

# MAINE STATE LEGISLATURE

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# 123rd MAINE LEGISLATURE

## FIRST REGULAR SESSION-2007

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Legislative Document

No. 1770

H.P. 1236

House of Representatives, March 28, 2007

**RESOLUTION, Proposing an Amendment to the Constitution of  
Maine To Exempt 65-year-old Residents from Property Tax  
Increases**

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Reference to the Committee on Taxation suggested and ordered printed.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative MacDONALD of Boothbay.  
Cosponsored by Representative: FLETCHER of Winslow.

1       **Constitutional amendment. Resolved:** Two thirds of each branch of the  
2 Legislature concurring, that the following amendment to the Constitution of Maine be  
3 proposed:

4       **Constitution, Art. IX, §8, first ¶** is amended to read:

5       **Section 8. Taxation.** All taxes upon real and personal estate, assessed by authority  
6 of this State, shall be apportioned and assessed equally according to the just value thereof,  
7 except as provided in this section.

8       **Constitution, Art. IX, §8, sub-§6** is enacted to read:

9       **6. Certain property owned by person 65 years of age or older.** The Legislature  
10 has the power to provide that municipalities may not increase the taxes imposed on real  
11 property that has an assessed value of not more than 150% of the median assessed  
12 housing value in the State if that property is owned and occupied as the primary residence  
13 by a person at least 65 years of age. The rate of tax that may be imposed is the rate in  
14 effect during the property tax year in which the owner attains 65 years of age or  
15 purchases the property after attaining 65 years of age, whichever occurs later. If title to  
16 the property is transferred to someone other than a family member of the owner, the  
17 property assumes the just value at the time of that transfer. Revenue lost by a  
18 municipality due to the operation of this subsection must be reimbursed by the State.

19 ; and be it further

20       **Constitutional referendum procedure; form of question; effective date.**

21 **Resolved:** That the municipal officers of this State shall notify the inhabitants of their  
22 respective cities, towns and plantations to meet, in the manner prescribed by law for  
23 holding a statewide election, at a statewide election held in the month of November  
24 following the passage of this resolution, to vote upon the ratification of the amendment  
25 proposed in this resolution by voting upon the following question:

26       “Do you favor amending the Constitution of Maine to authorize the Legislature to  
27 require real property that has a valuation less than 150% of the median assessed  
28 housing value in the State and that is owned and occupied as a primary residence by a  
29 person 65 years of age or older to be taxed at the same level as the tax imposed on  
30 that property on the later of the property tax year during which the person attained 65  
31 years of age or a person at least 65 years of age purchases such property and to  
32 require the State to reimburse municipalities for revenue lost due to the operation of  
33 this program?”

34       The legal voters of each city, town and plantation shall vote by ballot on this question  
35 and designate their choice by a cross or check mark placed within the corresponding  
36 square below the word “Yes” or “No.” The ballots must be received, sorted, counted and  
37 declared in open ward, town and plantation meetings and returns made to the Secretary of  
38 State in the same manner as votes for members of the Legislature. The Governor shall  
39 review the returns. If it appears that a majority of the legal votes are cast in favor of the  
40 amendment, the Governor shall proclaim that fact without delay and the amendment

1 becomes part of the Constitution of Maine on the date of the proclamation; and be it  
2 further

3 **Secretary of State shall prepare ballots. Resolved:** That the Secretary of State  
4 shall prepare and furnish to each city, town and plantation all ballots, returns and copies  
5 of this resolution necessary to carry out the purposes of this referendum.

6 **SUMMARY**

7 This resolution proposes to amend the Constitution of Maine to authorize the  
8 Legislature to require municipalities to cap property taxes on property owned and  
9 occupied as a person's primary residence if that person is at least 65 years of age and the  
10 property has an assessed value of no more than 150% of the median assessed value of  
11 housing in Maine. The tax would be stabilized at the amount assessed on the property on  
12 the later of the date by which the person attained 65 years of age or purchased the  
13 property. Upon transfer of the property to someone other than a family member of the  
14 owner, the property would assume the just value at the time of transfer. The State would  
15 be required to reimburse a municipality for any revenue lost due to the cap on property  
16 taxes.