

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals
(may include minor formatting differences from printed original)



127th MAINE LEGISLATURE

FIRST REGULAR SESSION-2015

Legislative Document

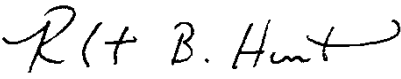
No. 183

H.P. 141

House of Representatives, January 27, 2015

An Act To Decrease Property Taxes by Increasing the Sales Tax

Reference to the Committee on Taxation suggested and ordered printed.


ROBERT B. HUNT
Clerk

Presented by Representative PICCHIOTTI of Fairfield.
Cosponsored by Representative: BECK of Waterville.

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

2 **Sec. 1. 36 MRSA §683, sub-§1-B** is enacted to read:

3 **1-B. Additional exemption.** For tax years beginning on or after April 1, 2016, a
4 homestead eligible for an exemption under subsection 1 is eligible for an additional
5 exemption of \$10,000 of the just value of the homestead.

6 **Sec. 2. 36 MRSA §683, sub-§§3 and 4,** as amended by PL 2005, c. 2, Pt. F, §3
7 and affected by §5, are further amended to read:

8 **3. Effect on state valuation.** Fifty percent of the just value of ~~homesteads exempt~~
9 ~~under this subchapter~~ homestead exemptions under subsection 1 and 100% of the just
10 value of homestead exemptions under subsection 1-B must be included in the annual
11 determination of state valuation under sections 208 and 305.

12 **4. Property tax rate.** Fifty percent of the value of homestead exemptions under ~~this~~
13 ~~subchapter~~ subsection 1 and 100% of the value of homestead exemptions under
14 subsection 1-B must be included in the total municipal valuation used to determine the
15 municipal tax rate. The municipal tax rate as finally determined may be applied to only
16 the taxable portion of each homestead qualified for that tax year.

17 **Sec. 3. 36 MRSA §683, sub-§5,** as enacted by PL 2005, c. 647, §4 and affected
18 by §5, is amended to read:

19 **5. Determination of exemption for cooperative housing corporation.** A
20 cooperative housing corporation may apply for an exemption under this subchapter to be
21 applied against the valuation of property of the corporation that is occupied by qualifying
22 shareholders. The application must include a list of all qualifying shareholders and must
23 be updated annually to reflect changes in the ownership and residency of qualifying
24 shareholders. The exemption is equal to the ~~amount~~ amounts specified in ~~subsection~~
25 subsections 1 and 1-B multiplied by the number of units in the cooperative property
26 occupied by qualifying shareholders. A cooperative housing corporation that receives an
27 exemption pursuant to this section shall apportion the property tax reduction resulting
28 from the exemption among the qualifying shareholders on a per unit basis. Any
29 supplemental assessment resulting from disqualification for exemption must be applied in
30 the same manner against the qualifying shareholders for whom the disqualification
31 applies.

32 **Sec. 4. 36 MRSA §685, sub-§2,** as amended by PL 2005, c. 2, Pt. F, §4 and
33 affected by §5, is further amended to read:

34 **2. Entitlement to reimbursement by the State; calculation.** A municipality that
35 has approved homestead exemptions under this subchapter may recover from the State
36 50% of the taxes lost by reason of the exemptions under section 683, subsection 1 and
37 100% of the taxes lost by reason of the exemptions under section 683, subsection 1-B
38 upon proof in a form satisfactory to the bureau. The bureau shall reimburse the
39 Unorganized Territory Education and Services Fund in the same manner for ~~50% of taxes~~
40 lost by reason of the ~~exemption~~ exemptions.

