

MAINE STATE LEGISLATURE

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ROFS

L.D. 140

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Date: 6/5/25

(Filing No. S-280)

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TAXATION

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Reproduced and distributed under the direction of the Secretary of the Senate.

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STATE OF MAINE

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SENATE

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132ND LEGISLATURE

8

FIRST SPECIAL SESSION

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COMMITTEE AMENDMENT "A" to S.P. 76, L.D. 140, "An Act to Incrementally Increase the Homestead Property Tax Exemption"

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Amend the bill in section 1 in subsection 1-B by striking out all of paragraph C (page 1, lines 11 to 13 in L.D.) and inserting the following:

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'C. For property tax years beginning on or after April 1, 2020, \$15,000 of the just value of the homestead; and'

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Amend the bill in section 1 in subsection 1-B in paragraph D in the first line (page 1, line 14 in L.D.) by striking out the following: "\$10,000" and inserting the following: '\$5,000'

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Amend the bill in section 1 in subsection 1-B in paragraph D in the last line (page 1, line 16 in L.D.) by striking out the following: "\$85,000" and inserting the following: '\$50,000'

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Amend the bill in section 1 in subsection 1-B in the first blocked paragraph in the last line (page 1, line 22 in L.D.) by striking out the following: "2032" and inserting the following: '2031'

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Amend the bill by inserting after section 1 the following:

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'Sec. 2. Appropriations and allocations. The following appropriations and allocations are made.

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ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

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Revenue Services, Bureau of 0002

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Initiative: Provides one-time funding for computer programming costs.

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GENERAL FUND

All Other

GENERAL FUND TOTAL

Revenue Services, Bureau of 0002

2025-26

\$47,640

\$47,640

2026-27

\$0

\$0

COMMITTEE AMENDMENT

ROFS

COMMITTEE AMENDMENT "A" to S.P. 76, L.D. 140 (S. 280)

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Initiative: Provides funding for increased homestead property tax exemption reimbursement to municipalities starting with the property tax year beginning April 1, 2026.

GENERAL FUND	2025-26	2026-27
All Other	\$0	\$14,025,000
GENERAL FUND TOTAL	\$0	\$14,025,000

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF		
DEPARTMENT TOTALS	2025-26	2026-27
GENERAL FUND	\$47,640	\$14,025,000
DEPARTMENT TOTAL - ALL FUNDS	\$47,640	\$14,025,000

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

SUMMARY

This amendment reduces future increases of the homestead property tax exemption to \$5,000 per year beginning in 2026 and caps the exemption increases at \$50,000 of the just value of the homestead. The amendment also provides that once the exemption amount reaches \$50,000 in 2032, the amount of the exemption will be adjusted for inflation annually. The amendment also adds an appropriations and allocations section.

FISCAL NOTE REQUIRED
(See attached)

COMMITTEE AMENDMENT

**132nd MAINE LEGISLATURE****LD 140****LR 354(02)****An Act to Incrementally Increase the Homestead Property Tax Exemption****Fiscal Note for Bill as Amended by Committee Amendment****Committee: Taxation****Fiscal Note Required: Yes***11/15/28*

Fiscal Note

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Net Cost (Savings)				
General Fund	\$47,640	\$14,025,000	\$33,120,000	\$52,790,000
Appropriations/Allocations				
General Fund	\$47,640	\$14,025,000	\$33,120,000	\$52,790,000

Fiscal Detail and Notes

This bill includes General Fund appropriations to the Bureau of Revenue Services within the Department of Financial and Administrative Services of \$47,640 in fiscal year 2025-26 and \$14,025,000 in fiscal year 2026-27 to provide funding for increased homestead property tax exemption reimbursements to municipalities starting with the property tax year beginning April 1, 2026 and to provide one-time funding for necessary computer programming costs. This bill increases the additional homestead property tax exemption amount by \$5,000 each year starting with the property tax year beginning April 1, 2026 until the additional homestead property tax exemption amount is \$50,000. In subsequent years, the additional homestead property tax exemption amount will be indexed to inflation.