



Maine Municipal  
Association

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Testimony of the Maine Municipal Association

In Opposition to

*LD 290, An Act To Stabilize Property Taxes for Individuals 65 Years of Age or Older Who Own  
a Homestead for at Least 10 Years*

May 12, 2021

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Senator Chipman, Representative Terry and members of the Taxation Committee, my name is Kate Dufour and I am providing testimony in opposition to LD 290 on behalf of the Maine Municipal Association's 70-member Legislative Policy Committee.

Although LD 290 requires the state to reimburse municipalities for 100% of the lost property tax revenue associated with stabilizing property taxes for certain Maine residents, municipal officials question the constitutionality of the measure. As provided in Article IX, Section 8 of Maine's Constitution, all "taxes upon real and personal estate, assessed by authority of this State, shall be apportioned and assessed equally according to the just value thereof." Directing assessors to essentially cap a qualifying resident's tax, while others are required to pay the full amount, strikes municipalities as treating similar property owners differently.

Furthermore, to the extent that municipal officials support property tax assistance programs, they prefer measures that target relief to taxpayers who are struggling financially to keep up with the burden. Not all senior Maine residents are financially incapable of paying taxes.

A preferable solution to the issue the bill seeks to address is the reinstatement of the state's elderly property tax deferral program, as proposed in LD 1638. The bill, sponsored by Sen. Donna Bailey, targets property tax relief to seniors and individuals who are unable to work due to a physical disability. Furthermore, eligibility for the deferral is based on income and financial assets. As designed, the tax deferral program targets relief to those who can least afford to pay the regressive property tax without shifting the costs onto all other property taxpayers.

Thank you for your time and consideration of the municipal perspective.