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Legislative Document

No. 313

H.P. 249

House of Representatives, February 2, 2009

An Act To Add a Fuel Oil Benefit to the Circuitbreaker Program

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. Mac Jarland

MILLICENT M. MacFARLAND Clerk

Presented by Representative TUTTLE of Sanford. Cosponsored by Senator BARTLETT of Cumberland and Representatives: ADAMS of Portland, BERRY of Bowdoinham, BUTTERFIELD of Bangor, Speaker PINGREE of North Haven, PIOTTI of Unity, TREAT of Hallowell, TRINWARD of Waterville, Senator: BRYANT of Oxford.

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Be it enacted by the People of the State of Maine as follows: 1 2 Sec. 1. 36 MRSA §6201, sub-§1, as amended by PL 2007, c. 700, Pt. A, §1, is further amended to read: 3 4 1. Benefit base. "Benefit base" means property taxes accrued or rent constituting property taxes accrued plus 50% of heating fuel costs. In the case of a claimant paying 5 both rent and property taxes for a homestead, "benefit base" means both property taxes 6 7 accrued and rent constituting property taxes accrued. The benefit base may not exceed \$3,350 for single-member households and \$4,400 for households with 2 or more 8 9 members. 10 Sec. 2. 36 MRSA §6201, sub-§4-A is enacted to read: 4-A. Heating fuel costs. "Heating fuel costs" means the amount billed to a claimant 11 during the calendar year preceding that in which a claim is filed for the cost of petroleum-12 13 based fuel used predominantly for: 14 A. Heating or cooling a homestead; and 15 B. Heating water for residential use by residents of a homestead. 16 Sec. 3. 36 MRSA §6201-A, as amended by PL 2005, c. 618, §18, is further 17 amended to read: 18 §6201-A. Short title 19 This chapter may be known and may be cited as the "Maine Residents Property Tax 20 and Heating Fuel Program" and may be referred to as "the Circuitbreaker Program." 21 Sec. 4. 36 MRSA §6210, 2nd ¶, as amended by PL 2005, c. 218, §59, is further 22 amended to read: 23 The assessor shall include a checkoff to request an application for the Maine Residents Property Tax and Heating Fuel Program on the individual income tax form. 24 25 The assessor shall also provide a paperless option for filing an application for the Maine 26 Residents Property Tax Program program. 27 Sec. 5. 36 MIRSA §6218, as enacted by PL 1989, c. 534, Pt. A, §10, is amended to 28 read: 29 §6218. Readability; application; instructions 30 The application form and instructions used by applicants for assistance under the 31 Maine Residents Property Tax and Heating Fuel Program and its successor, if any, shall 32 have a readability score, as determined by a recognized instrument for measuring adult 33 literacy levels, equivalent to no higher than a 6th grade reading level. 34 Sec. 6. 36 MRSA §6219, as amended by PL 1997, c. 526, §14, is further amended 35 to read:

§6219. Outreach plan required

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The Bureau of Revenue Services shall develop and implement a plan of outreach to ensure that all eligible households are made aware of assistance available under the Maine Residents Property Tax and Heating Fuel Program and its successor, if any.

Sec. 7. 36 MRSA §6220, as amended by PL 1997, c. 668, §40, is further amended to read:

§6220. Coordination required

The bureau shall seek the advice and cooperation of the Bureau of Elder and Adult Services; the Bureau of Family Independence; the Bureau of Child and Family Services; advocates for elderly and low-income individuals; and other interested agencies and organizations in developing the application form and instruction booklet for the Maine Residents Property Tax <u>and Heating Fuel</u> Program and the outreach plan required by section 6219.

Sec. 8. Maine Revised Statutes headnote amended; revision clause. In the Maine Revised Statutes, Title 36, chapter 907, in the chapter headnote, the words "maine residents property tax program" are amended to read "maine residents property tax and heating fuel program" and the Revisor of Statutes shall implement this revision when updating, publishing or republishing the statutes.

SUMMARY

This bill provides relief to homeowners and renters for the cost of petroleum-based heating fuel. Relief is made available as an addition to the Maine Residents Property Tax Program, also known as the Circuitbreaker Program, by including petroleum-based heating costs in the formula for calculation of circuitbreaker benefits. Under this bill benefits are made available to persons whose property taxes and heating costs exceed 4% of their income. Income eligibility levels and benefit maximums are not changed.