

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

Amend the bill in section 1 by striking out all of paragraph H (page 1, lines 4 to 24 in L.D.) and inserting the following:

'H. Real estate and personal property owned by or held in trust for fraternal organizations, except college fraternities, operating under the lodge system ~~which shall be~~ that is used solely by fraternal organizations for meetings, ceremonials, religious or moralistic instruction or to further the charitable activities of the organization, including all facilities appurtenant to such use and used in connection therewith. If any building ~~shall~~ is not be used in its entirety for such purposes, but ~~shall be~~ is used in part for such purposes and in part for any other purpose, exemption ~~shall be of~~ is for the part used for such purposes. If an organization is not the sole occupant of the property, the exemption granted under this paragraph applies only to that portion of the property owned, occupied and used by the organization for its purposes.

Further conditions to the right of exemption are that:

(1) ~~No~~ A director, trustee, officer or employee of any organization claiming exemption ~~shall~~ may not receive directly or indirectly any pecuniary profit from the operation ~~thereof of the organization~~, excepting reasonable compensation for services in effecting its purposes or as a proper beneficiary of its purposes;

(2) All profits derived from the operation ~~thereof of the organization~~ and the proceeds from the rental or sale of its property are devoted exclusively to the purposes for which it is organized; and

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

Amend the bill by adding before the summary the following:

'Sec. 2. Appropriations and allocations. The following appropriations and allocations are made.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Revenue Services - Bureau of 0002

Initiative: Provides funds to reimburse municipalities for 50% of the estimated property tax revenue loss associated with changes to the property tax exemption for fraternal organizations.

GENERAL FUND	2007-08	2008-09
All Other	\$0	\$253,121
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GENERAL FUND TOTAL	\$0	\$253,121

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SUMMARY

This amendment clarifies the intent of the bill to maintain property tax exemption for fraternal organizations that use portions of their property for purposes other than meetings, ceremonials and instruction if the other uses further the charitable activities of the fraternal organization. Portions of the organization's property that are occupied by another entity remain subject to taxation. This amendment also adds an appropriations and allocations section.