

MAINE STATE LEGISLATURE

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131st MAINE LEGISLATURE

FIRST SPECIAL SESSION-2023

Legislative Document

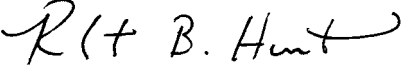
No. 1569

H.P. 1014

House of Representatives, April 11, 2023

**An Act to Exempt Certain Disabled Veterans from Property Taxes
in Accordance with Their Disability Ratings**

Reference to the Committee on Taxation suggested and ordered printed.


ROBERT B. HUNT
Clerk

Presented by Representative ROBERTS of South Berwick.
Cosponsored by Senator CURRY of Waldo and
Representatives: COLLAMORE of Pittsfield, LaROCHELLE of Augusta, MEYER of Eliot,
STOVER of Boothbay, TERRY of Gorham.

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

2 **Sec. 1. 36 MRSA §653, sub-§1, ¶D-4** is enacted to read:

3 D-4. For property tax years beginning on or after April 1, 2024, the estates as
4 calculated under this paragraph of a disabled veteran who is not eligible for an
5 exemption under paragraph C or C-1 because of age or service requirements or an
6 eligible survivor of such a disabled veteran.

7 (1) For the purposes of this paragraph, "disabled veteran" means a permanent
8 resident of this State who is a veteran with a service-connected disability rated by
9 the United States Department of Veterans Affairs as 30% or greater. For purposes
10 of this paragraph, "eligible survivor" means an unremarried widow or widower or
11 minor child or parent of a deceased disabled veteran.

12 (2) An exemption calculated under this paragraph may be applied only to a
13 homestead, as defined in section 681, subsection 2, of the person claiming the
14 exemption.

15 (3) The exemption provided in this paragraph applies to the property of an eligible
16 survivor, including property held in a revocable living trust for the benefit of that
17 eligible survivor.

18 (4) An eligible individual may elect to receive an exemption under another
19 paragraph of this subsection instead of the exemption under this paragraph.

20 (5) A disabled veteran is entitled to an exemption calculated under this paragraph
21 as follows:

22 (a) For a veteran with a service-connected disability rated by the United States
23 Department of Veterans Affairs as at least 30%, but less than 40%, the
24 exemption is \$3,000;

25 (b) For a veteran with a service-connected disability rated by the United States
26 Department of Veterans Affairs as at least 40%, but less than 50%, the
27 exemption is \$4,000;

28 (c) For a veteran with a service-connected disability rated by the United States
29 Department of Veterans Affairs as at least 50%, but less than 60%, the
30 exemption is \$5,000;

31 (d) For a veteran with a service-connected disability rated by the United States
32 Department of Veterans Affairs as at least 60%, but less than 70%, the
33 exemption is \$6,000;

34 (e) For a veteran with a service-connected disability rated by the United States
35 Department of Veterans Affairs as at least 70%, but less than 80%, the
36 exemption is \$7,000;

37 (f) For a veteran with a service-connected disability rated by the United States
38 Department of Veterans Affairs as at least 80%, but less than 90%, the
39 exemption is \$8,000;

40 (g) For a veteran with a service-connected disability rated by the United States
41 Department of Veterans Affairs as at least 90%, but less than 100%, the
42 exemption is \$9,000; and

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(h) For a veteran with a service-connected disability rated by the United States Department of Veterans Affairs as 100%, the exemption is \$10,000.

(6) Notwithstanding paragraph H, a municipality granting exemptions under this paragraph is entitled to reimbursement from the State of 100% of the property tax revenue lost as a result of the exemptions in the manner provided under section 661.

SUMMARY

This bill provides a property tax exemption for the estates of certain veterans for property tax years beginning on or after April 1, 2024. Like current exemptions for the estates of veterans, the exemption is also made available to an eligible survivor, who may be a widow or widower, a minor child or a parent of an eligible disabled veteran, following the death of the eligible disabled veteran. The calculation of the exemption is changed to provide a flat exemption amount that increases from \$3,000 to \$10,000 based on the percentage of the veteran's service-connected disability. The bill also requires state reimbursement to municipalities and the Unorganized Territory Education and Services Fund for 100% of the property tax revenue lost as a result of the exemptions.