



126th MAINE LEGISLATURE

FIRST REGULAR SESSION-2013

Legislative Document

No. 402

H.P. 277

House of Representatives, February 12, 2013

**An Act To Exempt Members of the Houlton Band of Maliseet
Indians from Property Tax**

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative BEAR of the Houlton Band of Maliseet Indians.

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

2 **Sec. 1. 30 MRSA §6208**, as amended by PL 2009, c. 384, Pt. A, §2 and affected
3 by §4, is further amended to read:

4 **§6208. Taxation**

5 **1. Settlement Fund income.** The Settlement Fund and any portion of such funds or
6 income therefrom distributed to the Passamaquoddy Tribe or the Penobscot Nation or the
7 members thereof shall be exempt from taxation under the laws of the State.

8 **2. Property taxes.** The Passamaquoddy Tribe and the Penobscot Nation shall make
9 payments in lieu of taxes on all real and personal property within their respective Indian
10 territory in an amount equal to that which would otherwise be imposed by a county, a
11 district, the State, or other taxing authority on such real and personal property provided,
12 however, that any real or personal property within Indian territory used by either tribe or
13 nation predominantly for governmental purposes shall be exempt from taxation to the
14 same extent that such real or personal property owned by a municipality is exempt under
15 the laws of the State. ~~The Houlton Band of Maliseet Indians shall make payments in lieu~~
16 ~~of taxes on Houlton Band Trust Land in an amount equal to that which would otherwise~~
17 ~~be imposed by a municipality, county, district, the State or other taxing authority on that~~
18 ~~land or natural resource. Any~~ Except as provided in subsection 4, any other real or
19 personal property owned by or held in trust for any Indian, Indian Nation or tribe or band
20 of Indians and not within Indian territory, shall be subject to levy and collection of real
21 and personal property taxes by any and all taxing authorities, including but without
22 limitation municipalities, except that such real and personal property owned by or held
23 for the benefit of and used by the Passamaquoddy Tribe or the Penobscot Nation
24 predominantly for governmental purposes shall be exempt from property taxation to the
25 same extent that such real and personal property owned by a municipality is exempt
26 under the laws of the State.

27 ~~**2-A. Payments in lieu of taxes; authority.** Any municipality in which Houlton~~
28 ~~Band Trust Land is located has the authority, at its sole discretion, to enter into~~
29 ~~agreements with the Houlton Band of Maliseet Indians to accept other funds or other~~
30 ~~things of value that are obtained by or for the Houlton Band of Maliseet Indians by reason~~
31 ~~of the trust status of the trust land as replacement for payments in lieu of taxes.~~

32 ~~Any agreement between the Houlton Band of Maliseet Indians and the municipality must~~
33 ~~be jointly executed by persons duly authorized by the Houlton Band of Maliseet Indians~~
34 ~~and the municipality and must set forth the jointly agreed value of the funds or other~~
35 ~~things identified serving as replacement of payments in lieu of taxes and the time period~~
36 ~~over which such funds or other things may serve in lieu of the obligations of the Houlton~~
37 ~~Band of Maliseet Indians provided in this section.~~

38 **3. Other taxes.** The ~~Except as provided in subsection 4, the~~ Passamaquoddy Tribe,
39 the Penobscot Nation, the members thereof, and any other Indian, Indian Nation, or tribe
40 or band of Indians shall be liable for payment of all other taxes and fees to the same
41 extent as any other person or entity in the State. For purposes of this section either tribe or
42 nation, when acting in its business capacity as distinguished from its governmental

1 capacity, shall be deemed to be a business corporation organized under the laws of the
2 State and shall be taxed as such.

3 **4. Houlton Band of Maliseet Indians.** Notwithstanding any other provision of law,
4 the Houlton Band of Maliseet Indians and members of the Houlton Band of Maliseet
5 Indians are exempt from property taxes imposed under Title 36, Part 2.

6 **Sec. 2. Contingent effective date.** This Act takes effect October 1, 2013 only if,
7 within 90 days after the adjournment of the First Regular Session of the 126th Legislature,
8 the Secretary of State receives written certification from the Houlton Band Council of the
9 Houlton Band of Maliseet Indians that the band has agreed to the provisions of this Act
10 pursuant to 25 United States Code, section 1725(e)(2). Copies of the written certification
11 must be submitted by the Secretary of State to the Secretary of the Senate, the Clerk of
12 the House and the Revisor of Statutes.

13 **SUMMARY**

14 This bill provides that the Houlton Band of Maliseet Indians and members of the
15 Houlton Band of Maliseet Indians are exempt from property taxes in the State.