



130th MAINE LEGISLATURE

FIRST REGULAR SESSION-2021

Legislative Document

No. 418

H.P. 302

House of Representatives, February 10, 2021

An Act To Create a Graduated Real Estate Transfer Tax

Received by the Clerk of the House on February 8, 2021. Referred to the Committee on Taxation pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

Handwritten signature of Robert B. Hunt in cursive.

ROBERT B. HUNT
Clerk

Presented by Representative WILLIAMS of Bar Harbor.
Cosponsored by Senator CHIPMAN of Cumberland and
Representatives: KESSLER of South Portland, LOOKNER of Portland, MORALES of South
Portland, PEBWORTH of Blue Hill, ROEDER of Bangor.

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

2 **Sec. 1. 36 MRSA §4641, sub-§4** is enacted to read:

3 **4. Primary residence.** "Primary residence" has the same meaning as the term
4 "homestead" as defined in section 681, subsection 2.

5 **Sec. 2. 36 MRSA §4641-A, sub-§1, ¶A,** as enacted by PL 2001, c. 559, Pt. I, §3
6 and affected by §15, is amended to read:

7 A. The rate of the tax is \$2.20 for each \$500 or fractional part of \$500 of the value of
8 the property transferred, except that for transfers occurring on or after January 1, 2022,
9 the rate of tax is \$1.50 for each \$500 or fractional part of \$500 of the first \$150,000 of
10 value for a primary residence and \$2.50 for each \$500 or fractional part of \$500 of the
11 value of a primary residence that exceeds \$150,000 of the value of a primary residence
12 and for all other property.

13 **Sec. 3. 36 MRSA §4641-A, sub-§2, ¶A,** as enacted by PL 2001, c. 559, Pt. I, §3
14 and affected by §15, is amended to read:

15 A. The rate of the tax is \$2.20 for each \$500 or fractional part of \$500 of the value of
16 the real property owned by the entity and located in this State, except that for transfers
17 occurring on or after January 1, 2022, the rate of tax is \$1.50 for each \$500 or fractional
18 part of \$500 of the first \$150,000 of value for property owned by the entity that is a
19 primary residence and \$2.50 for each \$500 or fractional part of \$500 of the value of
20 property owned by the entity that is a primary residence that exceeds \$150,000 of the
21 value for a primary residence and for all other property owned by the entity.

22 **SUMMARY**

23 This bill decreases the rate of the real estate transfer tax on the first \$150,000 of value
24 of a primary residence to \$1.50 for each \$500 or fractional part of \$500 of the value and
25 increases the tax rate on the value of a primary residence exceeding \$150,000 and on all
26 other property to \$2.50 for each \$500 or fractional part of \$500 of the value.