

ENACTED PROPERTY TAX LEGISLATION – 2015 SESSION
General (non-emergency) effective date: October 15, 2015

Tax acquired property. The law has been amended to authorize a municipality to adopt an ordinance allowing the municipality that forecloses on residential real estate to return the excess funds to the party named on a tax lien mortgage at the time of the levy of a tax lien or that party's successors, heirs or assign, after subtracting the tax lien, interest, fees for recording the lien, costs of mailing notice, court costs, taxes that would have been assessed while the property was held by the municipality and any other expenses incurred in disposing of the real estate. The new provision also applies to the unorganized territory. Effective May, 8, 2015. 36 M.R.S § 949; LD 118, PL 2015, c. 53.

Business Equipment Tax Reimbursement. The law now requires the State Tax Assessor to suspend reimbursement under the Business Equipment Tax Reimbursement program that would otherwise be issued if a taxpayer is delinquent in the payment of personal property taxes in the amount of \$10,000 or more to a single municipality. If the taxpayer does not pay the tax due by the end of the reimbursement application period, the taxpayer's eligibility for the suspended reimbursement is terminated. A certification by the municipal tax collector that the taxpayer is delinquent in the payment of personal property taxes must be made from July 1st to July 15th of the year for which the reimbursement is to be suspended. Effective October 15, 2015. 36 M.R.S. §§ 6656(1) & 6656(1-A); LD 279, PL 2015, c. 239.

Motor vehicle excise tax. The law now provides for a motor vehicle excise tax credit to be available when the owner has discontinued the use of the vehicle. Current law limits the credit to when the vehicle's ownership is transferred, the vehicle is totally lost by fire, theft or accident, or the vehicle is totally junked or abandoned. This law requires the owner of the vehicle to provide a signed statement attesting that use of the vehicle from which the credit is being transferred is totally discontinued and states that if the owner who has totally discontinued use of a vehicle later seeks to register that vehicle, no excise tax credits may be applied with respect to the registration of that vehicle or any subsequent transfer of that vehicle's registration. Effective October 15, 2015. 36 M.R.S. § 1482(5); LD 444; PL 2015, c. 87.

Motor vehicle excise tax. Currently, a public utility is required to pay excise tax for its motor vehicles to the municipality where its registered or main office is located while other partnerships and corporations pay excise tax in the place where the owner's registered or main office is located except when the owner has a permanent place of business where the vehicles are customarily kept. The law will require a public utility to pay excise tax to the municipality where the owner's registered or main office is located except when the owner has a permanent place of business where the vehicles are customarily kept in the same manner as other partnerships and corporations. Effective January 1, 2017. 36 M.R.S. §1484(3)(C); LD 514, PL 2015, c. 98.

Motor vehicle excise tax. The law currently allows for the adaptive equipment installed on a motor vehicle owned by a disabled person that makes the vehicle operable or accessible by a

disabled person exempt from the motor vehicle excise tax. The law has been amended to allow the same adaptive equipment that is installed on “for hire” vehicles to also be exempt. Effective June 30, 2015. 36 M.R.S. § 1483(15). LD 1019; PL 2015, c. 267, Pt. BBBB.

Conveyance of state interest in certain real estate in the unorganized territory. This Resolve authorizes the State Tax Assessor to sell certain tax-acquired parcels located in the unorganized territory. Effective October 15, 2015. LD 1327, Resolves, 2015, c. 27.

Homestead Property Tax Exemption. Current law provides for a homestead exemption in the amount of \$10,000 with the State reimbursing municipalities at a rate of 50% of the lost revenue. Beginning in 2016, the homestead exemption will increase to \$15,000 with the State reimbursement continuing at 50%. In 2017, the homestead exemption will increase to \$20,000 with the State reimbursement rate of 50% on the first \$10,000 and 75% on the second \$10,000. Effective June 30, 2015. 36 M.R.S. §683; LD 1019, PL 2015, c. 267, Pt. J.

Veteran’s Exemption. The law was amended to remove the requirement that a Vietnam veteran serve on active duty for 180 days (any part of which must have occurred after February 27, 1961 and before May 8, 1975) in order to qualify for the exemption. The law now only requires that the veteran served on active duty after February 27, 1961 and before May 8, 1975, regardless of the number of days. Effective October 15, 2015. 36 M.R.S. § 653(1)(C); LD 170; PL 2015, c. 353.

Address Confidentiality Program. The law was amended to require that municipal assessors redact the names of individuals certified by the Secretary of State as a participant in the Address Confidentiality Program from the declaration of value form prior to disclosure. Effective October 15, 2015. 36 M.R.S. § 191(2)(K); LD 756; PL 2015, c. 313.