

MAINE STATE LEGISLATURE

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M
RdS.

L.D. 1629

DATE: 8-21-03

(Filing No. H-612)

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
121ST LEGISLATURE
FIRST SPECIAL SESSION

HOUSE AMENDMENT "F" to COMMITTEE AMENDMENT "C" to H.P. 1209, L.D. 1629, "RESOLUTION, Proposing a Competing Measure under the Constitution of Maine To Create Municipal Service Districts To Reduce the Cost of Local Government, To Provide Property Tax Relief and To Increase Economic Competitiveness"

Amend the amendment by inserting after Part B the following:

PART C

Sec. C-1. 36 MRSA §6201, sub-§1, as amended by PL 1993, c. 670, §9, is repealed and the following enacted in its place:

1. Benefit base. "Benefit base" means property taxes accrued on the first \$200,000 of taxable just value of the homestead or rent constituting property taxes accrued. In the case of property taxes accrued, the benefit base is determined by multiplying \$200,000 by the ratio of current just value upon which the assessment is based as furnished in the assessor's annual return to the State Tax Assessor filed in accordance with section 383 times the municipal tax rate. If the benefit base as calculated in the previous sentence exceeds property taxes accrued, the property taxes accrued become the benefit base. In the case of a claimant paying both rent and property taxes for a homestead, "benefit base" means both property taxes accrued as limited by this subsection and rent constituting property taxes accrued.

Sec. C-2. 36 MRSA §6207, first ¶, as amended by PL 1997, c. 557, Pt. A, §3 and affected by Pt. G, §1, is further amended to read:

Ref

HOUSE AMENDMENT "F" to COMMITTEE AMENDMENT "C" to H.P. 1209,
L.D. 1629

A claimant representing a nonelderly household qualifies for the following benefits subject---to---the---following---income limitations.

Sec. C-3. 36 MRSA §6207, sub-§1, ¶A-1, as amended by PL 1997, c. 557, Pt. A, §3 and affected by Pt. G, §1, is further amended to read:

~~A-1. Fifty-percent-of-that~~ The portion of the benefit base that exceeds 4% ~~but does not exceed 8%~~ 5% of income plus ~~100% of that portion of the benefit base that exceeds 8% of income to a maximum payment of \$1,000.~~

Sec. C-4. 36 MRSA §6207, sub-§2, as amended by PL 1997, c. 557, Pt. A, §3 and affected by Pt. G, §1, is repealed.

Sec. C-5. 36 MRSA §6209, as amended by PL 1989, c. 508, §25, is further amended to read:

§6209. Annual adjustment

1. Household limitation adjustment. Beginning March 1, 1989, and annually thereafter, the State Tax Assessor shall determine the household income eligibility adjustment factor. That factor shall must be multiplied by the income limitations in section 6206, applicable for the year prior to that for which relief is requested. The result shall must be rounded to the nearest \$100 and shall must apply to the year for which relief is requested corresponding to the year on which the annualized cost of living adjustments were based. ~~Beginning March 1, 1991, the same procedure shall be employed to adjust the income limitation in section 6207, subsection 2.~~

Sec. C-6. Appropriations and Allocations. The following appropriations and allocations are made.

**ADMINISTRATIVE AND FINANCIAL SERVICES,
DEPARTMENT OF**

Maine Residents Property Tax Program 0648

Initiative: Appropriates funds required due to the expansion of the Maine Residents Property Tax Program.

General Fund	2003-04	2004-05
All Other	\$0	\$34,350,000
General Fund Total	\$0	\$34,350,000

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HOUSE AMENDMENT "F" to COMMITTEE AMENDMENT "C" to H.P. 1209,
L.D. 1629

Revenue Services - Bureau of 0002

Initiative: Provides funds for one Tax Examiner position effective July 1, 2004 and other related costs associated with an increase in the number of applications for the Maine Residents Property Tax Program.

General Fund	2003-04	2004-05
Positions - Legislative Count	(0.000)	(1.000)
Personal Services	\$0	\$46,135
All Other	0	51,028
General Fund Total	\$0	\$97,163

**ADMINISTRATIVE AND FINANCIAL SERVICES,
DEPARTMENT OF
DEPARTMENT TOTALS**

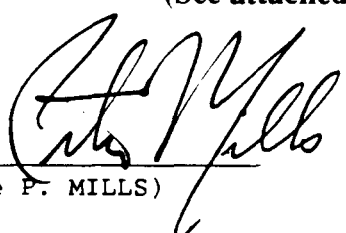
	2003-04	2004-05
General Fund	\$0	\$34,447,163
DEPARTMENT TOTAL - ALL FUNDS	\$0	\$34,447,163

Further amend the amendment by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment expands the Maine Residents Property Tax Program, commonly referred to as "the circuitbreaker program," by removing the income eligibility requirements and providing for a rebate equal to the amount by which the property taxes on the first \$200,000 of the value of a homestead, or rent constituting property taxes, exceed 5% of a household's income.

**FISCAL NOTE REQUIRED
(See attached)**

SPONSORED BY: 
(Representative P. MILLS)

TOWN: Cornville



**121st Maine Legislature
Office of Fiscal and Program Review**

LD 1629

**RESOLUTION, Proposing a Competing Measure under the Constitution
of Maine to Create Municipal Budget Caps, Reduce the Cost of Local
Government through Increased State Education Funding and Provide
Property Tax Relief**

LR 2165(17)

Fiscal Note for House Amendment " " to Committee Amendment "C"

Sponsor: Rep. Mills

Fiscal Note Required: Yes

Fiscal Note

	2003-04	2004-05	Projections 2005-06	Projections 2006-07
Net Cost (Savings)				
General Fund	\$0	\$34,447,163	\$35,812,548	\$37,246,821
Appropriations/Allocations				
General Fund	\$0	\$34,447,163	\$35,812,548	\$37,246,821

Fiscal Detail and Notes

This amendment increases the General Fund cost of the bill by \$34,447,163 in fiscal year 2004-05.