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Date: (Filing No. H-)

TAXATION

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
128TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to H.P. 60, L.D. 73, Bill, “An Act To Increase the Homestead Property Tax Exemption for Certain Persons Who Are at Least 75 Years of Age”

Amend the bill by striking out all of sections 1 and 2 and inserting the following:

'Sec. 1. 36 MRSA §683, sub-§1-C is enacted to read:

1-C. Additional senior exemption. For property tax years beginning on or after April 1, 2018, a homestead that is eligible for an exemption under subsections 1 and 1-B is eligible for an additional exemption of \$30,000 of the just value of the homestead if at least one of the applicants is 75 years of age or older and has claimed the homestead as a permanent residence for 10 or more years. If a taxpayer claiming the additional exemption under this subsection dies, the taxpayer's surviving spouse may continue to claim the exemption notwithstanding the age and length of residency requirements in this subsection so long as the homestead remains the surviving spouse's permanent residence.'

Amend the bill by striking out all of section 4 and inserting the following:

'Sec. 4. 36 MRSA §683, sub-§5, as amended by PL 2015, c. 267, Pt. J, §3, is further amended to read:

5. Determination of exemption for cooperative housing corporation. A cooperative housing corporation may apply for an exemption under this subchapter to be applied against the valuation of property of the corporation that is occupied by qualifying shareholders. The application must include a list of all qualifying shareholders and must be updated annually to reflect changes in the ownership, age and residency status and duration of qualifying shareholders. The exemption is equal to the amounts specified in subsections 1 ~~and 1-B multiplied by the number of~~ to 1-C applicable to units in the cooperative property occupied by qualifying shareholders. A cooperative housing corporation that receives an exemption pursuant to this section shall apportion the property tax reduction resulting from the exemption among the qualifying shareholders on a per unit basis. The apportionment must provide the maximum eligible exemption to homesteads qualifying for the additional exemption under subsection 1-C and must

COMMITTEE AMENDMENT

1 apportion the remainder of the exemption on a per unit basis to the remaining eligible
 2 homesteads. Any supplemental assessment resulting from disqualification for exemption
 3 must be applied in the same manner against the qualifying shareholders for whom the
 4 disqualification applies.'

5 Amend the bill by adding after section 5 the following:

6 '**Sec. 6. Appropriations and allocations.** The following appropriations and
 7 allocations are made.

8 **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

9 **Homestead Property Tax Exemption - Mandate Reimbursement 0887**

10 Initiative: Provides funding to reimburse municipalities for the cost of the mandated
 11 changes made to the homestead property tax exemption program.

12	GENERAL FUND	2017-18	2018-19
13	All Other	\$0	\$85,000
14			
15	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$85,000</u>

16 **Homestead Property Tax Exemption Reimbursement 0886**

17 Initiative: Provides funding to reimburse municipalities for 100% of the cost to increase
 18 the homestead property tax exemption from \$20,000 to \$50,000 for certain applicants 75
 19 years of age or older for property tax years beginning on or after April 1, 2018.

20	GENERAL FUND	2017-18	2018-19
21	All Other	\$0	\$15,375,000
22			
23	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$15,375,000</u>

24 **ADMINISTRATIVE AND FINANCIAL**
 25 **SERVICES, DEPARTMENT OF**
 26 **DEPARTMENT TOTALS**

27		2017-18	2018-19
28	GENERAL FUND	\$0	\$15,460,000
29			
30	DEPARTMENT TOTAL - ALL FUNDS	<u>\$0</u>	<u>\$15,460,000</u>

31
 32 Amend the bill by relettering or renumbering any nonconsecutive Part letter or
 33 section number to read consecutively.

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SUMMARY

This amendment makes technical corrections to facilitate administration of the increased homestead property tax exemption of persons who are at least 75 years of age. It also provides funding to reimburse municipalities for revenue lost due to the increase in the homestead property tax exemption.

FISCAL NOTE REQUIRED

(See attached)