

# MAINE STATE LEGISLATURE

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# 131st MAINE LEGISLATURE

## FIRST REGULAR SESSION-2023

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Legislative Document

No. 89

H.P. 57

House of Representatives, January 9, 2023

**An Act to Clarify Eligibility for Property Tax Stabilization for  
Individuals 65 Years of Age or Older**

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Reference to the Committee on Taxation suggested and ordered printed.

*Robert B. Hunt*  
ROBERT B. HUNT  
Clerk

Presented by Representative MORIARTY of Cumberland.  
Cosponsored by Senator STEWART of Aroostook.

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

2 **Sec. 1. 36 MRSA §6281, sub-§1, ¶A**, as enacted by PL 2021, c. 751, §1, is  
3 amended to read:

4 A. "Eligible homestead" means a homestead occupied by an eligible individual or  
5 surviving spouse who is eligible for a homestead exemption under chapter 105,  
6 subchapter 4-B for the property tax year during which an application for stabilization  
7 is made.

8 **Sec. 2. 36 MRSA §6281, sub-§1, ¶D**, as enacted by PL 2021, c. 751, §1, is  
9 amended to read:

10 D. "Stabilize" means to maintain the property tax billed to an eligible individual or  
11 surviving spouse for the individual's or surviving spouse's eligible homestead at the  
12 amount billed for that homestead for the property tax year preceding the date of  
13 application for stabilization.

14 **Sec. 3. 36 MRSA §6281, sub-§1, ¶E** is enacted to read:

15 E. "Surviving spouse" means the spouse of an eligible individual who has died as long  
16 as the spouse was married to the eligible individual for at least 10 years prior to the  
17 eligible individual's death.

18 **Sec. 4. 36 MRSA §6281, sub-§3**, as enacted by PL 2021, c. 751, §1, is amended to  
19 read:

20 **3. Stabilization for eligible individual or surviving spouse.** If a municipality  
21 determines that an applicant for stabilization under subsection 2 is an eligible individual or  
22 surviving spouse and that the individual's or surviving spouse's homestead is an eligible  
23 homestead, the municipality shall stabilize the property tax on the individual's or surviving  
24 spouse's homestead billed for the property tax year for which stabilization was requested.

25 **Sec. 5. 36 MRSA §6281, sub-§4**, as enacted by PL 2021, c. 751, §1, is amended to  
26 read:

27 **4. Transfer of eligibility.** If an eligible individual or surviving spouse has been  
28 eligible for stabilization under this section and establishes a new homestead in the State,  
29 the individual or surviving spouse continues to be eligible for stabilization. If an eligible  
30 individual or surviving spouse establishes a new homestead in a different municipality, at  
31 the request of the eligible individual or surviving spouse, the municipality where eligibility  
32 was first established shall notify the new municipality of the eligible individual's or  
33 surviving spouse's previous eligibility and the amount at which the property taxes were  
34 stabilized. The new municipality shall bill the eligible individual or surviving spouse at  
35 the stabilized amount and is eligible for state compensation under subsection 5.

36 **Sec. 6. 36 MRSA §6281, sub-§5**, as enacted by PL 2021, c. 751, §1, is amended to  
37 read:

38 **5. State compensation.** A municipality that has stabilized property tax for an eligible  
39 individual or surviving spouse under this chapter may recover from the State 100% of the  
40 amount by which the property tax assessed on the homestead of an eligible individual or  
41 surviving spouse in the usual manner exceeds the stabilized amount of property tax billed  
42 under subsection 3. A municipality claiming compensation under this subsection shall

1 submit a claim to the bureau by November 1st of the year in which the property tax was  
2 stabilized. The bureau shall review claims and determine the total amount to be paid to  
3 each municipality. The bureau shall certify and the Treasurer of State shall pay the amount  
4 due to each municipality by January 15th of the year following the year in which the claim  
5 for compensation was submitted.

6 **Sec. 7. Application.** This Act applies to applications filed for stabilization of  
7 property taxes pursuant to Title 36, chapter 908-B for property tax years beginning on or  
8 after April 1, 2024.

9

#### SUMMARY

10 This bill, for property tax years beginning on or after April 1, 2024, expands eligibility  
11 for the property tax stabilization program for individuals 65 years of age or older to  
12 surviving spouses of eligible individuals as long as they were married for at least 10 years  
13 before the eligible individual's death.