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Testimony of Rep. Tavis Hasenfus introducing
LD 210, An Act to Expand the List of Persons Exempt from the Real Estate Transfer Tax
Before the Taxation Committee

Good afternoon, Senator Grohoski, Representative Perry and distinguished members of the Taxation Committee. My name is Tavis Hasenfus, and I represent House District 57, the communities of Readfield and Winthrop. I am here before you today to introduce **LD 210, An Act to Expand the List of Persons Exempt from the Real Estate Transfer Tax**.

This bill proposes a simple change in statute to exempt transfers between siblings and between a stepparent and stepchild from Maines real estate transfer tax. The law currently exempts transfers between spouses, parent and child, and grandparent and grandchild. This bill, if passed, would simply add the two classes of transfers mentioned above.

As you know, the Maine transfer tax of \$4.40 per thousand dollars must be paid on any transfer not expressly exempted. This includes transfers for no value made between family, friends and neighbors. Through past enacted legislation, the Maine Legislature decided that close family relations should be excluded from transfer tax payments when gifting real estate.

Through the introduction of this bill, I am asking this committee and this Legislature to determine whether other close family transfers should be exempted as well. Exempting gifts between siblings and stepparents and stepchildren will better implement the policy of excluding intra-family transactions and bring more equity to blended families and extended family units.

Thank you for your time. As always, I am happy to answer any questions you may have.