MAINE STATE LEGISLATURE

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ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 1208

H. P. 1015 House of Representatives, March 23, 1977
On motion of Mr. Carey of Waterville, referred to Committee on Taxation.
Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Shute of Stockton Springs.

Cosponsors: Messrs. Silsby of Ellsworth, Kelleher of Bangor, Hickey of Augusta.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SEVENTY-SEVEN

AN ACT to Help Maintain the Purchasing Power of Participants in the Elderly Tax and Rent Refund Program.

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

Sec. 1. 36 MRSA \S 6108, as repealed and replaced by PL 1973, c. 634, \S 3, is amended to read:

§ 6108. Income limitation

No claim otherwise allowable shall be granted to claimants of single member households with household income in excess of \$4,500 \$5,000 in the year for which relief is requested; and no claim otherwise allowable shall be granted to claimants of households of 2 or more members with income in excess of \$5,000 in the year for which relief is requested.

Sec. 2. 36 MRSA § 6112, as last repealed and replaced by PL 1973, c. 771, § 2, is amended to read:

§ 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% 18% of such household income which exceeds \$3,000 \$4,000 but does not exceed \$5,000.

Sec. 3. Appropriation. There is appropriated from the General Fund to the Department of Finance and Administration, Bureau of Taxation the sum of \$2,500,000 for the fiscal year ending June 30, 1979 for the purpose of carrying out this Act. The breakdown shall be as follows:

1978-79

FINANCE AND ADMINISTRATION, DEPARTMENT OF

Bureau of Taxation
Elderly Tax and Rent Refund Program
All Other

\$2,500,000

STATEMENT OF FACT

The annual increase cost of these changes in the Elderly Tax and Rent Refund Program would result in a cost of \$2,500,000.

The purpose of this bill is to increase the benefits of the Elderly Tax and Rent Refund Program in the following ways:

- 1. Income limitations are increased from \$4,500 to \$5,500 for a single member household;
- 2. Income limitations are increased from \$5,000 to \$6,000 for a household of 2 or more members:
 - 3. Percentage of burden is reduced from 21% to 18%; and
- 4. Household income limitation is increased from \$3,000 to \$4,000, but does not exceed \$6,000.