

OFFICE OF FISCAL AND PROGRAM REVIEW

Work Session Date: March 1, 2013

To: Members, Joint Standing Committee on Taxation

From: Elizabeth Cooper, Legislative Analyst

LD 402, An Act To Exempt Members of the Houlton Band of Maliseet Indians from Property Tax

Summary: This bill provides that the Houlton Band of Maliseet Indians and members of the Houlton Band of Maliseet Indians are exempt from property taxes in the State.

Public Hearing:

Proponents

- The sponsor presented the bill and provided written testimony.
- *Major points:* tax policy in violation of treaty, may need to be addressed through Maine Indian Tribal State Commission (MITSC); requested referral to Judiciary as the Committee has oversight of MITSC.

Opposed

- The Maine Municipal Association testified in opposition to the bill.
- *Major points:* property tax exemptions for particular groups were enacted prior to sales and income taxes; now that these are available benefits should be funded through state resources; exemptions shift cost to other property taxpayers. (MMA legislative policy committee has not yet discussed this bill and if they take a different position than offered in the testimony, the Committee will be advised.)

NFNA - None

Fiscal Information: The preliminary fiscal impact statement was not available at the time this analysis was completed.