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**STATE OF MAINE**  
**SENATE**  
**129TH LEGISLATURE**  
**FIRST REGULAR SESSION**

SENATE AMENDMENT “ ” to COMMITTEE AMENDMENT “A” to H.P. 329,  
L.D. 420, Bill, “An Act To Amend the Maine Exclusion Amount in the Estate Tax”

Amend the amendment by inserting before section 3 the following:

**'Sec. 3. 36 MRSA §4120** is enacted to read:

**§4120. Exclusion for family farms**

**1. Exclusion from estate tax for family farms; definitions.** Notwithstanding any provision of law to the contrary, farmland that is part of an estate of a decedent dying on or after January 1, 2020 that is transferred to a family member of the decedent is excluded from taxation under this chapter as provided in this section. For purposes of this section, "farmland" means land that is or could be classified as farmland under chapter 105, subchapter 10 and includes personal property that is exempt from property tax under section 655, subsection 1, paragraph C, D, M or O. For purposes of this section, "family member" means, whether by blood or legal adoption, the decedent's: brother or sister or the spouse of a brother or sister; parent or grandparent or the spouse of a parent or grandparent; ancestor; or lineal descendant.

**2. Requirements for exclusion; report.** In order to qualify for the exclusion from the estate tax pursuant to this section:

- A. The farmland must be transferred to a family member;
- B. For at least 5 years following the transfer, the farmland must remain the property of the family member to whom the farmland was transferred or, in the event of death of that transferee, a family member of that transferee; and
- C. During the 5 years following the transfer, the land transferred must continue to meet the requirements for classification as farmland under chapter 105, subchapter 10, except that the gross income requirements of section 1102, subsection 4 must be met for every year of the 5 years following transfer.

A family member to whom farmland is transferred who wishes to claim the exclusion under this section shall file a report annually for the 5 years following the transfer with the assessor certifying that the farmland continues to qualify for the exclusion.

