

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 980

H.P. 761

House of Representatives, February 20, 2001

**An Act to Provide Property Tax Relief to Senior and Disabled Citizens
of the State.**

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. MacFarland

MILLICENT M. MacFARLAND, Clerk

Presented by Representative GLYNN of South Portland.
Cosponsored by Senator LEMONT of York and
Representatives: BOWLES of Sanford, BUCK of Yarmouth, BUMPS of China, LOVETT of
Scarborough, MURPHY of Berwick, SCHNEIDER of Durham, Senator: DAVIS of Piscataquis.

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

2
3 Sec. 1. 36 MRSA §662 is enacted to read:

4
5 §662. Tax relief for citizens 65 years of age or older or
6 disabled

7 Beginning with the property tax year that starts April 1,
8 2002, the property of a qualifying resident must be taxed at just
9 value as provided in this section.

10 1. Definitions. As used in this section, unless the
11 context otherwise indicates, the following terms have the
12 following meanings.

13 A. "Homestead" has the same meaning as in section 6250,
14 subsection 3.

15 B. "Just value" has the same meaning as in section 701-A.

16 C. "Permanent resident" has the same meaning as in section
17 681, subsection 4.

18 D. "Qualifying resident" means a permanent resident having
19 legal or beneficial title to real property in this State who
20 is liable for property taxes and who meets the following
21 criteria:

22 (1) The person has gross income of no more than \$25,000
23 if filing as an individual or \$32,500 if filing jointly;

24 (2) The person occupies as a home and has occupied for
25 the previous 12 months the real property for which the
26 person seeks relief; and

27 (3) The person meets the requirements of division (a)
28 or (b):

29 (a) The person is 65 years of age or older and
30 has been a resident of this State for the
31 preceding 60 months and any adults, other than
32 that person's spouse, domiciled with that person
33 are 65 years of age or older; or

34 (b) The person is disabled for purposes of
35 collecting benefits under the federal Social
36 Security Act.

37 2. Determination of just value. The homestead of a
38 qualifying resident must be assessed at the just value as
39

2 determined on April 1st of the year the resident first files a
4 claim with the tax assessor for the municipality in which the
property is located. The assessment does not change except as
provided in subsection 3.

6 3. Changes in just value. A change, addition, reduction or
8 improvement in the homestead must be assessed and the property
tax levied as provided in this Part. After an adjustment
pursuant to this subsection, the assessment does not change.

10 4. Claims. A qualifying resident may file a claim for
12 property tax relief with the tax assessor of the municipality in
14 which the property is located and, upon approval, shall pay the
16 tax levied on that property based upon the just value as
18 determined under subsection 2 for the first year a claim for
20 relief is filed. As long as the person continues to meet the
qualifications and subject to the modifications pursuant to
subsection 3, the qualifying resident 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.

22 5. Property tax relief in addition to other exemptions.
24 The property tax relief provided pursuant to this section is in
addition to any other exemptions provided in this Part.

26 6. Affect on state valuation. The just value of a
28 homestead qualifying under this section must be included in the
annual determination of state valuation under sections 208 and
305.

30 7. Municipal tax rate. The value of the homestead
32 exemptions under this section must be included in the total
34 municipal valuation used to determine the municipal tax rate.
36 The municipal tax rate as finally determined may be applied only
to the taxable portion of each homestead qualified for that tax
rate.

38 **SUMMARY**

40 This bill stabilizes property taxes on homesteads owned by
42 persons who are disabled or who are at least 65 years of age with
44 a maximum specified income level by assessing property at just
46 value. Each year the person qualifies, the property tax remains
at the amount assessed the first year the person became eligible
and applied for property tax relief.