MAINE STATE LEGISLATURE

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STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SEVENTY-FOUR

AN ACT to Provide a Minimal Base Income Each Year for the Elderly.

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

Sec. 1. R. S., T. 36, Part 10, additional. Title 36 of the Revised Statutes is amended by adding a new Part 10 to read as follows:

PART 10

CHAPTER 1001

ELDERLY INCOME ACT

§ 7101. Short title

This Part shall be known and may be cited as the "Elderly Income Act."

§ 7102. Purpose

The purpose of this Part is to ensure that all elderly people in Maine have a minimal base income each year.

§ 7103. Definitions

As used in this Part, unless the context otherwise indicates, the following words shall have the following meanings.

1. Aged person. "Aged person" means any resident individual who has attained the age of 65 during the preceding taxable year.

2. Aged couple. "Aged couple" means any married couple of which at least one resident individual has attained the age of 65 during the preceding taxable year.

3. Base income. "Base income" means an income of $1,800 for an aged person and an income of $3,000 for an aged couple in one taxable year.

4. Current year. "Current year" means the year following the taxable year for which a payable amount is to be determined.

5. Gross income. "Gross income" means the sum of Maine adjusted gross income determined in accordance with Part 8, the amount of capital gains excluded from adjusted gross income, alimony, support money, nontaxable strike benefits, all payments received under the Federal Social Security Act, benefits paid to the blind, aged or disabled, state unemployment insurance laws and veterans disability payments, nontaxable income received from the Federal Government or any of its instrumentalities, workmen's compensation and the gross amount of "loss of time" insurance, cash public assistance and relief and gifts from nongovernmental sources, surplus food and other relief in kind supplied by a governmental agency.

6. Payable amount. "Payable amount" means the difference between the income of an aged person or aged couple and the base income, when the income is less than the base income.

7. Receiver. "Receiver" means any aged person or any aged couple who has filed an income tax return with the State Tax Assessor in accordance with Part 8 and whose gross income does not exceed the base income.

8. Taxable year. "Taxable year" means an accounting period of 12 months which is employed as the fiscal year of the taxpayer under Part 8.

§ 7104.   Administration

The State Tax Assessor shall administer this Part.

§ 7105.   Payable amount to be paid from General Fund

The payable amount shall be paid to the receivor from the General Fund. No interest shall be allowed on any payable amount paid to a receivor pursuant to this Part.

§ 7106.   Income tax return required

Every aged person or every aged couple, including those persons who have no income or who have no taxable income, shall be required to make an income tax return, which shall be filed with the State Tax Assessor in accordance with Part 8.

§ 7107.   Determination of payable amount

The Tax Assessor shall determine the gross income of an aged person or aged couple, according to the income tax return. If the gross income is less than the base income, the gross income shall be subtracted from the base income to determine the payable amount for each receiver.

§ 7108.   Monthly payments

The payable amount shall be divided into 12 equal portions. One portion shall be paid to the receivor each month for 12 months during the current year.

§ 7109. Payable amount not adjustable

Adjustments in the payable amount to reflect differences between the gross income for the taxable year and gross income for the current year shall not be made, except as provided in section 7110.

§ 7110. Surviving spouse

Upon the death of a married aged person, the surviving spouse may request the State Tax Assessor to make immediate adjustments in the payable amount. Under any such adjustments as the Tax Assessor shall deem necessary and appropriate, the income of the surviving spouse for the taxable year shall be determined as if the surviving spouse were an aged person, and the surviving spouse shall be eligible for the payable amount determined by base income of an aged person. The income of the deceased spouse for the taxable year shall not prevent the surviving spouse from receiving the payable amount due an aged person.

§ 7111. Protection from loss of benefits

It is the intent of the Legislature that any claim paid under this chapter shall supplement any benefits paid under aid to the aged, blind and disabled or any program which succeeds or supplants it. The Department of Health and Welfare shall take any such action as may be necessary to assure that recipients of aid to the aged, blind and disabled shall continue to receive as high a percentage of their current assistance as may be possible. To carry out this legislative directive, the department shall utilize all the state funds expected to be saved by a reduction in benefits of recipients of aid to the aged, blind and disabled resulting from this chapter to raise the standards of aid to the aged, blind and disabled at a total cost in state funds equivalent to the savings in state funds which would be expected as a result of this chapter.

Sec. 2. R. S., T. 36, § 5220, sub-§ 1, ¶ C, repealed and replaced. Paragraph C of subsection 1 of section 5220 of Title 36 of the Revised Statutes, as enacted by section F of chapter 154 of the private and special laws of 1969, is repealed and the following enacted in place thereof:

C. Who has attained the age of 65 before the close of his taxable year, or, is married, whose spouse has attained the age of 65 before the close of the taxable year.

Sec. 3. Referendum; effective date. This Act shall take effect 90 days after the adjournment of the Legislature only for the purpose of presenting it to the legal voters at the next general election in the month of November.

The aldermen of the cities, the selectmen of the towns and the assessors of the several plantations of this State are empowered and directed to notify the inhabitants of their respective cities, towns and plantations to meet in the manner prescribed by law for calling and holding biennial meetings of said inhabitants for the election of Senators and Representatives, at the next general or special state-wide election on the Tuesday following the first Monday of November following the passage of this Act, to give in their votes upon the acceptance or rejection of the foregoing Act, and the question shall be:

"Shall the State of Maine provide a minimal base income each year for all elderly people in the State?"

The inhabitants of said cities, towns and plantations shall indicate by a cross or check mark placed within a square upon their ballots their opinion of the same, those in favor of acceptance voting "Yes" and those opposed to acceptance voting "No" and the ballots shall be received, sorted, counted and declared in open ward, town and plantation meetings, and return made to the office of the Secretary of State in the same manner as votes for Governor and Members of the Legislature, and the Governor and Council shall review the same and if it shall appear that a majority of the inhabitants voting on the question are in favor of said Act, the Governor shall forthwith make known the fact by his proclamation, and the Act shall thereupon become effective in 30 days after the date of the said proclamation.

Secretary of State shall prepare ballots. The Secretary of State shall prepare and furnish to the several cities, towns and plantations ballots and blank returns in conformity with the foregoing Act, accompanied by a copy thereof.

STATEMENT OF FACT

The purpose of this bill is reflected in the title.