



126th MAINE LEGISLATURE

FIRST REGULAR SESSION-2013

Legislative Document

No. 1164

S.P. 401

In Senate, March 26, 2013

**An Act To Allow Cooperative Housing Owners Who Are Blind To
Qualify for the Property Tax Exemption**

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator GOODALL of Sagadahoc.
Cosponsored by Representative MASON of Topsham and
Senators: CAIN of Penobscot, HASKELL of Cumberland, Representative: TIPPING-SPITZ of
Orono.

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

2 **Sec. 1. 36 MRSA §654**, as amended by PL 2003, c. 686, §1, is repealed.

3 **Sec. 2. 36 MRSA §654-A** is enacted to read:

4 **§654-A. Estates of legally blind persons**

5 **1. Exemption.** The residential real estate up to the just value of \$4,000 of
6 inhabitants of the State who are legally blind as determined by a properly licensed Doctor
7 of Medicine, Doctor of Osteopathy or Doctor of Optometry is exempt from taxation.

8 **2. Revocable living trust.** The exemption provided by subsection 1 also applies to
9 residential real estate held in a revocable living trust for the benefit of and occupied as a
10 permanent residence by a person who is legally blind.

11 **3. Cooperative housing.** A cooperative housing corporation is also entitled to an
12 exemption under subsection 1 to be applied against the valuation of property of the
13 corporation that is occupied by qualifying shareholders. An application for exemption
14 must include a list of all qualifying shareholders and any information required by the
15 municipality to verify eligibility of qualifying shareholders and the applicable exemption
16 amount. The application must be updated annually to reflect changes in eligibility. The
17 exemption is equal to the total amount calculated under subsection 1 as if the qualifying
18 shareholders were owners of the property. A cooperative housing corporation that
19 receives an exemption pursuant to this subsection shall apportion the property tax
20 reduction resulting from the exemption among the qualifying shareholders according to
21 the proportion of the total exemption that each qualifying shareholder would be entitled
22 to if the qualifying shareholder were the owner of the property. Any supplemental
23 assessment resulting from disqualification for exemption must be applied in the same
24 manner against the qualifying shareholders for whom the disqualification applies. For the
25 purposes of this subsection, the following terms have the following meanings.

26 **A.** "Cooperative housing corporation" means an entity organized for the purpose of
27 owning residential real estate in which residents own shares that entitle them to
28 inhabit a designated space within a residential dwelling.

29 **B.** "Qualifying shareholder" means a person who is a shareholder in a cooperative
30 housing corporation who would qualify for an exemption under subsection 1 if the
31 person were the owner of the property.

32 **4. Multiple properties.** If a person entitled to the exemption under this section has
33 property taxable in more than one place in this State, the proportion of the total
34 exemption must be made in each place as the value of the property taxable in that place
35 bears to the value of the whole of the property of that person taxable in the State.

36 **5. Fraudulent transfer.** Property conveyed to a person for the purpose of obtaining
37 exemption from taxation under this section is not exempt. A person who makes a
38 conveyance for the purpose of obtaining the exemption commits fraud and is subject to a
39 fine of not less than \$100 and not more than 2 times the amount of the taxes evaded by
40 such fraudulent conveyance, whichever amount is greater.

