

# MAINE STATE LEGISLATURE

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# 124th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2009

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**Legislative Document**

**No. 1367**

H.P. 957

House of Representatives, April 2, 2009

### **An Act To Increase the Homestead Property Tax Exemption**

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Reference to the Committee on Taxation suggested and ordered printed.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative CEBRA of Naples.  
Cosponsored by Senator HASTINGS of Oxford and  
Representatives: PLUMMER of Windham, ROBINSON of Raymond, SARTY of Denmark,  
SHAW of Standish, SYKES of Harrison.

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

2 **Sec. 1. 36 MRSA §683, sub-§1**, as repealed and replaced by PL 2005, c. 2, Pt. F,  
3 §1 and affected by §5, is amended to read:

4 **1. Exemption amount.** Except for assessments for special benefits and except as  
5 provided in subsection 1-B, the just value of \$13,000 of the homestead of a permanent  
6 resident of this State who has owned a homestead in this State for the preceding 12  
7 months is exempt from taxation. In determining the local assessed value of the  
8 exemption, the assessor shall multiply the amount of the exemption by the ratio of current  
9 just value upon which the assessment is based as furnished in the assessor's annual return  
10 pursuant to section 383. If the title to the homestead is held by the applicant jointly or in  
11 common with others, the exemption may not exceed \$13,000 of the just value of the  
12 homestead, but may be apportioned among the owners who reside on the property to the  
13 extent of their respective interests. A municipality responsible for administering the  
14 homestead exemption has no obligation to create separate accounts for each partial  
15 interest in a homestead owned jointly or in common.

16 **Sec. 2. 36 MRSA §683, sub-§1-B** is enacted to read:

17 **1-B. Approved exemption amount.** Notwithstanding subsection 1, except for  
18 assessments for special benefits, a municipality may approve the exemption from taxation  
19 of the just value of \$25,000 of the homestead of a permanent resident of this State who  
20 has owned a homestead in this State for the preceding 12 months. In determining the  
21 local assessed value of the exemption, the assessor shall multiply the amount of the  
22 exemption by the ratio of current just value upon which the assessment is based as  
23 furnished in the assessor's annual return pursuant to section 383. If the title to the  
24 homestead is held by the applicant jointly or in common with others, the exemption may  
25 not exceed \$25,000 of the just value of the homestead, but may be apportioned among the  
26 owners who reside on the property to the extent of their respective interests. A  
27 municipality responsible for administering the homestead exemption has no obligation to  
28 create separate accounts for each partial interest in a homestead owned jointly or in  
29 common.

30 A municipality may approve the increased homestead exemption amount established in  
31 this subsection in the following manner.

32 A. In a municipality where the responsibility for final adoption of the municipal  
33 budget is vested by municipal charter in a council, the increased exemption amount  
34 must be approved by a majority of the members of the council.

35 B. When the final budget authority is vested in a town meeting operating under the  
36 general enabling procedures of Title 30-A, the increased exemption amount must be  
37 approved by the town meeting or under the procedures of Title 30-A, section 2522 or  
38 2528.

39 **Sec. 3. Application.** This Act applies to property tax years beginning on or after  
40 April 1, 2009.

**SUMMARY**

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This bill allows a municipality to approve a higher exemption amount under the  
Maine resident homestead property tax exemption program.