

MAINE STATE LEGISLATURE

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FIRST SPECIAL SESSION

ONE HUNDRED AND SIXTH LEGISLATURE

Legislative Document

No. 2501

H. P. 1958 House of Representatives, February 8, 1974
Referred to Committee on Taxation. Sent up for concurrence and ordered printed.

E. LOUISE LINCOLN, Clerk

Presented by Mr. Silverman of Calais.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FOUR

AN ACT Amending the Elderly Householders Tax Rent Refund Act to Improve Benefits to Their Previous Level.

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

R. S., T. 36, § 6112, repealed and replaced. Section 6112 of Title 36 of the Revised Statutes, as enacted by section 1 of chapter 503 of the public laws of 1971 and as repealed and replaced by section 7 of chapter 634 of the public laws of 1973, is repealed and the following enacted in place thereof:

§ 6112. Amount of claim

The claim shall be limited to the amount by which property taxes accrued, or rent constituting property taxes accrued in such tax year on the claimant's homestead, is in excess of 21% of such household income which exceeds \$3,000 but does not exceed \$5,000.

FISCAL NOTE

Funds to implement this Act in the fiscal year ending June 30, 1975 are available in the proposed current services and supplemental appropriation bills.

STATEMENT OF FACT

The formula for determining the amount of refund granted a claimant under the Elderly Householders Tax and Rent Refund Act was revised during

the regular session of the 106th Legislature. The new formula substantially reduced the refunds and increased the tax burden of thousands of older people in 1973.

Some elderly citizens who in 1972 received up to \$105, in 1973 did not qualify for a refund. Some older people who in 1972 received up to \$140, in 1973 received only \$80.

The purpose of this bill is to enact a new formula to restore the level of benefits so that claimants with incomes up to \$3,000 per year would receive a refund no less than they received in 1972; and so that claimants with incomes over \$3,000 would receive a refund more fairly related to the amount paid in 1972.