

MAINE STATE LEGISLATURE

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R. G. S.

L.D. 1629

DATE: 8-21-03

(Filing No. S-330)

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STATE OF MAINE
SENATE
121ST LEGISLATURE
FIRST SPECIAL SESSION

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 C-1. 36 MRSA §6201, sub-§1, as amended by PL 1993, c. 670, §9, is repealed and the following enacted in its place: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

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

SENATE AMENDMENT

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2 **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
4 to read:

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

10 **Sec. C-4. 36 MRSA §6207, sub-§2**, as amended by PL 1997, c.
12 557, Pt. A, §3 and affected by Pt. G, §1, is repealed.

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

16 **§6209. Annual adjustment**

18 **1. Household limitation adjustment.** Beginning March 1,
20 1989, and annually thereafter, the State Tax Assessor shall
determine the household income eligibility adjustment factor.
22 That factor shall must be multiplied by the income limitations in
section 6206, applicable for the year prior to that for which
24 relief is requested. The result shall must be rounded to the
nearest \$100 and shall must apply to the year for which relief is
26 requested corresponding to the year on which the annualized cost
of living adjustments were based. ~~Beginning March 1, 1991, the~~
28 ~~same procedure shall be employed to adjust the income limitation~~
~~in section 6207, subsection 2.~~

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

34 **ADMINISTRATIVE AND FINANCIAL SERVICES,**
36 **DEPARTMENT OF**

38 **Maine Residents Property Tax Program 0648**

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

42 General Fund	2003-04	2004-05
All Other	\$0	\$34,350,000
44	<hr/>	<hr/>
General Fund Total	\$0	\$34,350,000

46 **Revenue Services - Bureau of 0002**

48 Initiative: Provides funds for one Tax Examiner position
50 effective July 1, 2004 and other related costs associated with an

P. 96

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

2 increase in the number of applications for the Maine Residents
Property Tax Program.

4	General Fund	2003-04	2004-05
	Positions - Legislative Count	(0.000)	(1.000)
6	Personal Services	\$0	\$46,135
	All Other	0	51,028
8		<hr/>	<hr/>
10	General Fund Total	\$0	\$97,163

12 **ADMINISTRATIVE AND FINANCIAL SERVICES,**
13 **DEPARTMENT OF**

14	DEPARTMENT TOTALS	2003-04	2004-05
16	General Fund	\$0	\$34,447,163
18		<hr/>	<hr/>
20	DEPARTMENT TOTAL - ALL FUNDS	\$0	\$34,447,163'

22 **SUMMARY**

24 This amendment expands the Maine Residents Property Tax
26 Program, commonly referred to as "the circuitbreaker program," by
removing the income eligibility requirements and providing for a
28 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.

32 **FISCAL NOTE REQUIRED**
34 **(See attached)**

36 SPONSORED BY: 
38 (Senator BRENNAN)

40 COUNTY: Cumberland

42

SENATE AMENDMENT

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(22)

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

Sponsor: Sen. Brennan

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.