

MAINE STATE LEGISLATURE

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SECOND REGULAR SESSION

ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 2070

H. P. 1983 House of Representatives, January 13, 1978
Governor's Bill. Refer to the Committee on Taxation. Sent up for concurrence.
EDWIN H. PERT, Clerk

Presented by Mr. McBreairty of Perham.

Cosponsors: Ms. Goodwin of Bath, Mr. Peterson of Caribou, Mr. Palmer of Nobleboro.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-EIGHT

**AN ACT Increasing Benefits for Certain Claimants under the Elderly
Householders Tax and Rent Refund Act.**

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, there is a continuance and growing need to provide property tax relief to Maine's senior citizens who own or rent their homesteads; and

Whereas, there is approximately \$350,000 which has not been expended for claims in the current fiscal year which will be returned to the General Fund; and

Whereas, there is a reduction provided by law in the size of a claim allowable for a claimant whose household income exceeds \$3,000 but does not exceed \$5,000; and

Whereas, this reduction results in severe hardship for many of our senior citizens whose household income falls between \$3,000 and \$5,000; and

Whereas, the elimination of this reduction in the size of an allowable claim will alleviate this severe hardship; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec.1. **36 MRSA § 6112**, as last amended by PL 1977, c. 579, § D, § 1, is further 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 10% of such household income which exceeds \$3,000 but does not exceed \$5,000.~~

Sec. 2. Appropriation. The following funds shall be appropriated from the General Fund to carry out the purposes of this Act:

	1977-78	1978-79
FINANCE AND ADMINISTRATION, DEPARTMENT OF		
Bureau of Taxation		
All Other	(\$200,000)	\$163,000

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

Fiscal Note

The cost of the removal of this limitation is estimated to be \$500,000 per year. However, the program for 1978-79 is estimated to be overfunded by \$350,000. Thus, the appropriation of \$163,000 from the \$350,000 surplus in this program for 1977-78 would complete the necessary funding. This cost is reflected in the Governor's budget.

STATEMENT OF FACT

The purpose of this bill is to eliminate the reduction in the amount payable under the Elderly Householders Tax and Rent Refund Act to claimants whose household income exceeds \$3,000 but does not exceed \$5,000.