

MAINE STATE LEGISLATURE

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EIGHTY-SECOND LEGISLATURE

H. P. No. 947

H. D. No. 246

House of Representatives, Feb. 27, 1925.

Referred to Committee on State Lands and Forest Preservation and 500 copies ordered printed. Sent up for concurrence.

CLYDE R. CHAPMAN, Clerk.

Presented by Mr. Hale of Portland.

STATE OF MAINE

IN THE YEAR OF OUR LORD ONE THOUSAND NINE
HUNDRED AND TWENTY-FIVE

AN ACT Relating to the Taxation of Forest Property in
Organized Towns and Plantations.

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

Section 1. After March thirty-first, nineteen hundred
2 twenty-six, all forest growth in organized towns and planta-
3 tions shall be exempt from taxation until cut. The land
4 on which such forest growth stands shall be assessed at a
5 value not to exceed its value as stripped land and shall be
6 taxed in the same manner and at the same rate as other
7 real property.

Sect. 2. Every owner of forest land shall, not later than
2 April fifteenth of each year, make a return under oath to

3 the assessors of the town or plantation in which such land
4 is located, stating the amount of each kind of wood or tim-
5 ber cut during the preceding year ending April first, to-
6 gether with the estimated stumpage value or actual stump-
7 age price received therefor. For the year nineteen hundred
8 and twenty-six a tax of one-half of one per cent shall be
9 paid on the stumpage value or stumpage price of such wood
10 or timber cut as determined by the assessors, subject to the
11 same appeal as in the case of other real property. A tax
12 of one per cent shall be paid in like manner for the year
13 nineteen hundred and twenty-seven; one and one-half per
14 cent for the year nineteen hundred and twenty-eight; two
15 per cent for the year nineteen hundred and twenty-nine;
16 two and one-half per cent for the year nineteen hundred
17 and thirty; three per cent for the year nineteen hundred
18 and thirty-one; three and one-half per cent for the year
19 nineteen hundred and thirty-two; four per cent for the
20 year nineteen hundred and thirty-three; four and one-half
21 per cent for the year nineteen hundred and thirty-four; five
22 per cent for the year nineteen hundred and thirty-five; five
23 and one-half percent for the year nineteen hundred and
24 thirty-six; six per cent for the year nineteen hundred and
25 thirty-seven; six and one-half per cent for the year nine-
26 teen hundred and thirty-eight; seven per cent for the year
27 nineteen hundred and thirty-nine; seven and one-half per
28 cent for the year nineteen hundred and forty; eight per
29 cent for the year nineteen hundred and forty-one; eight and

30 one-half per cent for the year nineteen hundred and forty-
31 two; nine per cent for the year nineteen hundred and forty-
32 three; nine and one-half per cent for the year nineteen hun-
33 dred and forty-four and ten per cent for every year there-
34 after.

Sect. 3. The aggregate amount of stumpage taxes due
2 hereunder shall be reported to the treasurer of state on or
3 before November first of the year in which they fall due.
4 The amount of said taxes shall be transmitted as collected
5 to the state auditor, who shall deduct fifteen per cent of
6 the aggregate amount collected for the use of the state, shall
7 transmit to the several boards of county commissioners five
8 per cent of the receipts from the several counties, and shall
9 redistribute the balance among the several towns in the ratio
10 of the acreage of forest lands in said towns.

Sect. 4. Any person wilfully making a false or fraudu-
2 lent return hereunder or wilfully failing to make any return
3 shall be punished by a fine of not more than five thousand
4 dollars or imprisonment for not more than one year or by
5 both such fine and imprisonment.

Sect. 5. All acts and parts of acts inconsistent herewith
2 are hereby repealed.

STATEMENT OF FACTS

The purpose of this act is to supersede the present unscientific and destructive theory of forest taxation with a plan theoretically sound and practically workable. The defect of the existing system is that it treats a growing tree on precisely the same footing as a brick building. It utterly ignores the fundamental economic fact that a growing tree is as much a crop as growing corn or potatoes, the only difference being that one crop reaches maturity in a season, the other in a generation. By taxing the tree crop on its full value each year, the present law unless ignored by the assessors, operates to compel cutting before maturity, thereby wasting this state's most valuable natural product and robbing the towns for many years of practically all revenue from the denuded lands.

This act imposes a tax simply on the land as stripped land and adds a yield tax on the cut. All forestry and taxation experts recommend a tax in this form. (See report of the Maine Forest Commissioner for 1921-1922, pp. 69, 70). The act provides for a twenty year transition period from the existing to the new form of taxation. It also provides that the entire proceeds of the yield tax when collected shall be redistributed among the towns and organized plantations in the ratio of their acreage of forest lands. This assures the towns a steady annual revenue instead of the "spotty" and fallible revenue which they now enjoy from forest lands. It does not penalize the owner who wishes to hold his timber until it is matured and has reached its maximum value. And it takes a substantial tax from a man who can well afford to pay instead of making annual assaults upon a man who cannot.