

MAINE STATE LEGISLATURE

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131st MAINE LEGISLATURE

FIRST REGULAR SESSION-2023

Legislative Document

No. 1413

H.P. 909

House of Representatives, March 30, 2023

**An Act to Amend the Laws Establishing a Property Tax
Stabilization Program for Senior Citizens**

Reference to the Committee on Taxation suggested and ordered printed.


ROBERT B. HUNT
Clerk

Presented by Representative RUSSELL of Verona Island.
Cosponsored by Representatives: EATON of Deer Isle, MILLIKEN of Blue Hill,
O'CONNELL of Brewer, WORTH of Ellsworth.

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

2 **Sec. 1. 36 MRSA §5403, sub-§7**, as enacted by PL 2017, c. 474, Pt. B, §24, is
3 amended to read:

4 **7. Personal exemptions.** Beginning in 2018 and each year thereafter, by the dollar
5 amounts contained in section 5126-A, subsection 1, except that for the purposes of this
6 subsection, notwithstanding section 5402, subsection 1-B, the "cost-of-living adjustment"
7 is the Chained Consumer Price Index for the 12-month period ending June 30th of the
8 preceding calendar year divided by the Chained Consumer Price Index for the 12-month
9 period ending June 30, 2017; ~~and~~

10 **Sec. 2. 36 MRSA §5403, sub-§8**, as enacted by PL 2017, c. 474, Pt. B, §24, is
11 amended to read:

12 **8. Personal exemption phase-out.** Beginning in 2018 and each year thereafter, by
13 the dollar amount of the applicable amounts specified in section 5126-A, subsection 2,
14 paragraphs A, B and C, except that for the purposes of this subsection, notwithstanding
15 section 5402, subsection 1-B, the "cost-of-living adjustment" is the Chained Consumer
16 Price Index for the 12-month period ending June 30th of the preceding calendar year
17 divided by the Chained Consumer Price Index for the 12-month period ending June 30,
18 2017; ~~and~~

19 **Sec. 3. 36 MRSA §5403, sub-§9** is enacted to read:

20 **9. Senior property tax stabilization.** Beginning in 2024 and each year thereafter, by
21 the dollar amounts contained in section 6281, subsection 1, paragraph B, subparagraph (3),
22 except that for the purposes of this subsection, notwithstanding section 5402, subsection
23 1-B, the "cost-of-living adjustment" is the Chained Consumer Price Index for the 12-month
24 period ending June 30th of the preceding calendar year divided by the Chained Consumer
25 Price Index for the 12-month period ending June 30, 2017.

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

28 B. "Eligible individual" means an individual who is certified annually by the State Tax
29 Assessor as having the following qualifications:

30 (1) Is 65 years of age or older; ~~and~~

31 (2) Is a permanent resident of the State as defined in section 681, subsection 4 who
32 has owned a homestead in the State for at least 10 years; ~~and~~

33 (3) For individuals who are married and share a homestead, have a total annual
34 Maine adjusted gross income, as defined in section 5102, subsection 1-C, of no
35 more than \$120,000 and, for an individual who is not married, has a total annual
36 Maine adjusted gross income, as defined in section 5102, subsection 1-C, of no
37 more than \$60,000.

38 **Sec. 5. 36 MRSA §6281, sub-§4**, as enacted by PL 2021, c. 751, §1, is repealed.

39 **Sec. 6. 36 MRSA §6281, sub-§4-A** is enacted to read:

40 **4-A. Continuation of eligibility; change of homestead.** If an eligible individual has
41 been eligible for stabilization under this section, the individual continues to be eligible as

1 long as the individual continues to reside in the eligible homestead and meets the income
2 requirements of subsection 1, paragraph B. If an eligible individual changes residence, the
3 individual must establish eligibility in the new homestead.

4

SUMMARY

5 This bill establishes an income eligibility requirement for the senior property tax
6 stabilization program and provides for annual indexing of the income thresholds. The bill
7 also requires certification of eligibility by the State Tax Assessor and repeals the provision
8 in current law that eligibility for the program may be transferred to a different municipality
9 if an eligible individual changes homesteads.