

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

SAA  
ROS

L.D. 1638

Date: 6/16/2)

(Filing No. S-335)

## TAXATION

Reproduced and distributed under the direction of the Secretary of the Senate.

### STATE OF MAINE

### SENATE

### 130TH LEGISLATURE

### FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to S.P. 522, L.D. 1638, "An Act To Help Seniors and Certain Persons with Disabilities Remain in Their Homes by Providing for the Deferral of Property Taxes"

Amend the bill by inserting after section 1 the following:

'Sec. 2. 36 MRSA §6250, sub-§2-A is enacted to read:

2-A. Disability. "Disability" means a permanent and total impairment or condition that prevents an individual from being employed as determined by an agency of this State or of the Federal Government or by routine technical rules adopted by the State Tax Assessor.'

Amend the bill in section 2 in subsection 3 in the last 3 lines (page 1, lines 28 to 30 in L.D.) by striking out the following: "Homestead" does not include an owner-occupied principal dwelling located on land not owned by the taxpayer."

Amend the bill in section 5 in §6251 in subsection 1 in paragraph A in the 2nd line (page 2, line 11 in L.D.) by striking out the following: "continue employment" and inserting the following: 'be employed'

Amend the bill in section 5 in §6251 in subsection 1 in paragraph A in the last line (page 2, line 12 in L.D.) by striking out the following: "physical"

Amend the bill in section 12 in subsection 3 in the last line (page 5, line 16 in L.D.) by inserting after the following: "186" the following: 'reduced by one percentage point'

Amend the bill in section 15 in subsection 2 in the 2nd line (page 6, line 12 in L.D.) by striking out the following: "physical"

Amend the bill in section 15 in subsection 2 in the 7th line (page 6, line 17 in L.D.) by striking out the following: "physical"

Amend the bill by inserting after section 20 the following:

'Sec. 21. Appropriations and allocations. The following appropriations and allocations are made.

ROS

COMMITTEE AMENDMENT "A" to S.P. 522, L.D. 1638 (S-335)

**ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF  
Elderly Tax Deferral Program 0650**

Initiative: Provides funding to reimburse municipalities for deferred property taxes.

<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2021-22</b>	<b>2022-23</b>
All Other	\$0	\$1,155,000
<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<b>\$0</b>	<b>\$1,155,000</b>

**Revenue Services, Bureau of 0002**

Initiative: Provides funding for one Property Appraiser position, computer programming costs and other related costs to review, approve and audit applications.

<b>GENERAL FUND</b>	<b>2021-22</b>	<b>2022-23</b>
POSITIONS - LEGISLATIVE COUNT	1.000	1.000
Personal Services	\$42,538	\$86,099
All Other	\$113,092	\$12,012
<b>GENERAL FUND TOTAL</b>	<b>\$155,630</b>	<b>\$98,111</b>

**ADMINISTRATIVE AND FINANCIAL  
SERVICES, DEPARTMENT OF  
DEPARTMENT TOTALS**

	<b>2021-22</b>	<b>2022-23</b>
<b>GENERAL FUND</b>	<b>\$155,630</b>	<b>\$98,111</b>
<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>\$0</b>	<b>\$1,155,000</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$155,630</b>	<b>\$1,253,111</b>

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

**SUMMARY**

This amendment deletes language requiring that the homestead of the taxpayer requesting a deferral of property taxes be located on land owned by the taxpayer. The amendment removes the requirement that a disability be a physical disability and provides a definition of "disability." The amendment provides that the interest rate on payments advanced to a municipality for the tax-deferred property is the standard rate of interest assessed by the State for nonpayment of taxes reduced by one percentage point.

The amendment also adds an appropriations and allocations section.

**FISCAL NOTE REQUIRED**

(See attached)

Revised: 06/15/21 *MAC*

# 130th MAINE LEGISLATURE

LD 1638

LR 201(02)

## An Act To Help Seniors and Certain Persons with Disabilities Remain in Their Homes by Providing for the Deferral of Property Taxes

Fiscal Note for Bill as Amended by Committee Amendment "A" (S-335)  
Committee: Taxation

Fiscal Note Required: Yes

---

### Fiscal Note

	FY 2021-22	FY 2022-23	Projections FY 2023-24	Projections FY 2024-25
<b>Net Cost (Savings)</b>				
General Fund	\$155,630	\$98,111	\$111,866	\$103,709
<b>Appropriations/Allocations</b>				
General Fund	\$155,630	\$98,111	\$111,866	\$103,709
Other Special Revenue Funds	\$0	\$1,155,000	\$1,785,000	\$2,415,000
<b>Transfers</b>				
Other Special Revenue Funds	\$0	\$0	\$0	\$0

### Fiscal Detail and Notes

This bill creates a process for deferring property taxes for eligible seniors and persons with disabilities and includes an Other Special Revenue Funds allocation of \$1,155,000 in fiscal year 2022-23 to the Department of Administrative and Financial Services to reimburse municipalities for deferred property taxes. The bill also includes a transfer from the Property Tax Relief Fund for Maine Residents to cover the cost of the reimbursement. If enough funds do not exist in that fund, additional funds will be transferred from the Housing Opportunities for Maine Fund.

The bill also includes a General Fund appropriation of \$155,630 in fiscal year 2021-22 and \$98,111 in fiscal year 2022-23 to the Department of Administrative and Financial Services for one Property Appraiser position, computer programming costs and other related costs to review, approve and audit applications. Additionally, the Department of Administrative and Financial Services will require a one-time General Fund appropriation of \$11,000 in fiscal year 2023-24 for computer programming costs to add a line to the individual income tax return.