

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES (Filing No. H-648)  
108TH LEGISLATURE  
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 70, L.D. 94, Bill,  
"AN ACT to Increase the Exemption on Estates of Veterans."

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

'Sec. 1. 36 MRSA §653, sub-§1, ¶C, 1st sentence, as  
amended by PL 1975, c. 550, §1, is further amended to read:  
The estates up to the just value of ~~\$47,000~~ \$5,000 for the  
1978 tax year and \$6,000 for each tax year thereafter, having  
a taxable situs in the place of residence, of veterans who  
served in the Armed Forces of the United States during any  
federally recognized war period, including the Korean Campaign  
and the Viet Nam War, when they shall have reached the age of  
62 years or when they are receiving any form of pension or  
compensation from the United States Government for total  
disability, service-connected or non-service-connected, as a  
veteran.

Sec. 2. 36 MRSA §653, sub-§1, ¶D, as amended by PL 1975,  
c. 550, §2, is further amended to read:

D. The estates up to the just value of ~~\$47,000~~ \$5,000  
for the 1978 tax year and \$6,000 for each tax year thereafter,  
having a taxable situs in the place of residence, of the  
unremarried widow or minor child of any veteran who would be  
entitled to such exemption if living, or who is in receipt of a  
pension or compensation from the Federal Government as the  
widow or minor child of a veteran.

The estates up to the just value of ~~\$47,000~~ \$5,000 for the 1978

tax year and \$6,000 for each tax year thereafter, having a taxable situs in the place of residence, of the mother of a deceased veteran who is 62 years of age or older and is an unremarried widow who is in receipt of a pension or compensation from the Federal Government based upon the service-connected death of her son;'

Fiscal Note

In 1976 approximately 18,000 veterans or their widows were tax exempt from \$4,000 just value on their property valuation. Only a small proportion of the 68,000 World War II veterans have reached the eligible age of 62 to qualify for the exemption. The number of unremarried widows of World War II veterans is not known. It is anticipated that a large number of World War II veterans or their widows will become eligible in the next several years.

This amendment will increase the veterans exemption by \$1,000 just value in each of the next 2 years. This is estimated to shift between \$540,000 and \$810,000 in property taxes from veterans to other property taxpayers in 1978 and between \$1,180,000 and \$1,620,000 in 1979. The loss on the uniform state property tax will be realized in 1980 and cost the General Fund between \$230,000 and \$345,000. The range for the estimates is based upon 20,000 and 30,000 eligible veterans or their widows respectively.

Statement of Fact

The purpose of this amendment is to stagger the increase in property tax exemptions for veterans and to add a comprehensive fiscal note explaining the effects of such exemptions.

Reported by the Committee on Taxation.

Reproduced and distributed under the direction of the Clerk of the House.  
6/16/77

(Filing No. H-648)