

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

Amend the resolution by striking out the title and substituting the following:

**'RESOLUTION, Proposing an Amendment to the Constitution of
Maine To Allow Municipalities To Opt Out of the Unreimbursed
Portion of the Homestead Property Tax Exemption'**

Amend the resolution by striking out all of Part A.

Amend the resolution in Part B by striking out all of the first line (page 1, line 38 in L.D.)

Amend the resolution in Part B by striking out all of subsection 6 (page 2, lines 6 to 10 in L.D.) and inserting the following:

' 6. Local limitation on homestead exemption. Subject to procedural conditions enacted by the Legislature, a municipality may, by majority vote at a referendum held expressly for the purpose, limit the amount of the general homestead exemption to the amount for which the reimbursement from the State represents 100% of the property tax loss attributable to the homestead exemption. A municipality may reverse the decision to limit the homestead exemption by a subsequent referendum.'

Amend the resolution in Part B by striking out all of the question (page 2, lines 18 to 20 in L.D.) and inserting the following:

“Do you favor amending the Constitution of Maine to allow municipalities to limit the amount of the general homestead exemption to the amount fully reimbursable by the State?”

Amend the resolution by striking out all of Part C.

SUMMARY

This amendment is the minority report of the Joint Standing Committee on Taxation. It removes those parts of the constitutional resolution that required a 2/3 vote to alter certain taxes and that authorized a local sales tax. The amendment retains the authority of municipalities to opt out of the unreimbursed portion of the general homestead exemption by holding a municipal referendum subject to procedural conditions enacted by the Legislature and to reverse that decision by a subsequent referendum.

FISCAL NOTE REQUIRED
(See attached)