



# 127th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2015

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Legislative Document

No. 575

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H.P. 399

House of Representatives, February 26, 2015

### **An Act To Provide Property Tax Relief to Maine's Working Families**

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Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Robert B. Hunt".

ROBERT B. HUNT  
Clerk

Presented by Representative MAREAN of Hollis.  
Cosponsored by Senator LIBBY of Androscoggin and  
Representatives: BATTLE of South Portland, RYKERSON of Kittery, TUELL of East  
Machias, Senators: ALFOND of Cumberland, CYRWAY of Kennebec, KATZ of Kennebec,  
VOLK of Cumberland.

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

2 **Sec. 1. 36 MRSA §683, sub-§1**, as amended by PL 2009, c. 213, Pt. YYY, §1  
3 and affected by c. 652, Pt. A, §63, is further amended to read:

4 **1. Exemption amount.** Except for assessments for special benefits, the just value of  
5 ~~\$10,000~~ \$20,000 of the homestead of a permanent resident of this State who has owned a  
6 homestead in this State for the preceding 12 months is exempt from taxation. In  
7 determining the local assessed value of the exemption, the assessor shall multiply the  
8 amount of the exemption by the ratio of current just value upon which the assessment is  
9 based as furnished in the assessor's annual return pursuant to section 383. If the title to  
10 the homestead is held by the applicant jointly or in common with others, the exemption  
11 may not exceed ~~\$10,000~~ \$20,000 of the just value of the homestead, but may be  
12 apportioned among the owners who reside on the property to the extent of their respective  
13 interests. A municipality responsible for administering the homestead exemption has no  
14 obligation to create separate accounts for each partial interest in a homestead owned  
15 jointly or in common.

16 **Sec. 2. 36 MRSA §1752, sub-§1-I** is enacted to read:

17 **1-I. Amusement, entertainment and recreation services.** "Amusement,  
18 entertainment and recreation services" is defined pursuant to this subsection.

19 A. "Amusement, entertainment and recreation services" means the following  
20 services:

21 (1) Admission fees to entertainment venues and performances, including  
22 theaters, movies, lectures, concerts, festivals, amusement parks, water parks,  
23 fairgrounds, except for licensed agricultural fairs, racetracks, carnivals, circuses,  
24 sports activities, stadiums, amphitheaters, museums, planetariums, animal parks,  
25 petting zoos, aquariums, historical sites and convention centers;

26 (2) Fees charged for participation in or entry to golf courses, miniature golf  
27 courses, bowling alleys, swimming pools, skating rinks, ski lifts, billiard parlors,  
28 gymnasiums, go-cart courses, tennis and racquetball courts and paintball;

29 (3) Admission fees charged for exhibition shows, such as auto, boat, camping,  
30 home, garden, animal and antique shows;

31 (4) Fees charged for scenic and sight-seeing excursions, including aircraft,  
32 helicopter, balloon, blimp, watercraft, railroad, bus, trolley and wagon rides,  
33 whitewater rafting and guided recreation, but excluding scenic and sight-seeing  
34 excursions on federally navigable waters;

35 (5) Fees charged for entertainment services such as those provided by bands,  
36 orchestras, disc jockeys, comedians, clowns, jugglers, children's entertainers and  
37 ventriloquists; and

38 (6) Proceeds from arcade games.

39 B. "Amusement, entertainment and recreation services" does not include the  
40 following services:

1           (1) Admission to a licensed agricultural fair or charges for participation in any  
2           events or activities occurring at the fair organized by a school or incorporated  
3           nonprofit organization if all the proceeds from the event or activity are used for  
4           the charitable purposes of the school or organization;

5           (2) Fees charged by health clubs, fitness centers and other facilities and  
6           swimming pools associated with those clubs, centers or facilities that are intended  
7           predominantly for human physical training and improvement rather than  
8           recreation and play; or

9           (3) Admission to:

10                     (a) Museums and aquariums operated by a governmental entity or  
11                     incorporated nonprofit organization;

12                     (b) Concerts, dance productions, theatrical productions, sports activities or  
13                     similar events or activities organized and performed by a school or  
14                     incorporated nonprofit organization if all proceeds of the event or activity are  
15                     used for the charitable purposes of that school or organization; or

16                     (c) Festivals and special events organized by governmental entities, schools  
17                     or incorporated nonprofit organizations if all the proceeds of the festival or  
18                     special event are directed to support a charitable purpose.

19           **Sec. 3. 36 MRSA §1752, sub-§17-B,** as amended by PL 2013, c. 156, §2, is  
20 further amended to read:

21           **17-B. Taxable service.** "Taxable service" means the rental of living quarters in a  
22 hotel, rooming house or tourist or trailer camp; the transmission and distribution of  
23 electricity; the rental or lease of an automobile, a camper trailer, or a motor home, as  
24 defined in Title 29-A, section 101, subsection 40; the rental or lease of a pickup truck or  
25 van with a gross vehicle weight of less than 26,000 pounds from a person primarily  
26 engaged in the business of renting automobiles; the sale of an extended service contract  
27 on an automobile or truck that entitles the purchaser to specific benefits in the service of  
28 the automobile or truck for a specific duration; amusement, entertainment and recreation  
29 services; and the sale of prepaid calling service.

30           **Sec. 4. Application.** That section of this Act that amends the Maine Revised  
31 Statutes, Title 36, section 683, subsection 1 applies to property tax years beginning on or  
32 after April 1, 2016.

33           **Sec. 5. Effective date.** This Act takes effect October 1, 2015.

## 34   **SUMMARY**

35           This bill increases the exemption amount available under the Maine resident  
36 homestead property tax exemption from \$10,000 to \$20,000. Currently, the State  
37 reimburses municipalities 50% of the taxes lost by reason of the homestead exemption.  
38 In order to offset the increased cost to the State of the doubling of the homestead  
39 exemption, this bill also imposes the sales and use tax on amusement, entertainment and  
40 recreation services, such as admission fees to entertainment venues and performances,

1 including movies, theaters and amusement parks, participation fees, including for  
2 bowling, golf or skiing, and fees for entertainment services, including those provided by  
3 bands, orchestras, disc jockeys and comedians.