

MAINE STATE LEGISLATURE

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131st MAINE LEGISLATURE

SECOND REGULAR SESSION-2024

Legislative Document

No. 2023

S.P. 851

In Senate, December 13, 2023

An Act to Make Technical Changes to Maine's Tax Laws

Submitted by the Department of Administrative and Financial Services pursuant to Joint Rule 203.

Received by the Secretary of the Senate on December 11, 2023. Referred to the Committee on Taxation pursuant to Joint Rule 308.2 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 GROHOSKI of Hancock.

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

2 **PART A**

3 **Sec. A-1. 36 MRSA §251** is amended to read:

4 **§251. Warrants for town assessment of state tax**

5 When a state tax is imposed and required to be assessed by the proper municipal
6 ~~officers of towns~~, the Treasurer of State shall send such warrants as ~~he is, from time to~~
7 ~~time, ordered to issue~~ prescribed under section 254 for the assessment ~~thereof of that state~~
8 tax to the assessors, requiring them ~~forthwith~~ immediately to assess the sum apportioned
9 to their ~~town or place~~ municipality, and to commit their assessment to the constable or
10 collector for collection.

11 **Sec. A-2. 36 MRSA §252**, as amended by PL 1975, c. 765, §3, is further amended
12 to read:

13 **§252. Time for issuance**

14 When a state tax is ordered by the Legislature, the Treasurer of State shall send ~~his~~
15 warrants directed to the assessors of each municipality, as soon after the first day of April
16 as is practicable, requiring them to assess upon the estates of ~~such~~ each municipality its
17 proportion of the state tax for the current year; ~~and shall in a like manner for the succeeding~~
18 ~~year, send like warrants for the state tax.~~ The Treasurer of State shall send such warrants
19 for the state tax in a similar manner for the succeeding year.

20 **Sec. A-3. 36 MRSA §253** is amended to read:

21 **§253. --requirements** Warrant requirements

22 The Warrants issued by the Treasurer of State ~~in his warrant shall~~ must require the
23 assessors of each municipality to make a fair list of their assessments, as required by this
24 Title; to commit such list to the tax collector of such municipality in accordance with
25 section 709; and to return a certificate ~~thereof~~ of those assessments in accordance with
26 section 712.

27 **Sec. A-4. 36 MRSA §382**, as amended by PL 1973, c. 620, §11 and c. 625, §242
28 and repealed and replaced by c. 695, §7, is further amended to read:

29 **§382. Failure of assessor to furnish information**

30 If any municipal assessor or assessor of a primary assessing area fails to appear before
31 the State Tax Assessor or ~~his~~ the State Tax Assessor's agent as provided in this Title, or to
32 transmit to ~~him~~ the State Tax Assessor the lists named within 10 days after the mailing or
33 publication of notice or notices to them to ~~so~~ appear or transmit ~~said~~ those lists, the State
34 Tax Assessor may ~~in his discretion~~ report the valuation of the estates and property liable to
35 taxation in the ~~town so~~ municipality in default; as ~~he shall deem~~ the State Tax Assessor
36 considers just and equitable.

37 **Sec. A-5. 36 MRSA §383, sub-§1**, as enacted by PL 1999, c. 487, §1, is amended
38 to read:

39 **1. Annual return.** The municipal assessors and the assessors of primary assessing
40 areas shall make and return lists, which must be seasonably furnished by the State Tax
41 Assessor for that purpose, of all such information as to the assessment of property and

1 collection of taxes as may be needed in the work of the State Tax Assessor, including
2 annually the land value, exclusive of buildings and all other improvements, and the
3 valuation of each class of property assessed in their respective jurisdictions, with the total
4 valuation and percentage of taxation, together with a statement to the best of their
5 knowledge and belief of the ratio, or percentage of current just value, upon which the
6 assessments are based and itemized lists of property upon which the ~~towns~~ municipalities
7 have voted to affix values for taxation purposes.

8 **Sec. A-6. 36 MRSA §611**, as amended by PL 2017, c. 367, §3, is further amended
9 to read:

10 **§611. Equipment tax**

11 Machinery and other personal property brought into this State, after April 1st and prior
12 to December 31st by any person upon whom no personal property tax was assessed on
13 April 1st in ~~the this~~ State of Maine, shall must be taxed as other personal property in the
14 ~~town~~ municipality in which it is used for the first time in this State.

15 When the assessors are informed by the owner or otherwise of the presence within the
16 ~~town~~ municipality of ~~such~~ personal property governed by this section, the assessors shall
17 give notice in writing to the owner to furnish to the assessors a true and perfect list of such
18 personal property within 15 days from the receipt of ~~such~~ that notice and, except as
19 otherwise provided in this section, section 706-A is applicable to this section.

20 The assessors shall assess a tax upon any ~~such~~ personal property governed by this
21 section in accordance with other property assessed for the same tax year, except that, if the
22 tax is paid within 2 months of assessment, interest from the due date of taxes for the tax
23 year involved does not apply.

24 Except as otherwise provided in this section, the collection of ~~such~~ taxes shall on
25 personal property governed by this section must be in accordance with this chapter.

26 **Sec. A-7. 36 MRSA §943, 9th ¶** is amended to read:

27 ~~Whenever~~ If the person against whom the tax is assessed ~~shall have died~~ dies after the
28 tax has been committed and prior to the expiration of the ~~18-months~~ 18-month period of
29 foreclosure and ~~such~~ if that person shall have has left a will offered for probate, the probate
30 judge of the county ~~wherein said~~ in which that will is offered upon petition of any devisee
31 of the real estate on which ~~said~~ that tax is unpaid may grant a period of redemption not to
32 exceed 60 days following the final allowance or disallowance of ~~said~~ that will. Notice of
33 ~~said~~ the petition shall must be given to the tax collector of the ~~town~~ wherein ~~said~~
34 municipality in which the property is located and a certified copy of the court order shall
35 must be filed in the registry of deeds of the county ~~wherein~~ in which the property is located.

36 **Sec. A-8. 36 MRSA §943-C, sub-§2**, as amended by PL 2023, c. 358, §1, is further
37 amended to read:

38 **2. Notification; appeal.** At least 90 days prior to listing property for sale, the
39 municipal officers or their designee shall send a written notice to the last known address of
40 the former owner, by United States Postal Service certified mail, return receipt requested,
41 and first-class mail, of the right to require the sale process described in subsection 3. The
42 State Tax Assessor shall prepare ~~application forms~~, notices ~~and instructions~~ that must be

1 used by municipalities to inform former owners of their right to apply for the sale process
2 provided under subsection 3.

3 **Sec. A-9. 36 MRSA §946, 3rd ¶**, as enacted by PL 1975, c. 347, is amended to
4 read:

5 ~~No~~ A municipal officer ~~shall~~ may not, while holding municipal office, acquire from
6 that municipality any interest in real estate acquired by that municipality on account of
7 nonpayment of taxes, unless such sale occurs by sealed bid after duly advertising the same
8 at least twice during a 7-day period prior to the acceptance of bids. ~~Any town official~~ A
9 municipal officer who submits a sealed bid ~~shall~~ may not take part in the bid acceptance
10 process except that a municipal officer may purchase tax acquired property if the property
11 was owned by the municipal officer's ~~son, daughter~~ child, spouse or parent immediately
12 prior to its acquisition by the municipality and if ~~such~~ the purchase is authorized by the
13 municipality.

14 **Sec. A-10. 36 MRSA §1109, sub-§1**, as amended by PL 2011, c. 240, §7, is further
15 amended by amending the first blocked paragraph to read:

16 The assessor shall record, in the municipal office of the ~~town~~ municipality in which the
17 farmland is located, the value of the farmland as established under this subchapter and the
18 value at which the farmland would have been assessed had it not been classified under this
19 subchapter.

20 **Sec. A-11. 36 MRSA §1109, sub-§3, ¶F**, as enacted by PL 1989, c. 748, §4, is
21 amended to read:

22 F. The likelihood that the preservation of the land as undeveloped open space will
23 provide economic benefit to the ~~town~~ municipality by limiting municipal expenditures
24 required to service development;

25 **Sec. A-12. 36 MRSA §1137, sub-§2**, as enacted by PL 2007, c. 466, Pt. A, §58, is
26 amended to read:

27 **2. Classification.** The assessor shall determine what land meets the requirements of
28 this subchapter and shall classify such land as working waterfront land in accordance with
29 this subchapter. The assessor shall file, in the municipal office of the ~~town~~ municipality in
30 which the working waterfront land is located, the original schedule and the value of the
31 working waterfront land as established under this subchapter and the value at which the
32 working waterfront land would have been assessed had it not been classified under this
33 subchapter.

34 **Sec. A-13. 36 MRSA §1284**, as amended by PL 2019, c. 501, §26, is further
35 amended to read:

36 **§1284. Action to recover taxes**

37 The State Tax Assessor may bring a civil action in the State Tax Assessor's own name
38 to enforce the lien on real estate created by section 552; to secure the payment of state taxes
39 assessed under sections 1331 and 1602 upon real estate not liable to be assessed in any
40 ~~town~~ municipality. ~~Such~~ The action must be begun after the expiration of 8 months and
41 within one year after August 1st following the date ~~such~~ the taxes were assessed. The
42 proceedings must be in accordance with section 941, except that the preliminary notice and
43 demand for payment of the tax as provided in that section may not be required.

1 the taxable year for service performed outside of this State pursuant to written military
2 orders:

3 (1) For active duty service in the active components of the United States Army,
4 Navy, Air Force, Marines ~~or~~, Coast Guard or Space Force by a service member
5 whose permanent duty station during such service is located outside of this State;
6 and

7 (2) For active duty service in the active or reserve components of the United States
8 Army, Navy, Air Force, Marines ~~or~~, Coast Guard or Space Force or in the Maine
9 National Guard by a service member in support of a federal operational mission or
10 a declared state or federal disaster response when the orders are either at federal
11 direction or at the direction of the Governor of this State;

12 **Sec. B-4. 36 MRSA §5219-KK, sub-§1, ¶A-1**, as amended by PL 2023, c. 360,
13 Pt. B, §13 and c. 412, Pt. S, §§1-3, is further amended by amending subparagraph (4) to
14 read:

15 (4) For tax years beginning on or after January 1, 2024, notwithstanding
16 subparagraphs (1) ~~and~~, (2) ~~and~~ (3), for individuals 65 years of age or older, \$4,000.

17 **Sec. B-5. 36 MRSA §5228, sub-§7**, as amended by PL 2001, c. 583, §18, is further
18 amended to read:

19 **7. Short taxable year.** Payment of taxes for a short taxable year must be made as
20 provided in this subsection. For payment dates falling within the short taxable year,
21 payment must be made as provided in subsection 4.

22 A. For an individual, a trust or an estate with a taxable year of less than 12 months, the
23 estimated tax must be paid in full by the 15th day of the month following the end of
24 the taxable year.

25 B. For a corporation or financial institution with a taxable year of less than 12 months,
26 the estimated tax must be paid in full by the 15th day of the last month of the taxable
27 year.

28 **Sec. B-6. 36 MRSA §5242, 2nd ¶**, as enacted by PL 2021, c. 181, Pt. A, §14, is
29 amended to read:

30 A person who is required by the assessor to ~~furnish~~ file a return of information in
31 accordance with this section on or after January 31, 2022 and who fails to do so, or who
32 willfully ~~furnishes~~ files a false or fraudulent return of information, is subject to a penalty
33 of \$50 for each such failure.

34 SUMMARY

35 Part A makes changes to the property tax and benefit programs laws. Part A:

36 1. Updates outdated terms referencing municipalities and municipal officers;

37 2. Removes and replaces gender-specific language;

38 3. Corrects a conflict created by Public Law 2023, chapters 360 and 412, which
39 affected the same provisions of law, by combining the provisions;

1 4. Removes an obsolete reference to an application and instructions in the law
2 governing the sale of tax-acquired properties since they are no longer required; and

3 5. Makes other technical and grammatical changes to the laws affecting Maine
4 property tax.

5 Part B makes changes to the income tax law. Part B:

6 1. Includes the United States Space Force in references to the United States Armed
7 Forces;

8 2. Corrects a cross-reference in the law regarding the property tax fairness credit
9 maximum benefit base;

10 3. Clarifies that payment of taxes for a short taxable year must be made in accordance
11 with existing due dates for estimated tax installments that fall within the short taxable year;

12 4. Updates language in the law governing information returns to be consistent with
13 state statutes and rules; and

14 5. Makes other technical and grammatical changes to the laws affecting Maine income
15 tax.