



132nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2025

Legislative Document

No. 1144

S.P. 475

In Senate, March 18, 2025

An Act to Reinststate the Property Tax Stabilization Program

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 LIBBY of Cumberland.

Cosponsored by Senators: BICKFORD of Androscoggin, STEWART of Aroostook.

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

2 **Sec. 1. 36 MRSA §6281, first ¶,** as enacted by PL 2023, c. 412, Pt. S, §10, is
3 amended to read:

4 This chapter applies ~~only to the~~ property tax ~~year~~ years beginning on or after April 1,
5 ~~2023~~ 2026.

6 **Sec. 2. 36 MRSA §6281, sub-§1, ¶D,** as amended by PL 2023, c. 441, Pt. D, §1,
7 is further amended to read:

8 D. "Stabilize" means to maintain the property tax billed to an eligible individual for
9 up to \$900,000 of assessed value for the individual's eligible homestead at the amount
10 billed for up to \$900,000 of assessed value for that homestead for the property tax year
11 preceding the property tax year for which the individual is requesting stabilization.

12 **Sec. 3. 36 MRSA §6281, sub-§3,** as enacted by PL 2021, c. 751, §1, is amended to
13 read:

14 **3. Stabilization for eligible individual.** If a municipality determines that an applicant
15 for stabilization under subsection 2 is an eligible individual and that the individual's
16 homestead is an eligible homestead, the municipality shall stabilize the property tax on the
17 individual's homestead billed for the property tax year for which stabilization was
18 requested. Except as provided in subsection 4, an eligible individual may have the property
19 tax stabilized on only one eligible homestead in a property tax year.

20 **Sec. 4. 36 MRSA §6281, sub-§5,** as amended by PL 2023, c. 441, Pt. D, §2, is
21 further amended to read:

22 **5. State compensation.** A municipality that has stabilized property tax for an eligible
23 individual under this chapter may recover from the State 100% of the amount by which the
24 property tax assessed on the homestead of an eligible individual in the usual manner
25 exceeds the stabilized amount of property tax billed under subsection 3. A municipality
26 may recover from the State the cost to administer this chapter. A municipality claiming
27 compensation under this subsection shall submit a claim to the bureau on the annual return
28 required by section 383. The bureau shall review claims and determine the total amount to
29 be paid to each municipality. The bureau shall certify and the Treasurer of State shall pay
30 the amount due to each municipality by January 15th of the year following the year for
31 which the claim for compensation was submitted or within 60 days of the date the claim
32 was filed, whichever is later.

33 **SUMMARY**

34 This bill reinstates the program that stabilizes property taxes on homesteads of
35 permanent residents 65 years of age or older for property tax years beginning on or after
36 April 1, 2026. It limits stabilization to \$900,000 of the assessed value of an eligible
37 homestead and provides that an eligible individual may have the property tax stabilized on
38 only one eligible homestead in a property tax year. It provides that a municipality may
39 recover from the State the cost to administer the program.