



125th MAINE LEGISLATURE

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Legislative Document

No. 1138

H.P. 844

House of Representatives, March 16, 2011

An Act To Prevent Unnecessary Expulsion of Landowners from the Maine Tree Growth Tax Law Program

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script, reading 'Heather J.R. Priest'.

HEATHER J.R. PRIEST
Clerk

Presented by Representative KNIGHT of Livermore Falls.
Cosponsored by Senator LANGLEY of Hancock and
Representatives: BERRY of Bowdoinham, FLEMINGS of Bar Harbor, FOSSEL of Alna,
HARMON of Palermo, PICCHIOTTI of Fairfield, RUSSELL of Portland, Senator: TRAHAN
of Lincoln.

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

2 **Sec. 1. 36 MRSA §581, sub-§1-A**, as enacted by PL 2009, c. 577, §2, is amended
3 to read:

4 **1-A. Notice of compliance.** No earlier than 185 days prior to a deadline established
5 by section 574-B, if the landowner has not yet complied with the requirements of that
6 section, the assessor must provide the landowner with written notice informing the
7 landowner that failure to comply will result in the withdrawal of the property from
8 taxation under this subchapter. The notice, at a minimum, must inform the landowner of
9 the statutory requirements that need to be met and the date of the deadline for compliance
10 and that the consequences of withdrawal could include the assessment of substantial
11 financial penalties against the owner. If the notice is issued less than 120 days before the
12 deadline, the owner has 120 days from the date of the notice to provide the assessor with
13 the documentation to achieve compliance with section 574-B, and the notice must specify
14 the date by which the owner must comply.

15 At the expiration of the deadline for compliance with section 574-B or 120 days from the
16 date of the notice, whichever is later, if the landowner has failed to meet the requirements
17 of section 574-B, the assessor shall impose an administrative penalty of \$100 on the
18 landowner and provide notice of this penalty to the landowner. Following the imposition
19 of the penalty, the landowner has one year from the deadline for compliance as specified
20 in section 574-B to comply with the requirements of that section. If the landowner fails
21 to comply within a year, the assessor must withdraw the parcel from taxation under this
22 subchapter and impose a withdrawal penalty under subsection 3.

23 This subsection does not limit the assessor from issuing other notices or compliance
24 reminders to property owners at any time in addition to the notice required by this
25 subsection.

26 **Sec. 2. 36 MRSA §1114**, as enacted by PL 1975, c. 726, §2, is repealed.

27 **SUMMARY**

28 This bill requires the State Tax Assessor to impose a \$100 administrative penalty on a
29 landowner enrolled in the Maine Tree Growth Tax Law program if the landowner fails to
30 file a forest management and harvest plan by the later of the end of the 10-year period
31 and the end of the 120-day notice period given by the assessor to notify the landowner
32 that a plan is needed. If the landowner still does not file a plan within one year of the end
33 of the 10-year deadline, then the assessor is required to withdraw the land from the tree
34 growth tax program and assess a withdrawal penalty. This bill also repeals the
35 15,000-acre cap on land enrolled in the farm and open space tax law program to allow
36 easier transfer of property between that program and the tree growth tax law program.