

# MAINE STATE LEGISLATURE

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Date: 5/22/19

(Filing No. S-131e)

**TAXATION**

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**STATE OF MAINE  
SENATE  
129TH LEGISLATURE  
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to S.P. 368, L.D. 1194, Bill, "An Act To Increase Property Tax Relief for Veterans"

Amend the bill by striking out all of section 1 and inserting the following:

**'Sec. 1. 36 MRSA §653, sub-§1, ¶¶L and M** are enacted to read:

L. For property tax years beginning on or after April 1, 2020 the following exemptions are increased or expanded:

(1) The exemptions under paragraphs C, C-1, D, D-1, D-2 and D-3 are expanded to include otherwise eligible veterans who served during the period from February 1, 1955 to February 27, 1961; and

(2) The exemptions provided under paragraphs C, C-1, D, D-2 and D-3 are increased to \$10,000.

M. Notwithstanding paragraph H, a municipality granting increased or expanded exemptions under paragraph L is entitled to reimbursement from the State equal to 100% of the property tax revenue loss suffered by that municipality during the previous calendar year as a result of increased or expanded exemption authorized under paragraph L. Application for and processing of reimbursement due under this paragraph must be made in the manner provided in section 661.'

Amend the bill by adding after section 2 the following:

**'Sec. 3. Appropriations and allocations.** The following appropriations and allocations are made.

**ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF  
Veterans Tax Reimbursement 0407**

Initiative: Provides one-time funding to reimburse municipalities for the cost of processing additional property tax exemption applications for veterans.

**COMMITTEE AMENDMENT**

1	<b>GENERAL FUND</b>	<b>2019-20</b>	<b>2020-21</b>
2	All Other	\$0	\$25,000
3			
4	<b>GENERAL FUND TOTAL</b>	<u>\$0</u>	<u>\$25,000</u>
5			

6 Amend the bill by relettering or renumbering any nonconsecutive Part letter or  
7 section number to read consecutively.

8 **SUMMARY**

9 This amendment increases to \$10,000 the property tax exemption for all categories of  
10 eligible veterans other than those receiving a \$50,000 exemption for specially adapted  
11 housing units and who are paraplegic veterans. It also expands the dates of federally  
12 recognized war periods to include February 1, 1955 to February 27, 1961. State  
13 reimbursement is provided for 100% of the property tax revenue loss to municipalities as  
14 a result of the increase and expansion of exemptions.

15 The amendment also adds an appropriations and allocations section.

16 **FISCAL NOTE REQUIRED**

17 (See attached)



# 129th MAINE LEGISLATURE

LD 1194

LR 1550(02)

## An Act To Increase Property Tax Relief for Veterans

Fiscal Note for Bill as Amended by Committee Amendment "A" (S-134)  
Committee: Taxation  
Fiscal Note Required: Yes

### Fiscal Note

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
<b>Net Cost (Savings)</b>				
General Fund	\$0	\$25,000	\$3,350,000	\$3,500,000
<b>Appropriations/Allocations</b>				
General Fund	\$0	\$25,000	\$3,350,000	\$3,500,000

### Fiscal Detail and Notes

This bill increases the property tax exemption for certain eligible veterans from \$6,000 to \$10,000, expands the dates of federally recognized war periods and provides for 100% state reimbursement of the loss in property taxes to municipalities. The bill includes a one-time General Fund appropriation of \$25,000 in fiscal year 2020-21 to the Department of Administrative and Financial Services to reimburse municipalities for the cost of processing additional property tax exemption applications for veterans. The Department will require annual General Fund appropriations of \$3,350,000 in fiscal year 2021-22 and \$3,500,000 in fiscal year 2022-23 to reimburse municipalities 100% of the property tax loss.