

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 693

H.P. 538

House of Representatives, February 13, 2001

An Act to Reduce Property Taxes.

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. MacFarland

MILLICENT M. MacFARLAND, Clerk

Presented by Representative MICHAEL of Auburn.

Cosponsored by Representatives: MENDROS of Lewiston, SHIELDS of Auburn, SNOWE-MELLO of Poland.

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

2
3 **Sec. 1. 36 MRSA §681, sub-§2**, as enacted by PL 1997, c. 643,
4 Pt. HHH, §3 and affected by §10, is amended to read:

6 **2. Homestead.** "Homestead" means any residential property
7 in this State assessed as real property owned by an applicant or
8 held in a revocable living trust for the benefit of the applicant
9 and occupied by the applicant as the applicant's permanent
10 residence. "Homestead" includes an apartment house or building
11 owned by the applicant as long as the applicant is a resident of
12 the apartment house or building. A "homestead" does not include
13 any real property used solely for commercial purposes.

14 **Sec. 2. 36 MRSA §683, sub-§1**, as enacted by PL 1997, c. 643,
15 Pt. HHH, §3 and affected by §10, is amended to read:

18 **1. Exemption amount.** The estate up to the just value of
19 ~~\$7,000~~ \$40,000 of the homestead of a permanent resident of this
20 State who has owned a homestead in this State for the preceding
21 12 months is exempt from taxation except for assessments for
22 special benefits. In determining the local assessed value of the
23 exemption, the assessor shall multiply the amount of the
24 exemption by the ratio of current just value upon which the
25 assessment is based as furnished in the assessor's annual return
26 pursuant to section 383. If the title to a homestead is held by
27 the applicant jointly or in common with others, the exemption may
28 not exceed ~~\$7,000~~ \$40,000 of the just value of the homestead, but
29 may be apportioned among the owners who reside on the property to
30 the extent of their respective interests. A municipality
31 responsible for administering the homestead exemption has no
32 obligation to create separate accounts for each partial interest
33 in a homestead owned jointly or in common.

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36 **SUMMARY**

38 This bill amends the Maine resident homestead property tax
39 exemption to allow owners who are also residents of apartment
40 houses to participate in the exemption. This bill also increases
41 the amount of the exemption from \$7,000 to \$40,000.
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