax so assessed, in equal quarterly amounts for unorganized territory services, on or  
29 before the last day of July, October, January and April and an annual installment for county  
30 taxes on or before October 15th following the date of the assessment. The amount of the  
31 assessment is appropriated for the purposes of this subsection.

32 **Sec. 38. 36 MRSA c. 915**, as amended, is repealed.

33 **Sec. 39. 38 MRSA §2219**, as enacted by PL 1989, c. 585, Pt. A, §7, is amended to  
34 read:

35 **§2219. Leasehold or other interests of lessee taxable**

36 The interest of the user of any project is subject to taxation in the manner provided for  
37 similar interests in Title 36, section 551, subject to Title 36, ~~sections 655 and~~ section 656.

38 **Sec. 40. Application.** This Act applies to the status of personal property for property  
39 tax years beginning on or after April 1, 2024.

**SUMMARY**

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6

This bill eliminates the imposition of taxes on personal property, except for excise taxes and sales and use taxes. Due to the elimination of personal property taxation, this bill also eliminates the business equipment tax exemption and the Business Equipment Tax Reimbursement program. The legislation applies to property tax years beginning on or after April 1, 2024.