



TOWN OF SOUTHWEST HARBOR

**DISBURSEMENT OF EXCESS FUNDS
RECEIVED FROM THE SALE OF TAX ACQUIRED PROPERTY
ORDINANCE**

Approved 05/02/2017

Attest a true copy

Marilyn J. Lowell
Marilyn J. Lowell, Town Clerk



TOWN OF SOUTHWEST HARBOR, MAINE
DISBURSEMENT OF EXCESS FUNDS
RECEIVED FROM THE SALE OF TAX ACQUIRED PROPERTY ORDINANCE
Enacted May 2, 2017

WHEREAS, the 127th Maine Legislature enacted a new law adding Section 949, Disbursement of excess funds, to Title 36 of the Maine Revised Statutes Annotated;

WHEREAS, this law permits municipalities, through the adoption of an ordinance, to disburse the excess of any funds received by the municipality from the sale of tax acquired property to the former owner;

WHEREAS, the Town of Southwest Harbor (the "Town") wishes to adopt such an ordinance; and

NOW THEREFORE, the Town hereby enacts the following Ordinance:

1. Definitions.

"Excess of any funds" means the amount obtained by the Town for the disposition of the property less:

- (1) All taxes and interest owed on the property and the amount of taxes and interest that would have been assessed had the property not been acquired by the Town;
- (2) The Town's cost of the lien and foreclosure process;
- (3) The Town's cost of maintaining and disposing of the property; and
- (4) Unpaid sewer, water or other charges and fees imposed by the Town or a quasi-governmental authority.

"Former owner" means the party named on the tax lien mortgage at the time of the levy of a tax lien or that party's successors, heirs, or assigns.

2. Standards for Disbursement.

The excess of any funds received from the sale of tax acquired property may be distributed to the former owner under the following circumstances:

- (1) The property is a residential property;
- (2) The former owner makes an affirmative showing of financial hardship as determined in the sole discretion of the Board of Selectmen; and

(3) The excess of any funds is over one-hundred fifty dollars (\$150.00).

3. Application.

This Section applies only to the sale of property acquired through the tax lien and foreclosure process occurring on or after January 1, 2015.

4. Owner Not Found.

If the Town is unable to locate the property owner within ninety (90) days of the sale of the property, the unclaimed funds will be transferred to the Town Treasurer to be held in escrow for a period of one (1) year. If such property remains unclaimed for this one-year period, these monies shall be paid into the Southwest Harbor General Fund.