

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
106TH LEGISLATURE

HOUSE AMENDMENT "A" to H.P. 1588, L.D. 2016, Bill, "AN ACT  
to Provide a Maine Homestead Property Tax Exemption Law."

Amend said Bill by striking out everything after the enacting  
clause and inserting in place thereof the following:

Sec. 1.

§ 36, c. 903, additional. Title 36 of the Revised Statutes is amended  
by adding a new chapter 903 to read as follows:

CHAPTER 903

MAINE HOMESTEAD PROPERTY TAX EXEMPTION LAW

§ 6171. Title

This chapter shall be known as the "Maine Homestead Property Tax Ex-  
emption Law."

§ 6172. Purposes

The purposes of this chapter are to:

1. Relieve and reduce the heavy and inequitable burden of real estate tax  
on homeowners;
2. Encourage home ownership;
3. Equalize the burdens of real estate taxation between residents of differ-  
ent municipalities and
4. Improve the equity of assessing practices.

§ 6173. Definitions

As used in this chapter, the following terms have the following meanings  
unless a different meaning clearly appears from the context:

1. Fair market value. "Fair market value" shall mean  
assessed value adjusted to reflect the relationship between  
the total assessed value of a municipality, plantation or  
other jurisdiction and the state valuation of such municipality,  
plantation or other jurisdiction.

(Filing No. H-616)

2. Homestead. "Homestead" means the principal dwelling of a family or person owned by the member of that nuclear family or that person and which the owner, his spouse, or his minor children make their principal place of abode and have made their principal place of abode for at least 6 months in the preceding tax year, April 1 to April 1, and consisting of one parcel of real estate with the structure thereon or adjoining parcels of real estate with structure thereon and includes a house trailer or mobile home as defined in section 557 and includes a homestead which the owner is purchasing through a mortgage, bond for a deed, contract for sale, security agreement, and other means of financing the purchase of the homestead.

§ 6174. One homestead exemption per family

No nuclear family or individuals residing together at the same property during any one year shall be entitled to more than one homestead exemption and in the event of claim of entitlement to more than one homestead exemption the homestead exemption shall be awarded regarding the property which was occupied as a dwelling on April 1.

§ 6175. Administration

This chapter shall be administered by the State Tax Assessor who is hereby empowered to make and promulgate reasonable rules and regulations consistent with the purposes of this chapter to encourage the equitable, speedy and efficient administration of this chapter.

Assessing officers of towns, municipalities and plantations shall carry out such functions as may be assigned to them by the State Tax Assessor in regard to the administration of this chapter and the rules and regulations promulgated under it.

§ 6176. Recoupment of revenue losses to municipalities and plantations

The State shall pay to municipalities and plantations the amounts of revenue lost by them by reason of the exemption granted by this chapter and the State Tax Assessor shall promulgate regulations for the speedy, economical and efficient carrying out of this section.

§ 6177. Effective date

This chapter shall be effective for the purposes of promulgating regulations by the State Tax Assessor on January 1, 1974, and shall be effective regarding the existence of the exemption herein created on April 1, 1974.

§ 6178. Homesteads exempt

Each homestead to a fair market value of \$2,000 as defined in this chapter shall be exempt from real property taxation and any house trailer as so defined shall be exempt at the same level from excise taxation.

§ 6179. Multiple housing

In the case of a homestead containing separate dwelling units rented, leased or otherwise occupied by persons not members of the owner's nuclear family that portion of the homestead subject to limitation of \$2,000 market value herein provided occupied by members of the owner's family shall be entitled to exemption.

*(Filing No. H-616)*

§6180. Protection for senior citizens and veterans

This chapter shall be construed so as to provide an exemption or benefit in addition to, rather than in place of, the exemptions granted veterans under section 653 and senior citizens under chapter 901; and further, the veterans and senior citizens under section 653 and chapter 901 shall not suffer any diminution of benefits under section 653 and chapter 901.

Sec. 2: Appropriation. There is appropriated to the Bureau of Taxation from the General Fund the sum of \$9,600,000 to carry out the purposes of this Act. The breakdown shall be as follows:

	<u>1974-75</u>
FINANCE AND ADMINISTRATION	
Bureau of Taxation	
Personal Services	(3) \$ 30,000
All Other	9,569,500
Capital Expenditures	<u>500</u>
	\$9,600,000'

Statement of Fact

The purposes of this amendment are to provide that the benefits for veterans and senior citizens under this Act are to be accumulative and shall be in addition to the benefits provided by Title 36, section 653 and chapter 901 change list; provide a more workable definition of fair market value; reducing the size of the exemption from \$5,000 to \$2,000 reduces the costs by 60% and the original \$28,000,000 was an error and has been recomputed. The purpose is also to correct the original bill as to the homestead exemption and the effective date.

Filed by Mr. McTeague of Brunswick.

Reproduced and distributed under the direction of the Clerk of the House  
7/2/73

(Filing No. H-616)