



129th MAINE LEGISLATURE

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Legislative Document

No. 812

S.P. 248

In Senate, February 14, 2019

**An Act To Stabilize Property Taxes on Homesteads of Individuals
Who Are 66 Years of Age or Older**

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator CHENETTE of York.
Cosponsored by Representative BAILEY of Saco and
Senator: CHIPMAN of Cumberland, Representatives: DENK of Kennebunk, FECTEAU of
Biddeford, NADEAU of Winslow.

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

2 **Sec. 1. 36 MRSA c. 908-B** is enacted to read:

3 **CHAPTER 908-B**

4 **PROPERTY TAX STABILIZATION FOR SENIOR CITIZENS**

5 **§6281. Stabilization of property taxes on homesteads of individuals 66 years of age**
6 **or older**

7 **1. Definitions.** As used in this chapter, unless the context otherwise indicates, the
8 following terms have the following meanings:

9 A. "Eligible homestead" means a homestead occupied by an eligible individual who
10 is eligible for a homestead exemption under chapter 105, subchapter 4-B for the
11 property tax year during which an application for stabilization is made.

12 B. "Eligible individual" means an individual who:

13 (1) Is 66 years of age or older;

14 (2) Is a permanent resident of the State as defined in section 681, subsection 4;
15 and

16 (3) Received a property tax fairness credit under section 5219-KK during the
17 income tax year preceding the date the application for stabilization was made.

18 C. "Homestead" has the same meaning as under section 681, subsection 2.

19 D. "Stabilize" means to maintain the property tax billed to an eligible individual for
20 the individual's eligible homestead at the amount billed for that homestead for the
21 property tax year preceding the date of application for stabilization.

22 **2. Application for stabilization.** An individual may apply by December 1st to the
23 municipality in which the individual's homestead is located requesting that the
24 municipality stabilize the property tax assessed on that individual's homestead for the
25 property tax year beginning on April 1st following the submission of the application. A
26 new application is required for each year for which stabilization is requested.

27 **3. Stabilization for eligible individual.** If a municipality determines that an
28 applicant for stabilization is an eligible individual and that the individual's homestead is
29 an eligible homestead, the municipality shall stabilize the property tax on the individual's
30 homestead billed for the tax year for which stabilization was requested.

31 **4. State compensation.** A municipality that has stabilized property tax for an
32 eligible individual under this chapter may recover from the State 100% of the amount by
33 which the property tax assessed on the homestead of an eligible individual in the usual
34 manner exceeds the stabilized amount of property tax billed under subsection 3. A
35 municipality claiming compensation under this subsection shall submit a claim to the
36 bureau by November 1st of the year in which the property tax was stabilized. The
37 bureau shall review claims and determine the total amount to be paid to each

1 municipality. The bureau shall certify and the Treasurer of State shall pay the amount
2 due to each municipality by January 15th of the year following the year in which the
3 claim for compensation was submitted.

4 **SUMMARY**

5 This bill permits a municipality to maintain the property tax on the homestead of a
6 permanent resident who is at least 66 years of age or older at the amount billed in the year
7 prior to an application for stabilization. The amount by which the tax assessed exceeds
8 the stabilized amount must be paid to the municipality by the State. An applicant for
9 stabilization must be a permanent resident of the State and must have received a property
10 tax fairness credit for the income tax year preceding application for stabilization. An
11 application for stabilization must be made each year to continue eligibility.