



HOUSE OF REPRESENTATIVES

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Good Morning, Senator Grohoski, Representative Perry, and distinguished members of the Joint Standing Committee on Taxation I am Representative Benjamin Hymes and I represent the towns of Brooks, Frankfort, Jackson, Knox, Monroe, Swanville, Thorndike, Unity, and Waldo in House District 38 I am here today to present LD 1737 "An Act to Provide up to \$5,000 in Property Tax Relief to Veterans"

First off, I would like to say that this is my pet project bill Since I retired last summer after 20 years on active duty, I have made it my unofficial duty to represent and help Veterans Because of my service I have a unique understanding of what is working and what is not I also have a very good understanding of what would be fair in the eyes of Veterans when we are considering bills such as these I have been and am continuing to tweak this bill as I have conversations around the state with Veterans So the bill before you has a few minor changes that I will add to my committee amendment which will be forthcoming

I'd like to take a quick minute to explain where we are to give context as to why property tax needs to be expanded

Currently, a veteran who served during a recognized war period and is 62 years or older, or, is receiving 100% disability as a Veteran, or became 100% disabled while serving, is eligible for \$6,000 A veteran who received a federal grant for a specially adapted housing unit may receive \$50,000

This would seem pretty good, however, as you all know, words matter in Statute Currently the relief is based on taking a portion off the whole property's value and that part is not taxed However, the remainder is still taxed For example, a 100% disabled veteran receives \$6000 in property tax relief So, if they own a \$300,000 estate, \$6000 is deducted from that amount and not taxed But the other \$294,000 is still taxed So, the amount of relief is only a few dollars, hardly any kind of relief

There are three parts to my bill I want to highlight

After retirement age, LD 1737 aims to give property tax relief to all veterans over 62, not just those who served in armed conflicts After this age your amount of relief would not be based on your disability rating either After talking with other Veterans around the state, I would like to add that the characteristic of their discharge needs to be honorable, general under honorable conditions, or medical

District 38 Brooks, Jackson, Knox, Monroe, Swanville, Thorndike, Unity, Waldo & Frankfort (part)

Before the retirement age of 62, LD 1737 would allow for property tax directly related to your disability rating. Since your disability rating is directly proportionate to how much you can or can't work, the bill means to make it equitable based on how disabled you became while serving. Every Veteran tracks their rating along with the VA,0 and it is an easy system already in place to determine their tax relief.

I do believe there needs to be a limit set. Since we would be expanding the current amount in statute, I would like to deter any misuse. The limitation I have set is \$5000, which is based on the approximate total property tax of a medium sized house in Maine. I could see misuse coming in the form of a veteran being able to buy a larger estate and greatly exceeding this \$5000 amount. I would be happy to adjust this amount if the committee sees fit.

Thank you for your time and I would be happy to answer any questions.