

MAINE STATE LEGISLATURE

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SECOND SPECIAL SESSION

ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 2214

H. P. 2347

October 13, 1978

Governor's Bill. The Committee on Taxation suggested and 3,000 ordered printed.

Presented by Mr. Martin of Eagle Lake, Speaker of the House, on behalf of the Governor.

EDWIN H. PERT
Clerk of the House

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-EIGHT

AN ACT to Provide for Property Tax Relief.

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

Sec. 1. 36 MRSA Pt. 9, first line, as enacted by PL 1971, c. 503, § 1, is repealed and the following enacted in its place:

PART 9

TAXPAYER BENEFIT PROGRAMS

Sec. 2. 36 MRSA c. 902 is enacted to read:

CHAPTER 902

HOMESTEAD TAX RELIEF ACT OF 1978

§ 6146. Purpose

The purpose of this chapter is to alleviate the burden of property taxation on owners and renters of a Maine homestead.

§ 6147. Definitions

As used in this chapter unless the context otherwise indicates, the following words shall have the following meanings:

1. Eligible claimant. "Eligible claimant" means a person who :

- A. Has filed a timely and properly executed claim under this chapter ; and
- B. Owned or rented, for his own use, a homestead in this State for the entire year 1978.

2. Homestead. "Homestead" means all or part of a building, including a mobile home, used by the occupant as his principal place of abode, but does not include housing which is not subject to property taxation.

§ 6148. Benefit

Subject to the limitations provided in this chapter, an eligible claimant shall receive \$64 if he owned his homestead on April 1, 1978 or \$32 if he rented his homestead on that date.

§ 6149. Limitations

1. Filing requirements. A claim for the benefit provided by this chapter shall be made on the claimant's 1978 Maine individual income tax return or, if the claimant is not required to file that return, on the form prescribed by the State Tax Assessor. The claim shall be signed by the claimant subject to the falsification penalties provided by Title 17-A, chapter 19. No benefit shall be allowed unless the claim is filed with and received by the State Tax Assessor no later than April 15, 1979 or, in the case of claims made on a 1978 Maine individual income tax return, by the due date, as extended by the State Tax Assessor, of that return. However, the State Tax Assessor may grant the benefit upon late claims received within 90 days of the above filing deadline if he determines that the reason for late filing is sufficient.

2. Multiple eligibility. The tax relief allowed by this chapter is limited to one benefit per homestead, regardless of whether more than one person sharing that homestead is an eligible claimant. If the State Tax Assessor receives multiple claims relating to the homestead and is unable to bring the claimants to agreement as to the appropriate claimant, he shall determine which claimant is entitled to the benefit.

3. Setoff against tax liability. The benefit provided by this chapter may be setoff against any existing liability of the eligible claimant for tax, interest or penalties under this Title and the balance, if any, of the benefit paid to the claimant.

4. Maximum benefits for owners. The benefit awarded by section 6148 to an eligible claimant who owned his homestead on April 1, 1978 shall not exceed the amount of property tax assessed as of that date upon that homestead and the parcel of land not to exceed one acre by the eligible claimant upon which the homestead is located.

5. Setoff against elderly householders tax and rent refund. Any refund awarded under chapter 901 for property taxes assessed as of April 1, 1978 or the rent equivalent thereof shall be reduced by the amount of benefit awarded under this chapter to any member of the same household.

6. **Survival of claim.** The right to file claim under this chapter is personal to a prospective claimant and shall not survive his death. If an eligible claimant dies before having received the benefit, the State Tax Assessor, in the exercise of his discretion, shall disburse the benefit to another occupant of the homestead or to the estate of the eligible claimant, subject to the limitation of subsection 7.

7. **Escheat.** If an executor or administrator of a deceased eligible claimant has not been appointed and qualified within 2 years of the filing by that claimant under this chapter, the benefit shall escheat to the State. Benefit checks issued under this chapter shall likewise escheat to the State if not negotiated by June 30, 1980.

§ 6150. Administration

The State Tax Assessor shall modify the 1978 Maine individual income tax return to provide claimants the opportunity to request relief and shall make available a suitable application to those claimants who are not required to file an individual income tax return. Benefits shall be paid, without interest, from the General Fund upon the certification of the State Tax Assessor. The State Tax Assessor shall have authority to request reasonable proof of the claimant's eligibility for the rebate and may establish, in a manner consistent with the Maine Administrative Procedure Act, rules and regulations for the effective administration of this chapter.

§ 6151. Appeals

Decisions of the State Tax Assessor under this chapter may be judicially reviewed in accordance with the Maine Administrative Procedure Act.

Sec. 3. 36 MRSA Pt. 9-A, first line, as enacted by PL 1977, c. 718, § 3, is repealed as follows:

PART 9-A

Sec. 4. **Appropriation.** The following funds shall be appropriated from the General Fund to carry out the purposes of this Act.

	1978-79
FINANCE AND ADMINISTRATION	
Homestead Tax Relief Act of 1978	
All Other	\$20,000,000

STATEMENT OF FACT

This bill is intended to be a one-time straight-forward program to provide property tax relief to homeowners in the amount of \$64 or the amount of tax whichever is less and \$32 for tenants. The relief will be delivered directly to the homeowner or tenant and the claim will be incorporated into their respective 1978 individual income tax return or a simple application in the event they are not required to file an income tax return.