



123rd MAINE LEGISLATURE

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Legislative Document

No. 1444

H.P. 1013

House of Representatives, March 15, 2007

An Act To Index the Veterans' Property Tax Exemptions to the Cost of Living

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. Mac Jailand

MILLICENT M. MacFARLAND Clerk

Presented by Representative BURNS of Berwick. Cosponsored by Senator SHERMAN of Aroostook and Representatives: CANAVAN of Waterville, CARTER of Bethel, FARRINGTON of Gorham, HARLOW of Portland, JACOBSEN of Waterboro, VAUGHAN of Durham, WALCOTT of Lewiston, WEAVER of York.

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

2 Sec. 1. 36 MRSA §653, sub-§2 is enacted to read:

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2. Adjustment for inflation. The State Tax Assessor shall make the following
adjustments to the dollar amounts in this section and shall notify local assessors of any
adjustments.

A. On or about March 1st annually, the assessor shall adjust the dollar amounts in
this section by the change in the Consumer Price Index as defined in section 5402,
subsection 1 for the previous calendar year over the preceding year.

B. If the assessor determines that federal funds are available to the State to permit the
State to reimburse municipalities for the cost of additional increases in the dollar
amounts in this section, the assessor shall increase each dollar amount in this section
by the same proportion, based on the amount of available federal funds.

13 Sec. 2. Federal funds. The State Tax Assessor shall investigate the availability of 14 federal funds to permit an increase in veterans' exemptions and shall consult with other 15 states to determine how veterans' exemptions in other states are funded. The Governor 16 shall contact members of the Maine Congressional Delegation for assistance in obtaining 17 federal funds to permit an increase in veterans' exemptions and to encourage them to 18 advocate for additional funds.

SUMMARY

This bill provides for annual inflation adjustments in veterans' property tax exemptions and for additional increases if federal funds can be identified to permit reimbursement to municipalities. The bill also requires the State Tax Assessor to explore federal and other sources of funding for veterans' exemptions and requires the Governor to seek assistance from the Maine Congressional Delegation in obtaining federal funds for that purpose.