

MAINE STATE LEGISLATURE

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ONE
ROPS

L.D. 560

Date: 4/9/19

(Filing No. H- 77)

Majority
TAXATION

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
129TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 404, L.D. 560, Bill, "An Act To Improve Access to Property Tax Exemptions for New Homeowners"

Amend the bill by striking out everything after the enacting clause and inserting the following:

Sec. 1. 36 MRSA §681, sub-§5, ¶B, as enacted by PL 2005, c. 647, §3 and affected by §5, is amended to read:

B. ~~Shareholder~~ Prior to property tax years beginning on or after April 1, 2020, shareholder for the preceding 12 months in the cooperative housing corporation specified in paragraph A; and

Sec. 2. 36 MRSA §683, sub-§1, as amended by PL 2017, c. 478, §1, is further amended to read:

1. Exemption amount. Except Prior to property tax years beginning on or after April 1, 2020, except for assessments for special benefits, the just value of \$10,000 of the homestead of a permanent resident of this State who has owned a homestead in this State for the preceding 12 months is exempt from taxation. Beginning with property tax years beginning on or after April 1, 2020, except for assessments for special benefits, the just value of \$10,000 of the homestead of a permanent resident of this State is exempt from taxation. Notwithstanding this subsection, a permanent resident of this State who loses ownership of a homestead in this State due to a tax lien foreclosure and subsequently regains ownership of the homestead from the municipality that foreclosed on the tax lien is deemed to have continuously owned the homestead and may not be determined ineligible for the exemption provided in this section due to the ownership of the homestead by the municipality. In determining the local assessed value of the exemption, the assessor shall multiply the amount of the exemption by the ratio of current just value upon which the assessment is based as furnished in the assessor's annual return pursuant to section 383. If the title to the homestead is held by the applicant jointly or in common with others, the exemption may not exceed \$10,000 of the just value of the homestead, but may be apportioned among the owners who reside on the property to the extent of their respective interests. A municipality responsible for administering the homestead

COMMITTEE AMENDMENT

ROPS

COMMITTEE AMENDMENT "A" to H.P. 404, L.D. 560

1 exemption has no obligation to create separate accounts for each partial interest in a
2 homestead owned jointly or in common.

3 **Sec. 3. Appropriations and allocations.** The following appropriations and
4 allocations are made.

5 **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

6 **Homestead Property Tax Exemption Reimbursement 0886**

7 Initiative: Provides funding to allow homeowners who have lived in their residences for
8 less than 12 months to qualify for the homestead property tax exemption.

9	GENERAL FUND	2019-20	2020-21
10	All Other	\$0	\$1,000,000
11			
12	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$1,000,000</u>
13			

14 Amend the bill by relettering or renumbering any nonconsecutive Part letter or
15 section number to read consecutively.

16 **SUMMARY**

17 This amendment provides that the bill's expansion of the homestead property tax
18 exemption to include persons who have not owned a homestead for the preceding 12
19 months first applies for property tax years beginning on or after April 1, 2020. The
20 amendment also adds an appropriations and allocations section.

21 **FISCAL NOTE REQUIRED**

22 (See attached)



129th MAINE LEGISLATURE

LD 560

LR 2224(02)

An Act To Improve Access to Property Tax Exemptions for New Homeowners

Fiscal Note for Bill as Amended by Committee Amendment "A(H-77)"

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
Net Cost (Savings)				
General Fund	\$0	\$1,000,000	\$1,350,000	\$1,400,000
Appropriations/Allocations				
General Fund	\$0	\$1,000,000	\$1,350,000	\$1,400,000

Fiscal Detail and Notes

The bill includes a General Fund appropriation in fiscal year 2020-21 to the Department of Administrative and Financial Services to increase homestead property tax exemption payments for homeowners who have lived in their residence for less than twelve months.