

MAINE STATE LEGISLATURE

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**DEPARTMENT OF FINANCIAL AND
ADMINISTRATIVE SERVICES
MAINE REVENUE SERVICES**

2005

**MAINE RESIDENTS PROPERTY TAX
PROGRAM**

**A REPORT PREPARED FOR THE
JOINT STANDING COMMITTEE ON TAXATION**

January 2006

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Maine Revenue Services Outreach Effort for the 2005 Maine Residents Property Tax Program

SUMMARY

At a meeting on December 5, 2005, the Joint Standing Committee on Taxation asked Maine Revenue Services to report by January 15, 2006 on the year-to-date results of outreach efforts to the population eligible for the 2005 Maine Residents Property Tax Program.

Due to the significant expansion in the program under L.D. 1 enacted in January 2005, the number of individuals estimated to be eligible for the program increased from about 160,000 to 225,000. Of the 225,000 eligible individuals, MRS estimated that approximately 95,000 would apply for and receive refunds (42.22% participation rate). This estimate assumes that the participation rate would increase slightly from prior years. Last year, 62,000 of the estimated 160,000 eligible population applied for and received refunds (38.75% participation rate).

2005 LEGISLATIVE CHANGES

The Tax and Rent Refund Program was expanded by the First Regular Session of the 122nd Legislature (PL 2005, Chapter 2).

- Explicit maximum income limitations were removed, but actual income limitations are \$74,500 for single-member households and \$99,500 for multi-member households.¹
- Rent constituting property tax was increased from 18% to 20%.
- Property tax and rent constituting property tax amounts were capped at \$3,000 for single-member households and \$4,000 for multi-member households.
- The filing period was extended to August 1 through May 31 of the following year (previously, the filing period was August 1 through December 31).
- The maximum refund amount was increased from \$1,000 to \$2,000.

¹ Because the amount of property tax (or rent constituting property tax) that may be claimed under the program is limited to \$3,000 for single-member households and \$4,000 for multimember households, and because the amount claimed must also exceed 4% of income, only single-member households with household income not more than \$74,500 and multimember households with income not more than \$99,500 qualify.

2005 OUTREACH EFFORTS

MRS estimates that nearly 225,000 Maine resident households qualify for benefits under the current Tax and Rent Refund Program. However, previous participation rates indicated that only about 42% of eligible residents would participate in the 2005 program.

To promote participation in the expanded 2005 program, MRS conducted the following outreach efforts:

- a. Warren Marketing Group of Portland developed an advertising campaign. The marketing strategy included three distinct thirty second (:30) television ads (see copy of scripts on pages 7 and 8), newspaper ads and internet “web banner” ads (see samples on page 9) to reach a statewide audience. The ads emphasized program awareness, the increased \$2,000 maximum refund, and included the Bureau’s web address and telephone number for additional information and internet filing.
- b. Approximately 2,263 TV ads, including 55 Public Service Announcements, were aired over a 10-week period beginning September 12, 2005 (see schedule on page 6). The ads ran during all hours of the day (including prime time) throughout the state as follows:
 - i. Portland and Southern Maine areas (WCSH, WMTW, WGME and Time Warner Cable);
 - ii. Augusta, Lewiston, Waterville and Sebago Regions (Adelphia Cable²);
 - iii. Bangor (Adelphia and WLBZ); and,
 - iv. Presque Isle/Aroostook areas (WAGM, Time Warner Cable³).
- c. Seventeen newspaper advertisements were placed in major newspapers throughout the state, including the:
 - i. Maine Sunday Telegram;
 - ii. Bangor Daily News;
 - iii. Kennebec Journal;
 - iv. Morning Sentinel; and,
 - v. Lewiston Sun Journal.
- d. Internet web banner ads were displayed on Time Warner of Maine’s homepage as well as WLBZ (Bangor) TV’s homepage. The banner (see example on page 9) included a direct link to the Tax Relief page on the MRS web site that includes a downloadable application booklet and forms, additional program information and a link to the internet file application.
- e. 155,000⁴ booklets were mailed in July to all 2004 Tax and Rent program applicants, to all resident individual income taxpayers who checked the box on

² Adelphia Cable provided price discounts in the Augusta and Bangor areas allowing for the airing of more ads.

³ Time Warner Cable provided free web banner ads as well as price discounts in the Presque Isle/Aroostook areas.

⁴ In prior years, the number of booklets mailed directly did not exceed 135,000.

the 2004 income tax return indicating they wanted to receive the Tax and Rent application, and to other individuals who requested a copy of the application booklet.

- f. Approximately 292,000 informational postcards (see sample on page 11) were mailed directly to potentially qualified resident individual income tax filers who were not already sent a Tax and Rent booklet. The postcards contained program information and urged potential applicants to visit the Bureau's web site to internet file, download an application or call for a booklet or for more information.
- g. Approximately 95,000 booklets were distributed to municipal offices, legislators, libraries and various health and human service agencies throughout the State beginning in late July.
- h. In August 2005, MRS sent an article directed to over 1,400 tax preparers and other tax professionals who receive the Maine Tax Alert explaining the expanded program. The article requested that the tax professionals encourage their clients to apply for program benefits and assist them in completing the application.
- i. Approximately 10 presentations were made by MRS representatives beginning in July to train senior and other service agencies statewide on completing the application forms. MRS representatives also provided, generally at large senior/disabled housing complexes, direct assistance in completing program applications at 24 locations.
- j. Program information was presented by MRS representatives and others in person to over 1,000 tax professionals at the Maine Tax Forum, three Maine Tax Institutes, and several other professional conferences in late Fall 2005.
- k. A full-page "advertisement" (see sample on page 10) about the Tax and Rent program was included in all 2005 Maine resident individual income tax booklets, including downloadable booklets on MRS's web pages. The "advertisement" is directly opposite the income tax return in the booklets and, among other things, reminds potential applicants that they have until May 31, 2006 to apply for benefits under the 2005 program. These booklets were mailed and otherwise distributed beginning in late December 2005.
- l. MRS has provided program information on a help screen on the 2005 individual income tax I-file (internet file) application where the taxpayer is asked to indicate whether they want to receive a Tax and Rent Program Booklet. The screen includes similar information as described in k above.
- m. The State homepage and the MRS homepage contain direct links to the Tax and Rent I-file application (see samples on pages 12 and 13).

OUTREACH RESULTS

NOTE: Final data on the 2005 program will not be available until after May 31, 2006, the end of the current program application period.

Through December 31, 2005:

- 93,106 applications have been filed resulting in 74,860 refunds; this compares to 71,077 applications filed and 57,123 refunds issued for the same period last year.
- Nearly 81% of all applicants have qualified for a refund compared to 80% at the same time last year.
- 45% of the applications filed to date are new applicants (i.e., applicants that did not file in 2004).
- 62% of the new filers qualified for a refund.

Again, the data is preliminary because applicants have until May 31, 2006 (or, if an extension is granted, until July 31, 2006) to file. Based on applications filed to date, we believe that the estimated 95,000 refunds for the 2005 program will be reached or exceeded.

**MAINE RESIDENTS PROPERTY TAX PROGRAM &
LOW-COST DRUG PROGRAM for the ELDERLY or DISABLED
STATISTICS as of December 31, 2005**

	<u>2004</u>	<u>2005*</u>
<u>GENERAL CLAIMANTS</u>		
Total Applicants:	63,478	79,791
Number of Refunds:	47,496	61,834
Dollar Amount of Refunds:	\$20,281,270	\$30,581,569
Average Amount of Refunds:	\$427	\$495
<u>ELDERLY CLAIMANTS</u>		
Total Applicants**:	14,245	13,315
Number of Refunds:	13,873	13,026
Dollar Amount of Refunds:	\$4,871,554	\$4,616,718
Average Amount of Refunds:	\$351	\$354
<u>TOTAL PROGRAM</u>		
Total Applicants:	77,723	93,106
Number of Refunds:	61,369	74,860
Dollar Amount of Refunds:	\$25,152,824	\$35,198,287
Average Amount of Refunds:	\$410	\$470

*Incomplete stats (current year program through 12/31/05)

**The total number of elderly applicants is unknown. Applications filed by elderly and disabled individuals are considered for both the Elderly and General Programs. Applicants not qualified for the Elderly Program or those who would receive a larger benefit default to the General Program. *Note that elderly applicants who received a larger general benefit are included in the general numbers.*



2005 Maine Property Tax & Rent Refund Program Media Plan

TELEVISION – :30 (September 12 through November 20, 2005)

<u>Market Station</u>	<u># Paid</u>	<u># Bonus</u>	<u>Weekly Periods</u>
<i>Portland & Southern Maine</i>			
TIME WARNER	1,278	Web Ad	9/12 – 11/20
WCSH TV (NBC)	18	2 spots	9/12, 19 & 10/3
WMTW TV (ABC)	39	15 spots	9/12, 19 & 10/3
WGME TV (CBS)	14	2 spots	9/12, 19 & 10/3
<i>Augusta/Lewiston/Waterville & Sebago Regions</i>			
Adelphia Cable	327	25% Discount/Ch 9	9/12 – 11/20
<i>Bangor</i>			
Adelphia Cable	327	25% Discount	9/12 – 11/20
WLBZ TV (NBC)	52	5 spots/Web ad	9/12, 19 & 10/3
<i>Presque Isle/Aroostook</i>			
Time Warner	91	50% discount	9/12 – 11/20
WAGM	62	31	9/12, 19 & 10/3

NEWSPAPER – 2 Col x 3”

Maine Sunday Telegram	9/18, 25, 10/9 Sun 10/30, 11/13
Bangor Daily News	10/1, 15, 29 & 11/12
Kennebec Journal/Morning Sentinel	10/4, 19, 11/3 & 11/15
Lewiston Sun Journal	10/4, 19, 11/3 & 15

TELEVISION COMMERCIAL TRANSCRIPTS



107 Elm St., Ste 100G, Portland, Maine 04101

Tel: 207-772-8948 Fax: 207-761-9490

Email: mowarren@maine.rr.com

Maine Revenue Services
:30 Television

On the street interviewer, asking questions of various men and women - Maine Resident Property Tax & Rent Refund Program

- Questions for first television commercial for Maine Property Tax and Rent Refund Program.
 1. Did you know about the Maine Property Tax and Rent Refund Program?
 2. And, that if you qualify, filing online is the fastest way to get a refund of up to \$2,000.
 3. And I bet you didn't know that you can earn up to \$100,000 and still qualify for a refund.
 4. But, you have to apply to get it.
 5. To file for your refund, go online or visit your local library or town hall to pick up an application.

- Questions for second television commercial for Maine Property Tax and Rent Refund Program.
 1. Have you heard about the Maine Property Tax and Rent Refund Program?
 2. Do you know that you can qualify for a refund of up to \$2,000?
 3. Do you know that 200,000 Maine residents qualify for a refund?
If they file for a refund.
 4. To file for your refund, go online or visit your local library or town hall to pick up an application.

TELEVISION COMMERCIAL TRANSCRIPT (GOVERNOR BALDACCI)



107 Elm Street, Portland, Maine 0410
Tel: 207-772-8948 Fax: 207-761-9490
Email: mowarren@maine.rr.com

Maine Revenue Services
:30 Television

"Governor- Maine Resident Property Tax & Rent Refund Program"
Final Script

Hi. I'm Governor John Baldacci and I'm here to tell you about a program you should know about:

- The expanded Maine Property Tax and Rent Refund Program. If you're a Maine resident who rents or owns your own home, you may be eligible for a refund of up to \$2000. That's double last year's amount.
- 200,000 Maine residents are eligible this year for refunds.
- \$46 million dollars has been approved for the program.
- So, don't lose out. Apply today.

Other Elements:

www.maine.gov/revenue

207-626-8475

I-File Logo

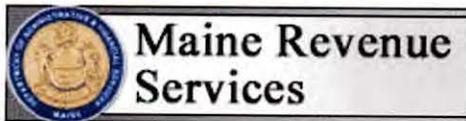
NEWSPAPER AD

What You Don't Know
Could Cost You
Up To \$2,000 
On Your Housing Costs.

If you own or rent a home in Maine, check out the
Maine Residents Property Tax and Rent Refund Program at
www.maine.gov/revenue
Or you can pick up an application at your local town hall
or library or call 626-8475 for more information.

Maine Revenue Services 

WEB BANNER AD



The banner above is animated; displaying 4 different text screens including the one above. The text displayed is as follows:

"Maine Revenue Services"

"Maine Fastfile"

"2005 Property Tax and Rent Refund" and

"Get Your Refund Fast"

Maine Residents Property Tax and Rent Refund Program

- Property Tax Refunds
- Rent Refunds



Over 200,000 Maine households now
qualify for property tax and rent refunds!

You may be one of them!

**IF YOU WERE A MAINE RESIDENT FOR ALL OF
2004, IT'S NOT TOO LATE TO APPLY. BUT, YOU
MUST APPLY NO LATER THAN MAY 31, 2006.**

If you have **not** already filed for a refund of property tax
assessed or rent paid during 2004, file online now at



www.maine.gov/revenue/taxrelief or call (207) 624-
7894 to order an application (until May 31, 2006).

YOU MAY QUALIFY IF:

- You do not have a spouse or dependent(s) and your 2004 household income was \$74,500 or less; or
- You have a spouse or dependent(s) and your 2004 household income was \$99,500 or less

AND

- Your 2004 property tax was more than 4% of your 2004 household income; or,
- The rent you paid in 2004 was more than 20% of your 2004 household income

NOTE: Seniors do not need to meet this requirement if household income was \$12,400 or less if living alone or \$15,300 or less if living with a spouse or dependent(s).

For more information, go to www.maine.gov/revenue/taxrelief or call (207) 626-8475. To get an application, download at www.maine.gov/revenue/taxrelief or call (207) 626-7894 (to leave your name and address).

NOTE: If you would like to receive an application for a refund of property tax assessed or rent paid during 2005, check the box on line 36 of page 2 of your 2005 Form 1040ME. THE APPLICATION WILL BE MAILED TO YOU IN AUGUST 2006 unless your income on line 16 exceeds the income limits for this program.

2005 INFORMATIONAL POSTCARD

4 1/4" x 6" postcard – front

MAINE REVENUE SERVICES 24 STATE HOUSE STATION AUGUSTA, ME 04333-0024	PRESORTED FIRST-CLASS MAIL U.S. POSTAGE PAID Augusta, ME PERMIT No. 8
<p>Over 200,000 Maine households now qualify for a Maine Residents Property Tax and Rent Refund</p> <p>EXPANDED PROGRAM! REFUNDS UP TO \$2,000!</p>	
<p>You may be one of them. See back for more information.</p>	<p><Name> <Mailing Address> <City>, <State> <Zip></p>

4 1/4" x 6" postcard – back

<p align="center">2005 Maine Residents Property Tax and Rent Refund Program</p> <p align="center">YOU MAY QUALIFY IF:</p> <ul style="list-style-type: none">• You do not have a spouse or dependent(s) and your 2004 household income was \$74,500 or less; or• You have a spouse or dependent(s) and your 2004 household income was \$99,500 or less <p align="center">AND</p> <ul style="list-style-type: none">• Your 2004 property tax was more than 4% of your 2004 household income; or,• The rent you paid in 2004 was more than 20% of your 2004 household income <p><i>NOTE: Low-income Seniors do not need to meet these requirements</i></p> <p>For more information, see www.maine.gov/revenue or, call 207-626-8475. Download an application at www.maine.gov/revenue or, call 207-624-7894 to order.</p> <p>File by computer using I-File online now at www.maine.gov/revenue</p> <p align="center">Maine FastFile Electronic filing and payment services</p>
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State homepage with link to Maine Residents Property Tax and Rent Refund Program web page include I-file application.

The screenshot shows the Maine.gov website in a Microsoft Internet Explorer browser window. The address bar displays "http://www.maine.gov/". The website header includes navigation links for "State Agencies", "News", "Online Services", "Ask a Librarian", "Help", "My Maine.gov", and "Intranet". A search bar is located in the top right corner.

The main content area is organized into several columns:

- Left Column:** Contains "Citizen ALERT System", "Live Help Offline", "Weather: AUGUSTA 19° Cloudy", "Features" (My Maine.gov, Counties, Cities & Towns, eDemocracy, Kids' Page), and "State Highlights". A blue arrow points to the "Property Tax & Rent Refund" link in this section.
- Online Services:** Lists links such as "Apply for unemployment benefits", "Buy hunting & fishing licenses", "File property tax/rent refund", "License my dog", "Make a tax payment", "Renew driver's license & ID cards", "Renew nursing license", "Renew vehicle registration", "Search sex offender registry", and "Search & order crash reports".
- How do I...?:** Lists questions like "find current Flu information?", "find energy saving tips?", "provide proof of vehicle insurance?", "contact my legislator?", "get Medicare Prescription Drug Coverage?", "plan my move to Maine?", "start a business in Maine?", and "find information for a school report?".
- News:** Lists recent news items with dates from January 2, 2006, to December 23, 2005.
- Right Column:** Features "Judicial Branch", "Legislature", "Governor Baldacci", "Vacationland" (with a photo of a person skiing), "Cross Country Skiing, Sugarloaf by Marie R. Pierce", and "Maine ePostcards".

The footer contains "Awards | Privacy | Security | Accessibility | Linking | Contact Maine.gov | User Survey | Search Engines" and "Copyright © 2005 All rights reserved. Photo Credits". The taskbar at the bottom shows the Start button, several open applications (Inbox, Main, Tax a..., Adob..., FW: 1..., Untitled..., Adob..., FW: T..., H:\N...), and the system clock showing 3:29 PM.

