

# MAINE STATE LEGISLATURE

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# 129th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2019

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Legislative Document

No. 1042

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H.P. 772

House of Representatives, February 28, 2019

**An Act To Exempt Disabled Veterans from Property Taxes in  
Accordance with Their Disability Ratings**

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Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT  
Clerk

Presented by Representative ROBERTS-LOVELL of South Berwick.  
Cosponsored by Representatives: BERRY of Bowdoinham, DENK of Kennebunk, FECTEAU  
of Biddeford, HANINGTON of Lincoln, HICKMAN of Winthrop, MAXMIN of Nobleboro,  
SCHNECK of Bangor, SHEATS of Auburn.

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

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

3 **1-C. Disabled veterans.** For property tax years beginning on or after April 1, 2020,  
4 a permanent resident of this State who is a veteran with a service-connected disability  
5 rated by the United States Department of Veterans Affairs at 30% or greater and who is  
6 eligible for an exemption under subsection 1 may elect to receive an exemption from  
7 taxation for a homestead equal to 50% of the just value of the homestead multiplied by  
8 the veteran's percentage disability rating. A veteran who elects to receive an exemption  
9 under this subsection is not eligible for the exemptions provided under subsections 1 and  
10 1-B or the exemptions provided under sections 653 and 654-A.

11 **Sec. 2. 36 MRSA §683, sub-§2,** as amended by PL 2013, c. 416, §3, is further  
12 amended to read:

13 **2. Exemption in addition to other exemptions.** The Except as provided in  
14 subsection 1-C, the exemption provided in this subchapter is in addition to the  
15 exemptions provided in sections 653 and 654-A.

16 **Sec. 3. 36 MRSA §685, sub-§2,** as amended by PL 2017, c. 284, Pt. G, §2, is  
17 further amended to read:

18 **2. Entitlement to reimbursement by the State; calculation.** A municipality that  
19 has approved homestead exemptions under this subchapter may recover from the State:

20 A. For property tax years beginning before April 1, 2018, 50% of the taxes lost by  
21 reason of the exemptions under section 683, subsections 1 and 1-B; ~~and~~

22 B. For property tax years beginning on or after April 1, 2018, 62.5% of the taxes lost  
23 by reason of the exemptions under section 683, subsections 1 and 1-B; and

24 C. For property tax years beginning on or after April 1, 2020, 75% of the taxes lost  
25 by reason of the exemption under section 683, subsection 1-C.

26 The municipality must provide proof in a form satisfactory to the bureau. The bureau  
27 shall reimburse the Unorganized Territory Education and Services Fund in the same  
28 manner for taxes lost by reason of the exemptions.

29 **SUMMARY**

30 This bill permits a veteran with a service-connected disability rated by the United  
31 States Department of Veterans Affairs at 30% or greater to choose to receive a homestead  
32 exemption equal to 50% of the just value of the homestead multiplied by the veteran's  
33 percentage disability rating instead of the current homestead exemption and exemptions  
34 for veterans and legally blind persons. The bill requires the State to reimburse  
35 municipalities for 75% of the revenue loss attributable to the new exemption.