

## §4641. Definitions

As used in this chapter, unless the context otherwise indicates, the following words shall have the following meanings: [PL 1975, c. 572, §1 (NEW).]

**1. Consideration.** "Consideration" means the total price or amount paid, or required to be paid, for real property valued in money, whether received in money or otherwise and includes the amount of any mortgages, liens or encumbrances thereon, regardless of whether the underlying indebtedness is assumed by the grantee.

[PL 1993, c. 398, §1 (AMD).]

**1-A. Controlling interest.** "Controlling interest" means the following.

A. In the case of a corporation, "controlling interest" means more than 50% of the total combined voting power of all classes of stock of the corporation entitled to vote or more than 50% of the capital, profits or beneficial interest in the voting stock of the corporation. [PL 2003, c. 391, §2 (AMD).]

B. In the case of a partnership, association, trust or other entity, "controlling interest" means more than 50% of the capital, profits or beneficial interest in the partnership, association, trust or other entity. [PL 2003, c. 391, §2 (AMD).]

C. For purposes of the tax imposed by section 4641-A, subsection 2, all acquisitions of persons acting in concert are aggregated for purposes of determining whether a transfer or acquisition of a controlling interest has taken place. The State Tax Assessor shall adopt standards by rule to determine when persons are acting in concert. Rules adopted pursuant to this paragraph are routine technical rules as defined in Title 5, chapter 375, subchapter II-A. In adopting a rule for this purpose, the assessor shall consider the following:

(1) Persons must be treated as acting in concert when they have a relationship with each other such that one person influences or controls the actions of another through common ownership; and

(2) When persons are not commonly owned or controlled, they must be treated as acting in concert only when the unity with which the purchasers have negotiated and will consummate the transfer of ownership interests supports a finding that they are acting as a single entity. If the acquisitions are completely independent, with each purchaser buying without regard to the identity of the other purchasers, the acquisitions must be considered separate acquisitions. [PL 2001, c. 559, Pt. I, §1 (NEW); PL 2001, c. 559, Pt. I, §15 (AFF).]

[PL 2003, c. 391, §2 (AMD).]

**2. Deed.** "Deed" means a written instrument whereby the grantor conveys to the grantee title in whole or in part to real property.

[PL 1975, c. 572, §1 (NEW).]

**2-A. Real property.** "Real property" means land or anything affixed to land. "Real property" includes, but is not limited to, improvements such as buildings, mobile homes other than stock-in-trade, lines of electric light and power companies and pipelines and other things constructed or situated on land when the owner of the improvements is not the landowner.

[PL 2001, c. 559, Pt. I, §1 (NEW); PL 2001, c. 559, Pt. I, §15 (AFF).]

**3. Value.** "Value" means the amount of the actual consideration for real property, except that in the case of a gift, or a contract or deed with nominal consideration or without stated consideration, or in the case of the transfer of a controlling interest in an entity with a fee interest in real property when the consideration for the real property cannot be determined, "value" is to be based on the estimated price a property will bring in the open market and under prevailing market conditions in a sale between a willing seller and a willing buyer, both conversant with the property and with prevailing general price

levels. For the purposes of this subsection, "nominal" means less than 20% of the property's most recently locally assessed value as adjusted by the municipality's or unorganized territory's certified assessment ratio, unless the taxpayer provides an attestation from the local assessor that the most recent locally assessed value does not reflect current market value.

"Value" does not include the amount of consideration attributable to vacation exchange rights, vacation services or club memberships or the costs associated with those rights, services or memberships. Upon request of a municipal assessor or the State Tax Assessor, a developer of a time-share estate, as defined in Title 33, section 591, subsection 7, or an association of time-share estate owners shall provide an itemized schedule of fees included in the sales price of a time-share estate.

[PL 2019, c. 401, Pt. A, §18 (AMD).]

#### SECTION HISTORY

P&SL 1967, c. 154, §H (NEW). PL 1967, c. 537, §2 (RP). PL 1975, c. 572, §1 (NEW). PL 1993, c. 398, §1 (AMD). PL 1999, c. 478, §3 (AMD). PL 2001, c. 559, §§1,2 (AMD). PL 2001, c. 559, §15 (AFF). PL 2003, c. 391, §2 (AMD). PL 2019, c. 401, Pt. A, §18 (AMD).

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