

MAINE STATE LEGISLATURE

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125th MAINE LEGISLATURE

SECOND REGULAR SESSION-2012

Legislative Document

No. 1680

S.P. 579

In Senate, December 21, 2011

**An Act To Amend the Circuitbreaker Program To Include
Claimants Occupying Property Pursuant to a Trust and To Require
Proof of Payment of Rent**

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Received by the Secretary of the Senate on December 19, 2011. Referred to the Committee on Taxation pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 218.

Joseph G. Carleton Jr.

JOSEPH G. CARLETON, JR.
Secretary of the Senate

Presented by Senator PLOWMAN of Penobscot.

Cosponsored by Representative KNIGHT of Livermore Falls and

Senators: HASTINGS of Oxford, SHERMAN of Aroostook, THIBODEAU of Waldo,
WHITTEMORE of Somerset, Representatives: CUSHING of Hampden, MORISSETTE of
Winslow.

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

2 **Sec. 1. 36 MRSA §6201, sub-§5**, as amended by PL 1995, c. 368, Pt. CCC, §7
3 and affected by §11, is further amended to read:

4 **5. Homestead.** "Homestead" means the dwelling owned or rented by the claimant or
5 held in a ~~revocable living~~ trust for the benefit of the claimant and occupied by the
6 claimant and the claimant's dependents as a home, and may consist of a part of a
7 multidwelling or multipurpose building and a part of the land, up to 10 acres, upon which
8 it is built. "Owned" includes a vendee in possession under a land contract and of one or
9 more joint tenants or tenants in common. For purposes of this subsection, "trust" means
10 a legally binding agreement, including, but not limited to, a revocable living trust, that
11 allows the owner of the dwelling to transfer the property but continue to occupy the
12 dwelling as a homestead until some future event stated in the agreement.

13 **Sec. 2. 36 MRSA §6204-A** is enacted to read:

14 **§6204-A. Proof of payment of rent**

15 For applications filed on or after August 1, 2012, a claimant who rents a homestead
16 and whose benefit base is calculated based on rent constituting property taxes accrued
17 shall submit with the claim for a benefit under this chapter proof of payment of rent by
18 the claimant. An application that does not include proof of payment of rent is considered
19 an incomplete application and the claim must be disallowed until such time as the proof
20 of payment of rent is received by the assessor. For purposes of this section, "proof of
21 payment of rent" means either a notarized statement signed by the claimant stating that
22 the rent for the year for which relief is requested has been paid in full or a signed letter
23 from the claimant's landlord stating that the rent for the year for which relief is requested
24 has been paid in full.

25 **Sec. 3. Application.** That section of this Act that amends the Maine Revised
26 Statutes, Title 36, section 6201, subsection 5 applies to applications for the Circuitbreaker
27 Program filed on or after August 1, 2012.

28 **SUMMARY**

29 Currently, under the Circuitbreaker Program, a person occupying a homestead that is
30 held in a revocable living trust is eligible for benefits under the program, as long as all
31 other requirements of the program are met. This bill increases the eligibility in the
32 Circuitbreaker Program by allowing a person to apply for benefits if that person is
33 occupying a homestead under a legally binding agreement that allows the person to
34 transfer the property but continue to reside in it as a homestead until some specified
35 future event.

36 Under the Circuitbreaker Program, a renter may claim that portion of the rent that
37 constitutes the property taxes paid on the renter's homestead. This bill requires the renter
38 to provide with the application for benefits under the Circuitbreaker Program either a
39 notarized statement signed by the claimant or a letter signed by the claimant's landlord

1 stating that the rent for the year that the Circuitbreaker Program benefit is claimed has
2 been paid in full.