

MAINE STATE LEGISLATURE

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123rd MAINE LEGISLATURE

FIRST REGULAR SESSION-2007

Legislative Document

No. 179

S.P. 61

In Senate, January 16, 2007

An Act To Make Changes to the Maine Residents Property Tax Program

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator SULLIVAN of York.
Cosponsored by Representative PINGREE of North Haven and
Senators: BRYANT of Oxford, MARTIN of Aroostook, PERRY of Penobscot, STRIMLING
of Cumberland, Representatives: CHASE of Wells, PIOTTI of Unity, WOODBURY of
Yarmouth.

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

2 **Sec. 1. 36 MRSA §6201, sub-§1**, as amended by PL 2005, c. 2, Pt. E, §1 and
3 affected by §§7 and 8, is further amended to read:

4 **1. Benefit base.** "Benefit base" means property taxes accrued or rent constituting
5 property taxes accrued. In the case of a claimant paying both rent and property taxes for
6 a homestead, benefit base means both property taxes accrued and rent constituting
7 property taxes accrued. When calculating the benefit base when a homestead was rented
8 out for not more than 31 days in the aggregate, property taxes accrued and rent
9 constituting property taxes accrued must be adjusted to exclude a percentage of the
10 property taxes accrued or rent constituting property taxes accrued that is equal to the
11 percentage of the year during which the homestead was rented out by the claimant. The
12 benefit base may not exceed \$3,000 for single-member households and \$4,000 for
13 households with 2 or more members.

14 **Sec. 2. 36 MRSA §6201, sub-§2**, as amended by PL 2001, c. 396, §40, is
15 repealed and the following enacted in its place:

16 **2. Claimant.** "Claimant" means an individual who:

17 A. Has filed a claim under this chapter;

18 B. Was domiciled in this State during the entire year for which relief is requested;
19 and

20 C. Owned or otherwise maintained a homestead in this State during the entire year
21 for which relief is requested, occupied that homestead for at least 6 months during
22 that year and did not rent out that homestead for more than 31 days in the aggregate
23 during that year.

24 Regardless of how many names of individuals appear on the property deed, the person
25 who meets the qualifications described in this subsection and proves sole responsibility
26 for the payment of the property taxes on the subject property is the claimant with respect
27 to that property. If 2 or more individuals meet the qualifications in this subsection and
28 share the payment of rent or responsibility for the payment of property taxes, each
29 individual may apply on the basis of the rent paid or the property taxes levied on the
30 homestead that reflect the ownership percentage of the claimant and the
31 claimant's household. If 2 or more individuals claim the same property, the matter must
32 be referred to the assessor, whose decision is final.

33 Ownership of a homestead under this chapter may be by fee, by life tenancy, by bond for
34 deed, as mortgagee or by any other possessory interest in which the owner is personally
35 responsible for the tax for which a refund is claimed.

36 **Sec. 3. 36 MRSA §6201, sub-§7**, as enacted by PL 1987, c. 516, §§3 and 6, is
37 amended to read:

38 **7. Household income.** "Household income" means all income received by all
39 persons of a household in a calendar year while members of the household but does not

1 include the earned income of a child of the claimant who is a full-time student at a
2 postsecondary degree-granting institution.

3 **Sec. 4. Application.** This Act applies to applications for benefits filed on or after
4 August 1, 2007.

5 **SUMMARY**

6 This bill allows certain homeowners who rent their homesteads for up to 31 days in
7 the aggregate during the year to qualify for benefits under the Maine Residents Property
8 Tax Program and prorates benefits to reflect the rental period.

9 This bill also provides that the earned income of a child who is a full-time
10 postsecondary student is not counted for the purposes of a parent's claim under the Maine
11 Residents Property Tax Program.