Date:
(Filing No. S- )

## TAXATION

Reproduced and distributed under the direction of the Secretary of the Senate.
STATE OF MAINE SENATE
131ST LEGISLATURE
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT " " to S.P. 69, L.D. 130, "An Act to Eliminate Senior Citizen Property Tax Stabilization and Expand the Homestead Property Tax Exemption"

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

## 'An Act to Improve the Property Tax Stabilization Program'

Amend the bill by striking out everything after the enacting clause and inserting the following:
'Sec. 1. 36 MRSA §6281, sub-§2, as enacted by PL 2021, c. 751, §1, is amended to read:
2. Application for stabilization. An individual may apply by December 1st to the municipality in which the individual's homestead is located requesting that the municipality stabilize the property tax assessed on that individual's homestead for the property tax year beginning on April 1st following the submission of the application and each property tax year thereafter subject to adjustment under subsection 2-A. A new application is required for each year for which stabilization is requested when an individual establishes a new homestead in the State or if requested by the municipality or if the municipality determines that the just value of the homestead with a stabilized valuation has increased by at least $\$ 20,000$ above the original stabilized valuation as provided in subsection 2-A.

Sec. 2. 36 MRSA §6281, sub-§2-A is enacted to read:
2-A. Adjustment in stabilized valuation. If a municipal assessor determines that the just value of a homestead with a stabilized valuation has increased by at least $\$ 20,000$ over the original stabilized valuation, the municipality may establish a new stabilized valuation for the homestead for the property tax year subsequent to the year in which the determination is made.

Sec. 3. $\mathbf{3 6}$ MRSA §6281, sub-§3, as enacted by PL 2021, c. 751, $\S 1$, is amended to read:
3. Stabilization for eligible individual. If a municipality determines that an applicant for stabilization under subsection 2 is an eligible individual and that the individual's homestead is an eligible homestead, the municipality shall stabilize the property tax on the individual's homestead billed for the property tax year for which stabilization was requested and for subsequent property tax years for which the homestead is eligible, unless the valuation has been adjusted under subsection $2-A$, in which case the adjusted valuation replaces the original stabilized valuation.

Sec. 4. Appropriations and allocations. The following appropriations and allocations are made.

## ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Property Tax Stabilization Z368
Initiative: Provides funding to reimburse municipalities for property tax revenue decreases due to eliminating the annual application requirement for the property tax stabilization program.

| GENERAL FUND | $\mathbf{2 0 2 3 - 2 4}$ | $\mathbf{2 0 2 4 - 2 5}$ |
| :--- | ---: | ---: |
| All Other | $\$ 0$ | $\$ 200,000$ |
|  |  | $\$ 0$ |
| GENERAL FUND TOTAL | $\$ 200,000$ |  |

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

## SUMMARY

This amendment replaces the bill. The amendment amends the laws governing property tax stabilization for individuals 65 years of age or older to eliminate the requirement for an annual application. It provides that a new application is required when an individual establishes a new homestead in the State, if requested by the municipality or if the municipality determines there has been an increase in just value of at least $\$ 20,000$, in which case the stabilized value must be adjusted.

FISCAL NOTE REQUIRED
(See attached)

