

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

An Act To Simplify the Application for Benefits under the Circuitbreaker Program

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

Sec. 1. 36 MRSA §5219-DD is enacted to read:

§ 5219-DD. Maine Residents Property Tax Program credit

A taxpayer is allowed a refundable credit against the taxes imposed by this Part in the amount of benefits allowed under chapter 907. This credit is not available if the taxpayer chooses to have the benefits paid directly to the taxpayer as a claimant under section 6203-B, subsection 1, paragraph A.

Sec. 2. 36 MRSA §5276, sub-§1, as amended by PL 2005, c. 332, §25, is further amended to read:

1. General rule. The State Tax Assessor, within the applicable period of limitations, may credit an overpayment of income tax, including an overpayment reported on a joint return, and interest on the overpayment against any liability arising from a redetermination pursuant to section 6211 or any liability in respect of any tax imposed under this Title owed by the taxpayer, or by the taxpayer's spouse in the case of a joint return. The balance, after any setoff pursuant to section 5276-A, must be refunded by the Treasurer of State.

Sec. 3. 36 MRSA §6201, sub-§12, as amended by PL 2005, c. 218, §58, is further amended to read:

12. Year for which relief is requested. "Year for which relief is requested" means the calendar year preceding that in which the claim is filed. ~~For a claim filed during January to May of any year, or during the extension period allowed under section 6215, "year for which relief is requested"~~ means the calendar year 2 years preceding that in which the claim is filed.

Sec. 4. 36 MRSA §6203-A, as enacted by PL 2003, c. 673, Pt. BB, §2, is amended to read:

§ 6203-A. Procedure for reimbursement

At least monthly on or before the last day of the month, the State Tax Assessor shall determine the benefit for each claimant under this chapter and certify the amount to the State Controller to be transferred to the so-called circuit breaker reserve established, maintained and administered by the State Controller from General Fund undedicated revenue within the individual income tax category. At least monthly, ~~the~~ assessor shall pay the certified amounts to each approved applicant qualifying for the benefit under this chapter. ~~Interest may not be allowed on any payment made to a claimant pursuant to this chapter~~ payments of claims must be made as provided in section 6203-B.

Sec. 5. 36 MRSA §6203-B is enacted to read:

§ 6203-B. Payment of claim

1. Payment options. Claimants under this chapter may select one payment option as set out in this subsection.

A. The claimant may choose to have payment made directly to the claimant.

B. The claimant may choose to have the payment applied as a credit as specified in section 5219-DD against the claimant's individual income tax for the income tax year in which the claim is payable.

2. Payment procedure. Upon approval of claims by the assessor, the assessor shall prepare and certify a list of individuals entitled to a claim under this chapter who have chosen the payment option authorized under subsection 1, paragraph A, together with the respective amount attributable to each individual and indicating the payment option chosen by the claimant, and shall forward the list to the State Controller on or before September 30th, except that for calendar year 2009 the certification must be made on or before October 10th. The Treasurer of State, upon direction of the State Controller, shall pay and distribute the claims certified by the assessor to the claimant on or before October 20th annually. Except as provided in section 6206, subsection 3, a claim of less than \$10 may not be granted. Claims not certified by the assessor by September 30th may be certified as soon as practicable thereafter, but such claims need not be paid by the State Controller by October 20th.

3. Review by assessor; setoff required. The assessor shall review every application filed pursuant to this chapter and may reject a claim if the assessor determines that no payment is due. If the assessor determines that a claim has been incorrectly determined, the assessor shall adjust the claim. The assessor shall notify the claimant in writing of any rejection or adjustment and the reasons for the rejection or adjustment. The rejection or adjustment is final unless appealed by the claimant pursuant to section 6213. The assessor shall set off against the claim payment any other tax liability owed by the claimant pursuant to this Title.

4. Payments made in error. If the assessor determines that a claim has been incorrectly calculated or paid in error, the amount paid may be recovered by assessment pursuant to section 141, and the assessment bears interest from the date of payment of the claim, until refunded or paid, at the rate provided by section 186.

Sec. 6. 36 MRSA §6204, as amended by PL 2005, c. 2, Pt. E, §3 and affected by §§7 and 8, is further amended to read:

§ 6204. Filing date

A claim may not be paid unless the claim is filed with the Bureau of Revenue Services on or after August 1st and on or before the following May 31st. For relief requested for 2008, the filing period begins August 1, 2009 and ends December 31, 2009. For years for which relief is requested that begin after 2008, the period for filing a claim with the bureau begins on January 1st following the year for which relief is requested and ends on the following June 30th.

Sec. 7. 36 MRS §6210, 2nd ¶, as amended by PL 2005, c. 218, §59, is further amended to read:

The assessor shall include a checkoff to request an application for A claimant may apply for a benefit under the Maine Residents Property Tax Program on that claimant's individual income tax form. The assessor shall also provide a paperless option for filing an application for the Maine Residents Property Tax Program.

Sec. 8. 36 MRS §6211, as amended by PL 2005, c. 332, §27, is repealed.

Sec. 9. Modification of income tax form. The State Tax Assessor shall modify the individual income tax form to include the ability of an individual to use the form to submit a claim under the Maine Residents Property Tax Program and to indicate the method of payment of the claim as described in the Maine Revised Statutes, Title 36, section 6203-B.

Sec. 10. Application. This Act applies to applications for benefits under the Maine Residents Property Tax Program filed on or after January 1, 2010, exclusive of applications filed on extension from the prior filing period.

SUMMARY

This bill amends the Maine Residents Property Tax Program, also known as the Circuitbreaker Program, by allowing an individual to apply for a benefit using the individual income tax form. Due to the difference in the time period covered by the Circuitbreaker Program and individual income taxes, the filing period for benefits under the Circuitbreaker Program, August 1st to the following May 31st, is changed to January 1st to the following June 30th, beginning with benefit years beginning after 2009. This bill allows the individual to take the benefit directly or apply it as a credit against income taxes owed by that individual.