

MAINE STATE LEGISLATURE

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123rd MAINE LEGISLATURE

FIRST REGULAR SESSION-2007

Legislative Document

No. 1067

H.P. 785

House of Representatives, March 6, 2007

**An Act To Require the Payment of Property Taxes before a Refund
May Be Issued under the Circuitbreaker Program**

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative WEBSTER of Freeport.
Cosponsored by Senator: ROSEN of Hancock.

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

2 **Sec. 1. 36 MRSA §6201, sub-§10**, as amended by PL 1997, c. 504, §20, is
3 further amended to read:

4 **10. Property taxes accrued.** "Property taxes accrued" means property taxes
5 exclusive of special assessment, delinquent interest and charges for service levied on a
6 claimant's homestead in this State as of April 1, 1972, or any tax year thereafter and paid
7 by the claimant. If a homestead is owned by 2 or more persons or entities as joint tenants
8 or tenants in common, and one or more persons or entities are not members of the
9 claimant's household, "property taxes accrued" is that part of property taxes levied on the
10 homestead and paid by the claimant that reflects the ownership percentage of the claimant
11 and the claimant's household. If a claimant and spouse own their homestead for part of
12 the year for which relief is requested and rent it or a different homestead for part of the
13 same tax year, "property taxes accrued" means taxes levied on the homestead on April 1st
14 and paid by the claimant, multiplied by the percentage of 12 months that the property was
15 owned and occupied by the household as its homestead during the year for which relief is
16 requested. When a household owns and occupies 2 or more different homesteads in this
17 State in the same tax year, property taxes accrued relate only to that property occupied by
18 the household as a homestead on April 1st. If a homestead is an integral part of a larger
19 unit such as a farm, or a multipurpose or multidwelling building, property taxes accrued
20 are that percentage of the total property taxes accrued that the value of the homestead is
21 of the total value, except that property taxes accrued do not include any portion of taxes
22 claimed as a business expense for federal income tax purposes. For purposes of this
23 chapter, "unit" refers to the parcel of property separately assessed of which the homestead
24 is a part.

25 **Sec. 2. 36 MRSA §6210, first ¶**, as amended by PL 2005, c. 218, §59, is further
26 amended to read:

27 The State Tax Assessor shall make available suitable forms with instructions for
28 claimants. The claim must be in the form prescribed by the assessor and must be signed
29 by the claimant. The claimant shall include proof of payment of the property taxes
30 claimed. The State Tax Assessor shall determine suitable forms of proof of payment of
31 property taxes, which must include, without limitation, a canceled check, a receipt from
32 the municipal assessor or a signed affidavit from the claimant and the municipal assessor.

33 **Sec. 3. Application.** This Act applies to claims for benefits under the Maine
34 Residents Property Tax Program filed on or after August 1, 2007.

35

SUMMARY

36 Under the Maine Residents Property Tax Program, also referred to as the
37 Circuitbreaker Program, an applicant is not required to provide proof of payment of
38 property taxes claimed for reimbursement. The law does allow the State Tax Assessor to
39 levy interest on an overpayment of a benefit.

1 This bill changes the definition of "property taxes accrued" for purposes of
2 calculating the benefit under the Circuitbreaker Program to mean taxes levied on the
3 homestead and paid by the claimant. The bill also requires a person seeking
4 reimbursement under the Circuitbreaker Program to provide proof of payment of the
5 property taxes claimed with the application for reimbursement.