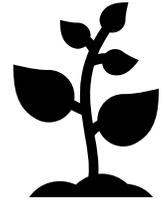




Property Exempt Under Section 655



The following personal property is exempt from taxation under 36 MRSA §655:

Agricultural Products: Agricultural produce and forest products, including logs, pulpwood, woodchips and lumber.

Alien and Out-Of-State Property: Personal property in another state or country and legally taxed there.

Beehives: All beehives.

Boats: Pleasure vessels and boats in the State on the first day of each April whose owners reside out of the State and which are left in this State temporarily by the owners for the purpose of repair or storage, except those regularly kept in the State during the preceding year.

Farm Machinery: All farm machinery used exclusively in production of hay and field crops to the aggregate actual market value not exceeding \$10,000, excluding motor vehicles. "Motor vehicles" means any self-propelled vehicle. *If you have this type of equipment, please contact our office for the proper forms to claim your exemption.*

Goods in Transit: Property in possession of a common carrier while in interstate transportation or held enroute awaiting transportation to the destination named in a bill of lading.

Household Property: The household furniture, including television sets and musical instruments, of all persons in any one household, their wearing apparel, farming utensils and mechanical tools (e.g., hand tools) necessary for their business.

Industrial Inventories: Industrial inventories, including raw materials, goods in process, and finished work on hand.

Livestock: Livestock, including farm animals, neat cattle (cattle which have cloven or split-hoof, and which also chew their cud), and fowl.

Mining property: Mining property as provided in 36 MRSA § 2854.

Personal Property Owned by Individual: All items of individually owned personal property with a just value of less than \$1,000 except: (1) Items used for industrial or commercial purposes; (2) Vehicle and camper trailers as defined in 36 MRSA § 1481 that are not subject to an excise tax. The \$1,000 exemption applies to each individual item of property and not to an accumulated total value of all items owned by an individual.

Pollution Control Facilities: Water pollution and air pollution control facilities, if certified as such by the Department of Environmental Protection on or before April 1st of the first year in which the exemption is claimed.

Radium: All radium used in the practice of medicine.

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More Property Exempt Under Section 655

Snowmobiles: Registered snowmobiles, as defined in 12 MRSA § 13001 (25).

Solar and wind energy equipment: As of September 19th, 2019, solar and wind energy equipment that generated heat or electricity if all of the energy is used on the site where the property is located or 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 pursuant to Title 35-A. Taxpayers are required to file a report with the assessor on or before April 1st of the first property tax year for which the taxpayer claims the exemption. This report must be on a form prescribed by the State Tax Assessor. *If you have wind or solar equipment, please contact our office for the proper forms to claim your exemption.*

Stock in Trade: Stock in trade, including inventory held for resale by a distributor, wholesaler, retail merchant or service establishment. It includes an unoccupied manufactured home as defined by 10 MRSA § 9002 (7)(A) or (C), that was not previously occupied at its present location, is not connected to water or sewer and that is owned and offered for sale by a licensed seller of manufactured homes pursuant to 10 MRSA § 951 (2). *Inhabitants of Town of Farmington v. Hardy's Trailer Sales, Inc. 410 A.2d 221 (Me. 1980).* "Inventory held for resale" includes inventory that is held both for resale and rental. *Eagle Rental, Inc. v. City of Waterville, 632 A.2d 130 (Me. 1993).* However, leased equipment does not fall within the stock in trade exemption for personal property. *Chadwick-BaRoss, Inc. v. City of Westbrook, 2016 ME 62, 137 A.3d 1020.* Property that is out on a rental and not in the owner's possession on April 1st is not exempt. *Handyman Equipment Rental Co., Inc. v. City of Portland, 1999 ME 20, 724 A.2d 605, citing Eagle Rental, supra.*

Trail-grooming equipment: Trail grooming equipment registered under 12 MRSA § 13113.

Vehicles: Vehicles exempt from excise tax in accordance with 36 MRSA § 1483.

Vessels: Vessels built, in the process of construction, or undergoing repairs, that are within the State on the first day of April and are owned by persons residing out of the State. "Vessels" as used in this paragraph shall not be construed to include pleasure vessels and boats.

Source: MMA Municipal Assessment Manual, November 2019 revised edition

Important Considerations:

- "Taxation is the rule and exemption is the exception" – *Humboldt Field Research Institute v. Town of Steuben, 2011 ME 130, 36 A.3d 873, Saufley, C.J*
- In order to receive an exemption, an application must be submitted before the deadline which in most cases is April 1 of the tax year (the BETE exemption statutory deadline is May 1 of the tax year).
- If "seasonable notice" is given to a taxpayer pursuant to § 706-A, a taxpayer must furnish the assessors with a "true and perfect" list of all the taxable property and any business equipment that is exempt under 36 MRSA §§ 691 to 670-B which they possess as of April 1st. (Failure to do so will bar the taxpayer from seeking an abatement.)