

# 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)

ACTS, RESOLVES AND CONSTITUTIONAL RESOLUTIONS

AS PASSED BY THE

One Hundred and Sixth Legislature

OF THE

STATE OF MAINE

Published by the Director of Legislative Research in accordance with the Revised Statutes of 1964, Title 3, Section 164, Subsection 6.

---

THE KNOWLTON AND McLEARY COMPANY  
FARMINGTON, MAINE  
1973

---

---

PUBLIC LAWS  
OF THE  
STATE OF MAINE  
AS PASSED BY THE  
One Hundred and Sixth Legislature

1973

---

---

The authority shall give preference to economically deprived areas within labor market districts declared to be in need of economic development assistance by the Department of Manpower Affairs.

**Sec. 27. Appropriation.** There is appropriated from the Unappropriated Surplus of the General Fund to the Maine Guarantee Authority the sum of \$400,000 to carry out the purposes of sections 22 and 26 of this Act.

Effective October 3, 1973

## CHAPTER 634

### AN ACT to Amend the Elderly Householders Tax Relief Act.

**Emergency preamble.** Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, it is of concern that the income of Maine's elderly citizens continues to be low and that property taxes and rents constitute an unfair burden to these citizens; and

Whereas, it is the purpose of this legislation to provide more equitable tax or rent refunds for Maine's elderly citizens; and

Whereas, the period for filing for refunds of 1972 taxes or rent under this Legislation commences August 1st which is less than 90 days after adjournment; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

**Sec. 1. R. S., T. 36, § 6101, amended.** Section 6101 of Title 36 of the Revised Statutes, as enacted by section 1 of chapter 503 of the public laws of 1971, is amended to read as follows:

#### § 6101. Short title

This Part may be cited as the "Elderly Householders Tax Relief and Rent Refund Act."

**Sec. 2. R. S., T. 36, § 6103, sub-§§ 1-A, 5-A and 5-B, additional.** Section 6103 of Title 36 of the Revised Statutes, as enacted by section 1 of chapter 503 of the public laws of 1971, is amended by adding 3 new subsections, 1-A, 5-A and 5-B, to read as follows:

**1-A. Gross rent.** "Gross rent" means rental paid at arms-length solely for the right of occupancy of a homestead, exclusive of charges for any utilities, services, furniture, furnishings or personal property appliances furnished by the landlord as part of the rental agreement, whether or not expressly set

out in the rental agreement. If the landlord and tenant have not dealt with each other at arms-length, and the State Tax Assessor is satisfied that the gross rent charged was excessive, he may adjust the gross rent to a reasonable amount for purposes of this subchapter.

5-A. Property taxes accrued. "Property taxes accrued" means property taxes exclusive of special assessment, delinquent interest, and charges for service levied on a claimant's homestead in this State as of April 1, 1972 or any tax year thereafter. If a homestead is owned by 2 or more persons or entities as joint tenants or tenants in common, and one or more persons or entities are not a member of claimant's household, "property taxes accrued" is that part of property taxes levied on the homestead which reflects the ownership percentage of the claimant and his household. If a claimant and spouse own their homestead part of the preceding tax year and rent it or a different homestead for part of the same tax year, "property taxes accrued" means only taxes levied on the homestead when both owned and occupied by the claimant on April 1st, multiplied by the percentage of 12 months that such property was owned and occupied by the household as its homestead during the preceding tax year. When a household owns and occupies 2 or more different homesteads in this State in the same tax year, property taxes accrued shall relate only to that property occupied by the household as a homestead on April 1st. If a homestead is an integral part of a larger unit such as a farm, or a multi-purpose or multi-dwelling building, property taxes accrued shall be that percentage of the total property taxes accrued as the value of the homestead is of the total value. For purposes of this subchapter "unit" refers to the parcel of property separately assessed of which the homestead is a part.

5-B. Rent constituting property taxes accrued. "Rent constituting property taxes accrued" means 25% of the gross rent actually paid in cash or its equivalent in any tax year by a claimant and his household solely for the right of occupancy of their Maine homestead in the tax year, and which rent constitutes the basis, in the succeeding calendar year, of a claim for relief under this subchapter by the claimant.

Sec. 3. R. S., T. 36, § 6108, repealed and replaced. Section 6108 of Title 36 of the Revised Statutes, as enacted by section 1 of chapter 503 of the public laws of 1971, is repealed and the following enacted in place thereof:

#### § 6108. Income limitation

No claim otherwise allowable shall be granted to claimants of single member households with household income in excess of \$4,500 in the year for which relief is requested; and no claim otherwise allowable shall be granted to claimants of households of 2 or more members with income in excess of \$5,000 in the year for which relief is requested.

Sec. 4. R. S., T. 36, § 6109, amended. Section 6109 of Title 36 of the Revised Statutes, as enacted by section 1 of chapter 503 of the public laws of 1971, is amended to read as follows:

#### § 6109. Net asset limitation

A claimant may not have net assets, excluding the value of the homestead, consisting of real estate, bank accounts, cash and securities in the net value of more than ~~\$30,000~~ \$20,000.

Sec. 5. R. S., T. 36, § 6110, repealed and replaced. Section 6110 of Title 36 of the Revised Statutes, as enacted by section 1 of chapter 503 of the public laws of 1971, is repealed and the following enacted in place thereof:

§ 6110. Benefit limitation

No claim of more than \$400 shall be granted.

Sec. 6. R. S., T. 36, § 6111, repealed and replaced. Section 6111 of Title 36 of the Revised Statutes, as enacted by section 1 of chapter 503 of the public laws of 1971, is repealed and the following enacted in place thereof:

§ 6111. Age limitation

No claim shall be granted which is otherwise allowable under this Part, unless at least one member of the household shall have attained the age of 62 during the year for which relief is requested and no less than 35% of the household income is attributable to such members of the household.

Sec. 7. R. S., T. 36, § 6112, repealed and replaced. Section 6112 of Title 36 of the Revised Statutes, as enacted by section 1 of chapter 503 of the public laws of 1971, is repealed and the following enacted in place thereof:

§ 6112. Amount of claim

1. Limit. The claim shall be limited to the amount by which property taxes accrued, or rent constituting property taxes accrued in such tax year on the claimant's homestead, is in excess of 2% of such household income not exceeding \$1,000, 4% of such household income not exceeding \$2,000, 8% of such household income not exceeding \$3,000, 12% of such household income not exceeding \$4,000, and 16% of such household income not exceeding \$5,000.

Sec. 8. R. S., T. 36, § 6120, repealed. Section 6120 of Title 36 of the Revised Statutes, as enacted by section 1 of chapter 503 of the public laws of 1971, is repealed.

Sec. 9. Appropriation. There is appropriated from the General Fund to the Bureau of Taxation the sum of \$196,624 to carry out the purposes of this Act. The breakdown shall be as follows:

1973-74

BUREAU OF TAXATION

Tax Relief for the Elderly	
Personal Services	(1) \$ 4,794
All Other	191,500
Capital Expenditures	330
	<hr/>
	\$196,624

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

Effective July 5, 1973