

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 657

H.P. 518

House of Representatives, February 13, 2001

An Act to Exempt Individuals Who are 65 Years of Age or Older and Meet Income Requirements from Increases in Property Taxes.

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. MacFarland

MILLICENT M. MacFARLAND, Clerk

Presented by Representative ANDREWS of York.
Cosponsored by Senator MITCHELL of Penobscot and
Representatives: BUCK of Yarmouth, CARR of Lincoln, CLOUGH of Scarborough,
COLLINS of Wells, GLYNN of South Portland, LOVETT of Scarborough, MURPHY of
Berwick, STEDMAN of Hartland.

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

4 **Sec. 1. 36 MRSA §662 is enacted to read:**

6 **§662. Tax relief for citizens 65 years of age or older**

8 Beginning with the property tax year that starts April 1,
10 2002, any person having legal or beneficial title to real
12 property in this State and who is liable for property taxes is
14 entitled to property tax relief for that portion of the property
16 for which relief is sought consisting of the homestead, as
18 defined in section 6250, subsection 3, but including all
20 contiguous acreage if the person:

22 1. Permanent resident. Is a permanent resident of this
24 State;

26 2. At least 65 years of age. Is 65 years of age or older
28 and any adults other than that person's spouse domiciled with
30 that person are 65 years of age or older;

32 3. Occupies home. Occupies as a home the real property for
34 which the person seeks relief; and

36 4. Income restriction. Has income equal to or less than
38 200% of the federal poverty level.

40 A person meeting the qualifications set out in this section
42 may file a claim for property tax relief with the tax assessor of
44 the municipality in which the property is located and, upon
46 approval, shall pay the tax levied on that property for the first
48 year a claim for relief is filed and, as long as the person
continues to meet the qualifications, may continue to pay in each
subsequent year the same amount of tax or any lesser amount that
may be levied against the real property.

Notwithstanding section 661, the Treasurer of State shall
reimburse each municipality 100% of the property tax revenue loss
suffered by that municipality during the previous calendar year
as a result of the relief granted pursuant to this section.

42 **SUMMARY**

44 This bill stabilizes property taxes on certain homesteads.
46 Once a property owner reaches 65 years of age and has income not
48 more than 200% of the federal poverty level, the property tax
rate remains the same on the property occupied by that owner.

2 This bill also requires the Treasurer of State to reimburse
a municipality 100% of any property tax revenues lost due to the
4 freeze on property tax rates.