An Act To Permit Municipalities To Provide Assistance to Veterans in Paying Property Taxes

Received by the Secretary of the Senate on January 25, 2021. Referred to the Committee on Taxation pursuant to Joint Rule 308.2 and ordered printed.

Presented by Senator BAILEY of York.
Cosponsored by Representative GRAMLICH of Old Orchard Beach and Senators: CURRY of Waldo, President JACKSON of Aroostook, MAXMIN of Lincoln, RAFFERTY of York.
Be it enacted by the People of the State of Maine as follows:

Sec. 1. 36 MRSA §6234 is enacted to read:

§6234. Municipal authority; veterans

The legislative body of a municipality may by ordinance adopt a program to provide benefits to veterans with homesteads in the municipality.

1. Definitions. For the purposes of this section, the following terms have the following meanings.
   A. "Homestead" has the same meaning as in section 6201, subsection 5.
   B. "Veteran" has the same meaning as in section 653, subsection 1, paragraph E and includes any family members eligible for an exemption under that subsection.

2. Conditions of program. A program adopted under this section must:
   A. Require that the claimant has maintained a homestead in the municipality for a certain period of time, as determined by the municipality;
   B. Provide benefits for both owners and renters of homesteads; and
   C. Calculate benefits in a way that provides that:
      (1) If the claimant is the owner of the property, the benefit is equal to the difference between the reduction in property tax due to the exemptions provided in section 653 and the amount of property tax reduction that would have applied if the assessed value of the property was the same as the just value; and
      (2) If the claimant is a renter, the benefit is equal to $100.

3. Repeal of program. A municipality that has adopted a program under this section may repeal it through the same procedure by which the program was adopted.

SUMMARY

This bill authorizes municipalities to adopt a program that provides benefits to veterans and their eligible family members who own or rent a homestead in the municipality. The benefit for owners is based on the impact of property tax equalization on the amount received as a property tax exemption compared to the amount that would have applied if no equalization was applied. The benefit for renters is $100.