

STATE OF MAINE

—  
IN THE YEAR OF OUR LORD  
TWO THOUSAND AND SIXTEEN

—  
H.P. 252 - L.D. 365

**An Act To Provide a Tax Reduction for Modifications To Make a Home  
More Accessible for a Person with a Disability**

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

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

**§5219-NN. Credit for certain homestead modifications**

**1. Credit allowed.** A person with federal adjusted gross income not exceeding \$55,000 who makes qualified expenditures for the purpose of making all or any portion of an existing homestead, as defined in section 5219-II, subsection 1, paragraph C, accessible to an individual with a disability or physical hardship who resides or will reside in the homestead is allowed a credit against the tax otherwise imposed under this Part in an amount equal to the applicable percentage of the qualified expenditures or \$9,000, whichever is less.

**2. Qualified expenditures.** An individual claiming a credit under this section must demonstrate to the Maine State Housing Authority that the homestead modifications for which the expenditures were incurred comply with applicable building standards governing home accessibility in the jurisdiction where the homestead is located and are consistent with standards adopted by the authority. The authority may adopt rules consistent with this section to identify the types of homestead modifications that will enable accessibility for individuals with disabilities or physical hardships. Rules adopted under this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

**3. Certification.** The Maine State Housing Authority shall certify to the State Tax Assessor the total qualified expenditures made by an individual seeking to claim a credit under this section. The authority may contract with a public or private entity to make the certification required under this subsection.

**4. Limitations; carry-forward.** The credit under this section must be taken in the taxable year in which the qualified expenditures were incurred. Any unused portion of

the credit may be carried forward to the following year or years for a period not to exceed 4 years.

**5. Applicable percentage.** For the purposes of this section, "applicable percentage" means:

A. For taxpayers with a federal adjusted gross income of \$0 to \$25,000, 100%;

B. For taxpayers with a federal adjusted gross income over \$25,000 but not over \$30,000, 90%;

C. For taxpayers with a federal adjusted gross income over \$30,000 but not over \$35,000, 80%;

D. For taxpayers with a federal adjusted gross income over \$35,000 but not over \$40,000, 70%;

E. For taxpayers with a federal adjusted gross income over \$40,000 but not over \$45,000, 60%; and

F. For taxpayers with a federal adjusted gross income over \$45,000 but not over \$55,000, 50%.

**6. Annual limit on credits.** Credits approved under this section may not exceed \$1,000,000 for any calendar year. If the \$1,000,000 annual limitation is reached, any additional applications for a credit in that year must be held and given priority in consideration in the following calendar year.

**Sec. 2. Application.** This Act applies to tax years beginning on or after January 1, 2017.

**Sec. 3. Appropriations and allocations.** The following appropriations and allocations are made.

**HOUSING AUTHORITY, MAINE STATE**

**Home Modification Certification Program N208**

Initiative: Provides funds for the cost of conducting the home modification certification.

<b>GENERAL FUND</b>	<b>2015-16</b>	<b>2016-17</b>
All Other	\$0	\$50,000
<b>GENERAL FUND TOTAL</b>	<hr/> \$0	<hr/> \$50,000