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Testimony of the Maine Municipal Association

In Support of LD 1685, *An Act to Increase Acreage Eligibility and Change Requirements for Filing Plans Under the Maine Tree Growth Tax Law*

May 11, 2023

Senator Grohoski, Representative Perry, and members of the Taxation Committee. My name is Kate Dufour, and I am offering testimony in support of LD 1650 on behalf of the 70 municipal leaders who were elected by their peers to serve on the Association's Legislative Policy Committee and directed to establish MMA's position on bills of municipal interest.

First and foremost, I want to extend the Association's gratitude to Rep. Matlack for agreeing to sponsor LD 1685 on behalf of MMA and the assessing community. The changes proposed are being advanced by the municipal officials trained by the state and entrusted to oversee not only the assessment of property taxes, but also to ensure compliance with the state's current use programs. This responsibility is of great importance, as these programs provide generous property tax benefits, in return for advancing state policy priorities associated with the management of natural resources. Every property tax dollar saved, or not assessed against property enrolled in a current use program, must be raised by the remaining property taxpayers.

To that end, the assessors are asking the Committee to consider modifications to the program. To ensure that the benefits provided under the Tree Growth program are targeted for the intended purpose, the bill increases from 10 to 25 the minimum number acres necessary to enroll in the program. From the perspective of assessors, this change will ensure that the benefits are provided to larger scale operations and help avoid the temptation associated with sheltering smaller lots from full taxation.

Second, the bill enables assessors to retain a copy of the forest management plan that guides the proper management of the forested lands as required under the program. While currently assessors are allowed to review plans in the process of determining eligibility, those documents must be returned to the owner once the review has been completed. To ensure ongoing compliance with the conditions found in the plan, municipal officials believe it makes sense to provide ready access to supporting documents.

In a nutshell, LD 1685 supports local level efforts to protect the interests of all property owners in the administration of the Tree Growth program.

Thank you for your time and consideration.