

MAINE STATE LEGISLATURE

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118th MAINE LEGISLATURE

FIRST REGULAR SESSION-1997

Legislative Document

No. 1303

H.P. 940

House of Representatives, March 4, 1997

An Act to Establish a Property Tax Cap for Elderly, Fixed-income Homeowners.

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative BROOKS of Winterport.
Cosponsored by Senator PARADIS of Aroostook and
Representatives: BAKER of Bangor, BERRY of Livermore, BRAGDON of Bangor,
COWGER of Hallowell, LINDAHL of Northport, O'BRIEN of Augusta, PLOWMAN of
Hampden, Senator: LONGLEY of Waldo.

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

4 **Sec. 1. 36 MRSA, §656, sub-§1, ¶J is enacted to read:**

6 J. The residential real estate of a taxpayer to the extent
8 that the just value exceeds the just value of the property
in the year in which the taxpayer first meets all of the
following qualifications:

10 (1) The homeowner or homeowners must be 65 years of
12 age or older;

14 (2) The home is the primary residence of the homeowner;

16 (3) The homeowner has occupied the home as a primary
residence for more than 25 years;

18 (4) The home is without mortgage or lien; and

20 (5) The homeowner earns less than the most recently
22 established federal poverty guidelines issued in the
Federal Register by the Department of Health and Human
24 Services.

26 Notwithstanding section 661, the Treasurer of State shall
reimburse municipalities for 100% of the lost revenue
28 associated with this paragraph.

30 **SUMMARY**

32 This bill creates a property tax exemption for a portion of
34 certain homeowners' property tax bill. The effect of the bill is
to limit the amount of taxes elderly people will pay as the value
of their homes increases.