



# 126th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2013

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Legislative Document

No. 1478

H.P. 1059

House of Representatives, April 30, 2013

**An Act To Avoid Potential Loss of Revenue by Municipalities and  
the Unorganized Territory from Donated Property**

(AFTER DEADLINE)

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Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Reference to the Committee on Taxation suggested and ordered printed.

*Millicent M. MacFarland*

MILLICENT M. MacFARLAND

Clerk

Presented by Representative JOHNSON of Eddington.

Cosponsored by Senator TUTTLE of York and

Representatives: BENNETT of Kennebunk, CAMPBELL of Orrington, GIFFORD of Lincoln,  
LOCKMAN of Amherst, LONG of Sherman, LONGSTAFF of Waterville, PEASE of Morrill,

Senator: BURNS of Washington.

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

2 **Sec. 1. 36 MRSA §651**, as amended by PL 1981, c. 492, Pt. D, §6 and c. 595, §4,  
3 is further amended to read:

4 **§651. Public property**

5 ~~The following public property is exempt from taxation:~~

6 **1. Public property.** ~~The following public property is exempt from taxation:~~

7 A. The property of the United States so far as the taxation of such property is  
8 prohibited under the Constitution and laws of the United States.

9 B. The property of the State of Maine.

10 B-1. Real estate owned by the Water Resources Board of the State of New  
11 Hampshire and used for the preservation of recreational facilities in this State.

12 C. All property ~~which~~ that by the Articles of Separation is exempt from taxation.

13 D. The property of any public municipal corporation of this State appropriated to  
14 public uses, if located within the corporate limits and confines of such public  
15 municipal corporation.

16 E. The pipes, fixtures, hydrants, conduits, gatehouses, pumping stations, reservoirs  
17 and dams, used only for reservoir purposes, of public municipal corporations engaged  
18 in supplying water, power or light, if located outside of the limits of such public  
19 municipal corporation.

20 F. All airports and landing fields and the structures erected thereon or contained  
21 therein of public municipal corporations whether located within or without the limits  
22 of such public municipal corporations. Any structures or land contained within such  
23 airport not used for airport or aeronautical purposes ~~shall~~ is not ~~be~~ entitled to this  
24 exemption. Any public municipal corporation ~~which~~ that is required to pay taxes to  
25 another such corporation under this paragraph with respect to any airport or landing  
26 field ~~shall~~ must be reimbursed by the county wherein the airport is situated.

27 G. The pipes, fixtures, conduits, buildings, pumping stations and other facilities of a  
28 public municipal corporation used for sewage disposal, if located outside the limits of  
29 such public municipal corporation.

30 Property donated to a public entity on or after October 1, 2013 is not exempt from  
31 taxation under this section unless the donation is approved by the legislative body of the  
32 municipality where the property is located or, in the case of property located in the  
33 unorganized territory, by the county commissioners of the county where the property is  
34 located or the donor establishes an account to make payments in lieu of property taxes to  
35 the municipality where the property is located or, in the case of property located in the  
36 unorganized territory, to the Unorganized Territory Education and Services Fund under  
37 section 1605.

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## SUMMARY

This bill provides that the property tax exemption for publicly owned property does not apply to property donated to a public entity on or after October 1, 2013 unless the donation is approved by the legislative body of the municipality where the property is located or, in the case of property located in the unorganized territory, by the county commissioners of the county where the property is located or the donor establishes an account to make payments in lieu of taxes.