



James Libby, Ph.D.
Senator, District 22

THE MAINE SENATE
132nd Legislature

3 State House Station
Augusta, Maine 04333

LD 1144, “An Act to Reinstate the Property Tax Stabilization Program”

Joint Standing Committee on Taxation

Public Hearing

Wednesday, April 2, 2025

10:00am

Senator Grohoski, Representative Cloutier, and esteemed members of the Joint Standing Committee on Taxation:

My name is Jim Libby; I am the State Senator representing District 22, comprised of the towns of Naples, Sebago, Baldwin, and Standish in Cumberland County; Hiram and Porter in Oxford County; and Limington, Limerick, Cornish, Parsonsfield, Newfield, Acton, and Shapleigh in the County of York.

It is my honor to sponsor L.D. 1144, “An Act to Reinstate the Property Tax Stabilization Program.”

As many of you are recent colleagues on this committee, you know that I was a supporter of the Property Tax Stabilization Program and voted against repeal of the program last session.

Over the summer while I was talking with constituents in my district, I heard a lot of feedback. “What happened to the property tax stabilization program?” and “My property taxes are through the roof!” Many of my constituents are living on fixed incomes and are not able to afford the increases on what they are taxed for owning property. The difficulty this year is that property tax escalation includes increases for the years that were formerly frozen in the program.

We know from our experience in 2024, that property taxes can spike due to reassessments in tax rates during a period of high market value prices. Just this year, we saw increases in property taxes ranging from 12 -60%, according to NewsCenter Maine.¹ Unfortunately, when taxes spike at this magnitude, seniors on a fixed income are the people who are hurt. Many cannot sustain large spikes in property taxes. I have heard from some who have said that they are considering leaving the state because of these increases.

¹ <https://www.newscentermaine.com/article/news/local/housing/homeowners-across-maine-left-shocked-sudden-spike-property-taxes/97-e4bcbd1c-2646-4816-bc03-9f93bdf1d1d6>

We need to recognize that nearly a quarter of our population in Maine is above the age of sixty-five.²

Among the rationale offered for the removal of the property tax stabilization program was the abuse of the program. Any property was eligible. Instead of solving issues in the law, we got rid of it.

In reintroducing the Property Tax Stabilization Program, I proactively tried to set limits on issues that led to its demise in the 131st legislative session. First, this limits eligible valuation to the \$900,000 of the assessed value. Second, it only allows one homestead owned by an individual to be stabilized in a year.

I hope that in the program's absence, you have seen as I have; the Maine people want this program. I hope we can work together to revive the Property Tax Stabilization Program.

Thank you and I am happy to answer any questions.