

# MAINE STATE LEGISLATURE

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RMS

L.D. 1674

DATE: 3/19/04

(Filing No. H-786)

TAXATION

Majority

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

COMMITTEE AMENDMENT "A" to H.P. 1250, L.D. 1674, Bill, "An Act To Expand Property Tax Exemptions for Veterans to Cooperative Housing"

Amend the bill by striking out the title and substituting the following:

'An Act To Provide Property Tax Relief for Veterans Who Reside in Cooperative Housing'

Further amend the bill by striking out everything after the enacting clause and before the summary and inserting in its place the following:

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

**§662. Property tax relief program for veterans living in cooperative housing**

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

A. "Cooperative interest" means ownership of a share of or membership in an organization that owns residential property for the benefit of its owners or members on a not-for-profit basis combined with a nondivisible right to occupancy of a portion of the residential property.

B. "Qualifying veteran or veteran's survivor" means a person who meets the qualifications, other than property ownership, for a property tax exemption under section 653 as a veteran or the survivor of a veteran.

**COMMITTEE AMENDMENT**

12 of 18

2 C. "Veterans' property tax exemption equivalent" means an  
4 amount calculated by multiplying the property tax rate for  
6 the tax jurisdiction where the property is located by the  
8 appropriate exempt amount that the qualifying veteran or  
10 veteran's survivor would be eligible for if the property  
were owned in fee. The veterans' property tax exemption  
equivalent may not exceed the amount that the qualifying  
veteran or veteran's survivor is obligated by contract to  
pay to the cooperative as the member's share of property  
taxes.

12 2. Rebate. A taxpayer who is a qualifying veteran or  
14 veteran's survivor with a cooperative interest in property having  
16 a taxable situs in the place of the taxpayer's residence in the  
18 State is allowed a rebate equal to the veterans' property tax  
exemption equivalent. The credit is not allowed if the taxpayer  
received a property tax exemption under section 653 based on the  
status of property on April 1st of the calendar year for which  
the rebate is sought.

20 3. Application; calculation of rebate. A qualifying  
22 veteran or veteran's survivor may apply for a rebate under this  
24 section during the same time period in which an application may  
26 be made for benefits under chapter 907. Eligibility and the  
28 calculation of the rebate is based on the taxable status of  
property, the status of the veteran and the status of the  
cooperative interest on April 1st of the calendar year preceding  
the beginning of the application period.

30 4. Administration. Except as otherwise provided in this  
32 section, claims for a rebate under this section must be  
administered in the same manner as claims under chapter 907.

34 **Sec. 2. Application.** This Act applies to applications for  
36 benefits filed on or after August 1, 2004.

38 **Sec. 3. Appropriations and allocations.** The following  
40 appropriations and allocations are made.

42 **ADMINISTRATIVE AND FINANCIAL SERVICES,**  
44 **DEPARTMENT OF**

46 **Veterans Cooperative Housing Rebate**

48 Initiative: Provides funds for the new rebate payment to certain  
50 veterans who reside in cooperative housing.

<b>General Fund</b>	<b>2003-04</b>	<b>2004-05</b>
All Other	\$0	\$91,400
	_____	_____

COMMITTEE AMENDMENT "A" to H.P. 1250, L.D. 1674

General Fund Total \$0 \$91,400'

**SUMMARY**

This amendment replaces the bill and proposes to establish a rebate program for veterans and their survivors who are not eligible for a property tax exemption because they live in cooperative housing. The rebate program would provide those veterans and their survivors with tax benefits equivalent to what they would receive if they were eligible for a property tax exemption.

**FISCAL NOTE REQUIRED**  
(See attached)

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



**LD 1674**

**An Act To Expand Property Tax Exemptions for Veterans to  
Cooperative Housing**

**LR 2234(02)**

**Fiscal Note for Bill as Amended by Committee Amendment " "**

**Committee: Taxation**

**Fiscal Note Required: Yes**

**Fiscal Note**

	<b>2003-04</b>	<b>2004-05</b>	<b>Projections 2005-06</b>	<b>Projections 2006-07</b>
<b>Net Cost (Savings)</b>				
General Fund	\$0	\$91,400	\$91,400	\$91,400
<b>Appropriations/Allocations</b>				
General Fund	\$0	\$91,400	\$91,400	\$91,400

**Fiscal Detail and Notes**

Maine Revenue Services will require \$91,400 annually beginning in fiscal year 2004-05 for the new rebate payment to certain veterans who reside in cooperative property.