

MAINE STATE LEGISLATURE

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MINORITY

TAXATION

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STATE OF MAINE

SENATE

131ST LEGISLATURE

FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "B" to S P 69, L D 130, "An Act to Eliminate Senior Citizen Property Tax Stabilization and Expand the Homestead Property Tax Exemption"

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

'An Act to Improve the Property Tax Stabilization Program'

Amend the bill by striking out everything after the enacting clause and inserting the following

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

2. Application for stabilization An individual may apply by December 1st to the municipality in which the individual's homestead is located requesting that the municipality stabilize the property tax assessed on that individual's homestead for the property tax year beginning on April 1st following the submission of the application and each property tax year thereafter subject to adjustment under subsection 2-A A new application is required for each year for which stabilization is requested when an individual establishes a new homestead in the State or if requested by the municipality or if the municipality determines that the just value of the homestead with a stabilized valuation has increased by at least \$20,000 above the original stabilized valuation as provided in subsection 2-A

Sec. 2. 36 MRSA §6281, sub-§2-A is enacted to read

2-A Adjustment in stabilized valuation. If a municipal assessor determines that the just value of a homestead with a stabilized valuation has increased by at least \$20,000 over the original stabilized valuation, the municipality may establish a new stabilized valuation for the homestead for the property tax year subsequent to the year in which the determination is made

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

COMMITTEE AMENDMENT



131st MAINE LEGISLATURE

LD 130

LR 29(03)

An Act to Eliminate Senior Citizen Property Tax Stabilization and Expand the Homestead Property Tax Exemption

Fiscal Note for Bill as Amended by Committee Amendment "B(S426)"
 Committee: Taxation
 Fiscal Note Required: Yes

Fiscal Note

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
Net Cost (Savings)				
General Fund	\$0	\$200,000	\$300,000	\$400,000
Appropriations/Allocations				
General Fund	\$0	\$200,000	\$300,000	\$400,000

Fiscal Detail and Notes

This bill includes a General Fund appropriation to the Department of Administrative and Financial Services, Property Tax Stabilization program of \$200,000 in fiscal year 2024-25 to reimburse municipalities for reduced property tax revenue resulting from the elimination of the annual application requirement for property tax stabilization

The fiscal note does not reflect changes to the property tax stabilization program related to authorizing municipal assessors to establish a new stabilized valuation when the just value of a homestead has increased by at least \$20,000. While allowing municipal assessors to increase the stabilized valuation may result in property tax revenue increases and corresponding reductions in state reimbursement for property tax revenue loss, there is not sufficient information to estimate the timing or amount of these potential impacts.