

MAINE STATE LEGISLATURE

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118th MAINE LEGISLATURE

FIRST REGULAR SESSION-1997

Legislative Document

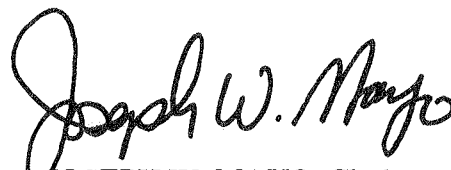
No. 749

H.P. 558

House of Representatives, February 4, 1997

An Act to Eliminate Fraud in the Maine Residents Property Tax Program.

Reference to the Committee on Taxation suggested and ordered printed.


JOSEPH W. MAYO, Clerk

Presented by Representative MACK of Standish.
Cosponsored by Senator LIBBY of York and
Representatives: BROOKS of Winterport, DUNLAP of Old Town, LANE of Enfield, MERES
of Norridgewock, PERRY of Bangor, SIROIS of Caribou, STEDMAN of Hartland,
TREADWELL of Carmel.

2
3 **Be it enacted by the People of the State of Maine as follows:**

4 **Sec. 1. 36 MRSA §6212**, as amended by PL 1989, c. 534, Pt. A,
5 §9, is further amended to read:

6 **§6212. Denial of claim**

7
8 If it is determined that a claim is excessive and was filed
9 with fraudulent intent, the claim ~~shall~~ must be disallowed in
10 full and, if the claim has been paid the amount paid may be
11 recovered by assessment, and the assessment ~~shall--bear~~ bears
12 interest from the date of payment or credit of the claim, until
13 refunded or paid, at the rate of 1% per month. The claimant in
14 such case, and any person who assisted in the preparation or
15 filing of such excessive claim or supplied information upon which
16 such excessive claim was prepared, with fraudulent intent,
17 commits a Class E crime, and the claimant may not receive
18 benefits under this chapter for 10 years. If it is determined
19 that a claim is excessive and was negligently prepared, 10% of
20 the corrected claim ~~shall~~ must be disallowed, and if the claim
21 has been paid the proper portion of any amount paid ~~shall~~ must be
22 similarly recovered by assessment, and the assessment ~~shall--bear~~
23 bears interest at 1% per month from the date of payment until
24 refunded. Any claimant or spouse with an unpaid liability
25 arising from this section is disqualified from benefits under
26 this chapter.

27 **Sec. 2. 36 MRSA §6221** is enacted to read:

28 **§6221. Payment of claim**

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30
31 1. Property tax paid. If the claimant submits proof that
32 the property tax for which the claim is being made has been paid,
33 the amount of the benefit must be paid to the claimant.

34
35 2. Property tax not paid. If the claimant does not submit
36 proof that the property tax for which the claim is made has been
37 paid, the amount of the benefit must be paid to the municipality
38 where the property is located.

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40
41 **SUMMARY**

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43 This bill provides that benefits under the Maine Residents
44 Property Tax Program must be paid to the municipality where the
45 property is located if the property tax has not been paid. It
46 also provides that a claimant who submits a fraudulent claim is
47 barred from receiving benefits under the program for 10 years.