



128th MAINE LEGISLATURE

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Legislative Document

No. 393

H.P. 284

House of Representatives, February 7, 2017

**An Act To Clarify That the Department of Transportation Is
Exempt from Property Assessment Liabilities When Acquiring
Property by Condemnation**

Submitted by the Department of Transportation pursuant to Joint Rule 204.
Reference to the Committee on Transportation suggested and ordered printed.

A handwritten signature in cursive script that reads "Robert B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative GILLWAY of Searsport.
Cosponsored by Senator COLLINS of York and
Representatives: BRYANT of Windham, GRANT of Gardiner, PARRY of Arundel, Senator:
ROSEN of Hancock.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 23 MRSA §161, sub-§1**, as amended by PL 1971, c. 593, §22, is further
3 amended to read:

4 **1. Reimbursement.** When the department acquires real or personal property for
5 transportation purposes, the department is not required to pay any taxes or assessments on
6 that property. The department, as soon as practicable after the date of payment of just
7 compensation, shall reimburse the owner from whom ~~land or rights in land were the~~
8 property has been acquired for highway transportation purposes, to the extent the
9 department deems fair and reasonable, for expenses ~~such~~ the owner necessarily incurred
10 for:

11 A. Recording fees, transfer taxes and similar expenses, if any, incidental to
12 conveying such property to the State;

13 B. Penalty costs for prepayment of any preexisting recorded mortgage entered into in
14 good faith encumbering such real property; and

15 C. The pro rata portion of real or personal property taxes assessed or paid ~~which that~~
16 are allowable to a period subsequent to the date of vesting title in the State, or the
17 effective date of possession of such real property by the State, whichever is earlier the
18 end of the municipal fiscal year during which the acquisition takes place. An owner
19 from whom real or personal property has been acquired for transportation purposes is
20 not liable for assessments or other tax liabilities covering a period during which that
21 owner no longer owns the property.

22 **SUMMARY**

23 This bill clarifies that the Department of Transportation is not required to pay taxes or
24 assessments on property it acquires for transportation purposes. The bill provides that the
25 previous property owner is not liable for assessments or other tax liabilities on the
26 condemned property for any period of time during which that owner no longer owns the
27 property.