

MAINE STATE LEGISLATURE

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3/10
12/03

L.D. 1234

Date: 6/5/19 Majority

(Filing No. H-482)

TAXATION

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
129TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 895, L.D. 1234, Bill, "An Act To Expand the Value of the Homestead Exemption to \$25,000 and State Reimbursement to 100 Percent of Lost Property Tax Revenue"

Amend the bill by striking out the title and substituting the following:

'An Act To Expand the Value of the Homestead Exemption to \$25,000 and State Reimbursement to 70 Percent of Lost Property Tax Revenue'

Amend the bill in section 2 in subsection 3 in the 3rd from last line (page 1, line 18 in L.D.) by striking out the following: "100%" and inserting the following: '70%'

Amend the bill in section 2 in subsection 4 in the 4th from last line (page 1, line 27 in L.D.) by striking out the following: "100%" and inserting the following: '70%'

Amend the bill by striking out all of section 3.

Amend the bill in section 4 in subsection 2 in paragraph C in the first line (page 2, line 6 in L.D.) by striking out the following: "100%" and inserting the following: '70%'

Amend the bill by inserting after section 4 the following:

'Sec. 5. Appropriations and allocations. The following appropriations and allocations are made.

**ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF
Homestead Property Tax Exemption Reimbursement 0886**

Initiative: Provides funding to increase the homestead property tax exemption from \$20,000 to \$25,000 and to increase the reimbursement to municipalities from 62.5% to 70%.

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GENERAL FUND	2019-20	2020-21
All Other	\$0	\$20,580,000
GENERAL FUND TOTAL	<u>\$0</u>	<u>\$20,580,000</u>

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

SUMMARY

This amendment, which is the majority report of the committee, changes to 70% the percentage of state reimbursement of lost property tax revenue due to the increase in the homestead exemption in the bill. It also removes from the bill the provision that the tax assessed on a homestead eligible for the homestead exemption may not be less than \$100.

The amendment also adds an appropriations and allocations section.

FISCAL NOTE REQUIRED

(See attached)



129th MAINE LEGISLATURE

LD 1234

LR 668(02)

An Act To Expand the Value of the Homestead Exemption to \$25,000 and State Reimbursement to 100 Percent of Lost Property Tax Revenue

Fiscal Note for Bill as Amended by Committee Amendment *A. (H-482)*

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
Net Cost (Savings)				
General Fund	\$0	\$20,580,000	\$27,590,000	\$27,780,000
Appropriations/Allocations				
General Fund	\$0	\$20,580,000	\$27,590,000	\$27,780,000

Fiscal Detail and Notes

The bill includes a General Fund appropriation to the Department of Administrative and Financial Services of \$20,580,000 in fiscal year 2020-21 to increase the homestead property tax exemption from \$20,000 to \$25,000 and to increase the reimbursement to municipalities from 62.5% to 70%.