

OFFICE OF FISCAL AND PROGRAM REVIEW

Date: February 7, 2013
To: Members, Joint Standing Committee on Taxation
From: Elizabeth Cooper, Legislative Analyst

LD 10, An Act To Provide a Property Tax Exemption for Family Burying Grounds

Summary: This bill exempts family burying grounds of 1/4 of an acre or less from property taxation.

Background: The authority to create a family burial ground is found in Title 13, section 1142. (See section 1 in LD.) The burial ground is established when a person delineates (with markers or a fence) a family burial ground of 1/4 of an acre or less and records a deed. The cemetery is protected from a lien (attachment and execution). As long as a person is buried in the family burial ground it cannot be conveyed with the sale of a property and it continues to be a burial ground for the person's family who established it. If the property is sold, the new owner may have to grant an easement if there isn't direct access for the family whose relatives are buried there.

Public Hearing:

Proponents

The sponsor presented the bill.

Opposed

Maine Municipal Association

NFNA

None

Major points: under current law a family burial ground is free from attachment, but is still taxable.

Major points: a family burial ground should be considered in assessment of just value; if not, the property owner can request an abatement.

Issues to consider:

- Municipal Reimbursement
- Shoreland zoning
- Mandate
- Application process

Previous legislation: 123rd – LD 1486, 125th – LD 1081

Fiscal Information: The preliminary fiscal impact statement indicates that local activities in this bill may represent a State mandate pursuant to the Constitution of Maine. Unless General Fund appropriations are provided to fund at least 90% of the additional costs or a Mandate Preamble is amended to the bill and two-thirds of the members of each House vote to exempt this mandate from the funding requirement, municipalities may not be required to implement these changes. In addition, the State is required to annually reimburse municipalities for 50% of the property tax revenue lost by municipalities for state imposed property tax exemptions or credits. (Article IV, Section 23) Maine Revenue Service will require an appropriation beginning on or after April 1, 2014.