STATE OF MAINE

132ND LEGISLATURE

FIRST REGULAR AND FIRST SPECIAL SESSIONS

Disposition of bills and summaries of all laws enacted or finally passed

JOINT STANDING COMMITTEE ON TAXATION

August 2025

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LD 1755 An Act to Increase the Maine Historic Property Rehabilitation Tax Credit in Rural Areas

ENACTED LAW SUMMARY

Public Law 2025, chapter 499 increases the historic properties tax credit to 35% of certified qualified rehabilitation expenditures to eligible projects that are located in rural areas in this State and contain housing components. A further 10% increase in the historical properties tax credit is available to certified affordable housing projects in rural areas. Under this law, "rural area" means an unorganized territory of the State or a municipality that has a population of less than 12,500 inhabitants as determined by the United States Department of Commerce, Bureau of the Census based on the latest decennial census of the United States. The law applies to tax years beginning on or after January 1, 2025.

LD 1768 An Act to Protect Residents of Mobile Home Parks by Amending the Real Estate Transfer Tax

ENACTED LAW SUMMARY

Public Law 2025, chapter 484 exempts real estate transfer tax on purchases of mobile home parks by residents of the park. The law also modifies the purposes of the Housing Opportunities for Maine Program to include maintaining housing affordability in mobile home parks to support ownership of mobile home owners' associations, resident-owned housing cooperatives or other nonprofit entities representing the interests of mobile home owners in mobile home parks.

LD 1770 Resolve, to Establish the Real Estate Property Tax Relief Task Force

ENACTED LAW SUMMARY

Resolve 2025, chapter 108 establishes the Real Estate Property Tax Relief Task Force as follows.

1. It requires the task force to examine the effects of state-level property tax policy on municipalities.

2. It provides that the task force has 13 voting members representing the Legislature, the Executive branch and the public and members with expertise in property taxation and other related fields.

3. It requires the task force to meet jointly with the Joint Standing Committee on Taxation at least once.

4. It authorizes the task force to form subcommittees to focus on specific issues related to property tax relief.

5. It requires the task force to submit a final report by December 15, 2026, and an interim report by January 15, 2026. Both reports may include proposed legislation based on the task force's findings and recommendations.

Resolve 2025, chapter 108 was finally passed as an emergency measure effective July 1, 2025.

LD 1783 An Act to Clarify Municipal Affordable Housing Tax Increment Financing

ENACTED LAW SUMMARY

Public Law 2025, chapter 252 changes the affordable housing development program by allowing the program to start and end during any tax years approved by the municipal legislative body, with the duration not exceeding 30 years after the affordable housing is placed in service or 35 years after the district designation is approved, whichever comes first. The law also requires municipalities with affordable housing development districts to submit annual reports to the director, certifying that the public purpose of the district is being met, accounting for any property sales within the district and ensuring that rental units remain affordable.

LD 1876 An Act to Change the Name and Duties of the Taxpayer Advocate to Increase the Use of State Tax Credits

ENACTED LAW SUMMARY

Public Law 2025, chapter 486 changes the title of the taxpayer advocate in the Department of Administrative and Financial Services, Bureau of Revenue Services to the taxpayer advocate and experience officer and revises the duties of the position. The law requires the taxpayer advocate and experience officer to study and develop recommendations to increase the use of individual state tax credits by individuals in this State by examining the following: current use of state tax credits; services offered by large tax preparation firms with respect to assisting customers to access state tax credits; the role of State Government in promoting public awareness of individual state tax credits; and municipal efforts to promote public awareness of individual state tax credits. The law requires the taxpayer advocate and experience officer to submit to the Joint Standing Committee on Taxation by November 4, 2026 a report consisting of the taxpayer advocate and experience officer's findings and recommendations, including any proposed legislation. The committee may report out legislation related to the report to the 133rd Legislature in 2027.

The law also permits the State Controller to transfer $50,000 from the unappropriated surplus of the General Fund to the All Other line category in the University of Maine System, New Ventures Maine program, Other Special Revenue Funds account to support a coalition of approximately 50 organizations providing free volunteer tax assistance and other financial education services to low-income individuals and families statewide.

The law requires the Chancellor of the University of Maine System, in maintaining the so-called New Ventures Maine program pursuant to the Maine Revised Statutes, Title 20-A, section 10922,