

MAINE STATE LEGISLATURE

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130th MAINE LEGISLATURE

FIRST SPECIAL SESSION-2021

Legislative Document

No. 1406

S.P. 455

In Senate, April 12, 2021

An Act To Encourage Relocation to Rural Maine

Received by the Secretary of the Senate on April 8, 2021. Referred to the Committee on Taxation pursuant to Joint Rule 308.2 and ordered printed.

A handwritten signature in black ink, appearing to read "D M Grant".

DAREK M. GRANT
Secretary of the Senate

Presented by Senator STEWART of Aroostook.

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

2 **Sec. 1. 36 MRSA §5219-YY** is enacted to read:

3 **§5219-YY. Rural relocation refundable tax credit**

4 For tax years beginning on or after January 1, 2022, a person who relocates the person's
5 residence from a location outside a rural area to a location within a rural area is allowed a
6 refundable credit per year up to a total of 5 years against the tax otherwise due under this
7 Part in an amount equal to the person's property tax bill under Part 2 for the person's
8 residence in the rural area for that tax year or \$2,000, whichever is less, and the total amount
9 of the person's Internet connectivity expenses at the person's residence in the rural area for
10 that calendar year or \$1,000, whichever is less. To receive a credit under this section, the
11 person must maintain a continuous residence at the property from the time of relocation
12 through every tax year for which the person receives the tax credit. To receive that portion
13 of the credit under this section relating to the person's property tax under Part 2, the person
14 must own the property used as the person's residence in the rural area. For purposes of this
15 section, "rural area" means Aroostook County, Somerset County, Piscataquis County or
16 Washington County.

17 **SUMMARY**

18 This bill creates a refundable tax credit of up to \$3,000 per year up to a total of 5 years
19 for a person who moves from outside a rural area to a residence within a rural area, defined
20 as Aroostook County, Somerset County, Piscataquis County and Washington County. The
21 person may receive a tax credit of up to \$1,000 per year as reimbursement for Internet
22 connectivity costs and, if the person owns the residence in the rural area, a tax credit of up
23 to \$2,000 per year as reimbursement for the person's property tax bill.