



MAINE MUNICIPAL ASSOCIATION SINCE 1936

60 Community Drive | Augusta, ME 04330-9486
1-800-452-8786 (in state) | (t) 207-623-8428
(f) 207-624-0129

Testimony of the Maine Municipal Association (MMA) In Opposition to

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

April 2, 2025

Senator Grohoski, Representative Cloutier and distinguished members of the Joint Standing Committee on Taxation, my name is Amanda Campbell, and I am submitting testimony on behalf of the Maine Municipal Association's 70-member Legislative Policy Committee (LPC) in opposition to LD 1144.

This session, the LPC proactively established a platform of bills intended to bolster and support the property taxpayers of Maine. Through initiatives across the legislative board, they are committed to protecting the interests of their residents and to reducing the burden of property taxes. Increased funding for education is one avenue to reach these goals.

LD 1144 seeks to reinstate the now repealed Property Tax Stabilization for Senior Citizens program. While this iteration clarifies that a taxpayer is eligible to stabilize only one eligible property per year, limits the stabilization to only properties with an assessed value of up to \$900,000 and provides that municipalities may recover administrative costs, municipal officials would argue that this program is one in the same as the original LD 290.

Municipal officials acknowledge that there are taxpayers who are struggling. Many of them are older residents who risk losing their lifelong homes. No one wants that to happen. However, reinstating a program that has already been proven to be too costly for the state to fund is irresponsible and only shifts costly burdens.

This proposal requires no means testing, meaning any taxpayer over 65 years of age is eligible. Applicants must apply on an annual basis, a procedure different from other state tax programs facilitated at the local level and one that has shown to be administratively burdensome for municipal assessing offices. Stabilized tax amounts can be transferred from one municipality to the next, meaning a lower stabilized tax amount in one community can move with a resident to a community with a higher tax base, thereby triggering a higher reimbursement requirement from the state.

Assessors, selectboard members, town managers and other local officials recognize that there is a property tax crisis. Until funding for county services, education and municipal services can all be viewed under the same lens, no fixes will be easy. LD 1144 is no exception and the LPC urges you to vote ought not to pass.

Thank you for the opportunity to speak with you and share the municipal perspective. Please feel free to contact me or any member of the MMA Advocacy team with any questions related to municipal operations.