

TAX WS 1/23/2024

TAXATION COMMITTEE
131st LEGISLATURE
1st REG SESSION

ABBREVIATIONS

COR Carry over requested by TAX
CO-T Carried over in TAX
SHADED LDs HAVE BEEN VOTED

LD	LR	PH 1/30	WS	SPONS OR	TITLE	SUMMARY (Summaries may not reflect content of most recent committee action)	COMM ACTION	FINAL ACTION	FISCAL IMPACT ¹	
									FY24	FY25
1153	1513	4/5	4/12	Woodson	An Act to Allow Municipalities to Tax Personal Solar Energy Equipment Under 5 Megawatts	<p>Current law provides a <u>property tax exemption for solar and wind energy equipment that generates heat or electricity IF:</u></p> <ol style="list-style-type: none"> all of the <u>energy is used on the site</u> where the property is located, <u>or</u> the energy is <u>transmitted through the facilities of a transmission and distribution utility, and a utility customer or customers receive a utility bill credit for the energy generated by the equipment.</u> <p>This bill removes wind energy equipment from the <u>exemption.</u></p>	tabled COR	CO-T		
			1/11 1/23			<ul style="list-style-type: none"> Should it be retroactive? What is fiscal impact? 	tabled			
1648	1490	5/17		Boyle	An Act to Make Changes to the Farm	This bill establishes a <u>new method for the valuation of land under the farm and open space tax law.</u>	COR	CO-T		

¹ . Numbers may represent preliminary estimates and are subject to change. For more detail, please see fiscal note documents in LD file.

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					and Open Space Tax Law	<p>It <u>extends eligibility for a reduced valuation to land managed under a carbon conservation management plan, which is a written agreement between the landowner and DACF that describes strategies to be used on a parcel of land at least 10 acres in size to increase carbon storage or improve carbon conservation.</u></p> <p>It <u>removes the requirement that wildlife habitat land meet specific criteria to be eligible for a reduced valuation, such as being designated by the Department of Inland Fisheries and Wildlife as supporting important wildlife habitat or identified by the Department of Agriculture, Conservation and Forestry as supporting a natural vegetation community. Instead, such land is eligible for a reduced valuation if the landowner establishes and complies with a written management agreement between the landowner and either the DIFW or DACF to ensure that the habitat benefits provided by the land are not lost.</u></p> <p>This <u>bill establishes specific criteria for management plans, including requiring them to contain specific strategies for compliance, be sworn to and complied with by the landowner and renewed at least once every 10 years.</u></p> <p>This <u>bill requires the State Tax Assessor to reimburse municipalities for revenue lost as a result of being enrolled under the farm and open space tax law in a amount equal to the reduction in valuation multiplied by “tax burden “ in the tax jurisdiction.”</u></p> <p>This <u>bill also removes the provision limiting to no more than 15,000 acres the amount of land that may be enrolled by a landowner under the farm and open space tax law.</u></p> <p><u>MRS indicates technical concerns and probable mandate costs to municipalities</u></p>				

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1685	1518	5/11	5/24	Matlack	An Act to Increase Acreage Eligibility and Change Requirements for Filing Plans Under the Maine Tree Growth Tax Law	<p>This bill <u>amends the Maine Tree Growth Tax Law</u> by:</p> <ol style="list-style-type: none"> <u>increasing the acreage eligibility requirement from 10 to 25 acres of forested land beginning April 1, 2025.</u> <u>Authorizing municipal assessors and the State Tax Assessor to retain copies of required forest management and harvest plans and with assistance from the Director of the Bureau of Forestry within the Department of Agriculture, Conservation and Forestry to determine the sufficiency of a plan to meet the requirements of the law.</u> Forest management and harvest plans retained by a municipal assessor or the State Tax Assessor are confidential and not public records. <p>MRS has technical concerns. Both MRS and DACF indicate need for clarifications. Patty Cormier, director of Maine Forest Service and Bureau of Forestry opposes the bill.</p>				
			1/23/24							
1737	2103	5/17	5/24 5/25 5/31	Hymes	An Act to Provide up to \$5,000 in Property Tax Relief to Veterans	<p>Current law provides</p> <ol style="list-style-type: none"> <u>up to a \$6,000 exemption in just value for veterans who:</u> <ul style="list-style-type: none"> are at least <u>62 years of age</u> and who served during a federally recognized war period or veterans who were disabled during active military service; and up to \$50,000 for <u>paraplegic veteran</u> receiving veterans <u>benefit for special accessible housing.</u> 	COR	CO-T		

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						<p>All eligible veterans must have left military service under other than dishonorable circumstances.</p> <p><u>This bill</u> provides a <u>complete exemption</u> from property taxes for eligible veterans, <u>except that the dollar amount of the reduction in taxes due because of the exemption is limited to \$5,000 or the amount of taxes actually due for that property tax year, whichever amount is less.</u></p> <p>Sponsor description of proposed amendment:</p> <ol style="list-style-type: none"> <u>Veterans age 62+ will still have wartime provision, not dishonorably discharged and served at least 10 years (working on amount of exemption)</u> <u>Veterans under age 62 would be eligible if disabled. Amount of exemption would be based on % disability perhaps declining from \$50,000 to \$5,000 as % of disability declines to 60%</u> <u>Maximum exemption of total \$5,000 off of total property tax assessed on estate</u> <p>MRS has constitutional and administrative concerns</p> <p><i>(Details may need to be worked out. Sponsor working on basing exemption on valuation, rather than amount of taxes paid?)</i></p>														
		1/11/24 1/23/24				<p><u>Sponsor recommendation:</u></p> <p>All veterans age 62+ \$6,000 no requirement of war services</p> <p>Disabled veterans</p> <table> <tr> <td>100% vet/disability</td> <td>\$50,000</td> </tr> <tr> <td>90% vet/disability</td> <td>\$40,000</td> </tr> <tr> <td>80% vet/disability</td> <td>\$30,000</td> </tr> <tr> <td>70% vet/disability</td> <td>\$20,000</td> </tr> <tr> <td>60% vet/disability</td> <td>\$10,000</td> </tr> </table>	100% vet/disability	\$50,000	90% vet/disability	\$40,000	80% vet/disability	\$30,000	70% vet/disability	\$20,000	60% vet/disability	\$10,000	Tabled			
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2005	2525			Frederick s	An Act to Eliminate the Aircraft Excise Tax	<p>This bill repeals the annual excise tax imposed on aircraft and provides an explicit exemption from the excise tax for aircraft.</p> <p><u>Current excise tax:</u> Maker's average equipped price multiplied by: 9 mills first year 7 mills second year 5 mills third year 4 mills fourth year 3 mills fifth and succeeding years</p>	COR	CO-T		
		1/9/24	1/23/24							
						MRS identifies need for further research on whether 50% State reimbursement for property tax exemption is triggered.				