

My name is Gary Parker. I reside in and am the chairman of the Selectboard of the Town of Litchfield, Maine.

I have come today to talk to this committee about LD 1506 and the personal property tax. I am in favor of LD 1506 and I thank Representative Greenwood for making an effort to address the issue of personal property tax.

I would first like to speak to the exempted dollar amounts for individual items as described in Title 36 subsection 655 1, m. & p. these dollar amounts have not kept up with the cost of today's personal property or farm equipment. I would suggest that the amount in "m." should be increased to a minimum of \$20,000.00 since the cost of a hay baler comes in at in excess of \$50,000.00 and a tedder is somewhere around \$25,000.00 just as a couple examples.

I would also ask the committee to increase "p." as it pertains to individual residents' personal property. I appreciate the increase put forth by Representative Greenwood adjusting this amount to \$5,000.00. my suggestion would be to increase this amount to a minimum of \$10,000.00. The dollar amounts in both of these exemptions are drastically outdated.

Further, I would ask this committee to remove the personal property tax on individual tax payers. I find this to be double taxation. It is an imposition on the residents of any town to have to go through this exercise when they have already paid a purchase tax on the item. I as a selectman and an actual appointed tax assessor feel that it is completely unacceptable to impose this extra burden on the good citizens of the towns in Maine. The idea that the state has passed a law that requires towns to spend hundreds of dollars to go after pennies is a self-defeating process.

I am not convinced that very many people including assessors have actually read this statute and all the references within it, and understand it. I find it to be ambiguous at best and extremely difficult to follow, unless you have hours to devote to it, and can jump from one subsection to another that aren't even in consecutive order. This is just where it starts.

Evidently many assessors seem to think that this statute only pertains to commercial enterprises and businesses. This assumption is totally inaccurate as I read the statute and all the references.

### **§601. Personal property; defined**

Personal property for the purposes of taxation includes all tangible goods and chattels wheresoever they are and all vessels, at home or abroad.

(Chattel is a catch-all category of property associated with movable goods. At common law, chattel included all property other than real property. Examples include leases, animals, and money. In modern usage, chattel usually only refers to tangible movable personal property.)

I would say that the word is not even applicable in this document. I find the term to be archaic and out dated. This as I have stated, pertains to several items in this statute.

All this being said, I would appreciate your consideration to repeal the part of this statute that applies to residential personal property at the very least and repeal the complete personal property statute if you would. Considering that you may not feel comfortable repealing the complete statute, I ask that you would consider adding distinct wording to allow towns to opt out, or instead to implement this statute if they can't keep their fiscal house in order and find that they can't survive without more tax burden to the people of the towns of the State of Maine. Also, I think that the state should not add an assessment "guess" if a town should opt out of this unnecessary Tax.

Thank you for your time and consideration regarding LD 1506.

Sincerely,

Gary Parker, Litchfield Maine

[selectmanparker@litchfieldmaine.org](mailto:selectmanparker@litchfieldmaine.org)