

# MAINE STATE LEGISLATURE

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# 123rd MAINE LEGISLATURE

## FIRST REGULAR SESSION-2007

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Legislative Document

No. 1784

H.P. 1246

House of Representatives, March 29, 2007

### **An Act To Authorize Municipal Property Tax Deferral Programs**

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Reference to the Committee on Taxation suggested and ordered printed.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative BRAUTIGAM of Falmouth.  
Cosponsored by Senator STRIMLING of Cumberland and  
Representatives: ADAMS of Portland, HARLOW of Portland, MARLEY of Portland.

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

2       **Sec. 1. 36 MRSA c. 907-B** is enacted to read:

3                                   **CHAPTER 907-B**

4                                   **MUNICIPAL PROPERTY TAX DEFERRAL PROGRAM**

5    **§6241. Definitions**

6       For the purposes of this chapter, unless the context otherwise indicates, the terms  
7    used in this chapter have the same meaning as in chapter 907.

8    **§6242. Municipal authority**

9       The legislative body of a municipality may by ordinance adopt a program to defer  
10   property tax payments of persons who own homesteads in the municipality. A  
11   municipality may choose to restrict the program to persons who are at least 62 years of  
12   age.

13       **1. Condition of program.** A program adopted under this section must:

14       A. Require that the claimant owns a homestead in the municipality;

15       B. Calculate benefits in a way that provides greater benefits proportionally to  
16   claimants with lower incomes in relation to their property taxes; and

17       C. Specify events requiring payment of deferred property taxes and interest.

18       **2. Relationship to state Circuitbreaker Program and to municipal property tax**  
19   assistance. Benefits received under a program adopted by a municipality under this  
20   section are in addition to benefits provided under chapters 907 and 907-A. A  
21   municipality may, but is not required to, provide that:

22       A. Benefits under the program are equal to a percentage of the benefits received by  
23   the claimant under chapters 907 and 907-A; or

24       B. The amount of benefits received under the program are equal to the balance of  
25   property tax payments remaining after benefits are received by the claimant under  
26   chapters 907 and 907-A.

27       **3. Repeal of program.** A municipality that has adopted a program under this  
28   section may repeal it through the same procedure by which the program was adopted.

29                                   **SUMMARY**

30       This bill authorizes municipalities to establish property tax deferral programs.