



Marianne Moore
Senator, District 6

THE MAINE SENATE
132nd Legislature

3 State House Station
Augusta, Maine 04333

LD 1795 An Act to Change the Calculation for Municipal Service Charges for Tax-exempt Organizations

Good afternoon, Senator Grohoski, Representative Cloutier, and distinguished members of the Taxation Committee. My name is Marianne Moore. I proudly represent Senate District 6, which includes all of Washington County along with 16 Communities in Eastern Hancock County as well.

I am here to introduce LD 978, *"An Act to Change the Calculation for Municipal Service Charges for Tax-exempt Organizations."*

During my tenure as a Senator, I have continued to hear from the municipalities in my district about the numbers of properties that are being taken off of the tax roles and either placed into conservation land or now owned by a non-profit organization. A lot of the coastal towns in my district have been the hardest hit.

As you know, currently when a Non-Profit Organization or a Conservation Organization purchases land/property, it becomes property tax free due to their tax status and taken off of the Municipality's tax records. This can pose a financial burden to the Municipality and other taxpayers. As we continue to see their budgets increase year after year, I was asked to submit this bill in an attempt to provide some relief.

This bill expands the liability of certain tax-exempt institutions and organization property owners to municipalities for service charges on that property. The limitation of the municipality's service charge authority is changed from 2% of the institution's or organization's gross revenue to 20% of the property's assessed value.

To allow time for these organizations to plan and budget for this fee, these provisions would not take effect until January 1, 2027.

I ask for your support of this bill and will attempt to answer any questions. Thank you!