CHAPTER 908

DEFERRED COLLECTION OF HOMESTEAD PROPERTY TAXES

§6250. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [PL 1989, c. 534, Pt. C, §1 (NEW).]

1. Benefited property.
[PL 1989, c. 534, Pt. C, §1 (NEW); PL 1989, c. 713, §1 (RP).]

2. Bureau. "Bureau" means the Bureau of Revenue Services.
[PL 1989, c. 534, Pt. C, §1 (NEW); PL 1997, c. 526, §14 (AMD).]

2-A. Disability. "Disability" means a permanent and total impairment or condition that prevents an individual from being employed as determined by an agency of this State or of the Federal Government or pursuant to routine technical rules adopted by the State Tax Assessor.
[PL 2021, c. 483, Pt. AA, §2 (NEW); PL 2021, c. 483, Pt. AA, §21 (AFF).]

3. Homestead. "Homestead" means the owner-occupied principal dwelling owned by the taxpayer and up to 10 contiguous acres upon which it is located. If the homestead is located in a multi-unit building, the homestead is the portion of the building actually used as the principal dwelling and its percentage of the value of the common elements and of the value of the tax lot upon which it is built. The percentage is the value of the unit consisting of the principal dwelling compared to the total value of the building exclusive of the common elements, if any. "Homestead" includes the taxpayer-occupied principal dwelling and up to 10 contiguous acres upon which it is located that is held in a revocable living trust for the benefit of the taxpayer.
[PL 2025, c. 113, Pt. A, §3 (AMD).]

3-A. Liquid asset. "Liquid asset" means something of value available to an individual that can be converted to cash in 3 months or less and includes:

A. Bank accounts; [PL 2021, c. 483, Pt. AA, §4 (NEW); PL 2021, c. 483, Pt. AA, §21 (AFF).]

B. Certificates of deposit; [PL 2021, c. 483, Pt. AA, §4 (NEW); PL 2021, c. 483, Pt. AA, §21 (AFF).]

C. Money market and mutual funds; [PL 2021, c. 483, Pt. AA, §4 (NEW); PL 2021, c. 483, Pt. AA, §21 (AFF).]

D. Life insurance policies; [PL 2021, c. 483, Pt. AA, §4 (NEW); PL 2021, c. 483, Pt. AA, §21 (AFF).]

E. Stocks and bonds; and [PL 2021, c. 483, Pt. AA, §4 (NEW); PL 2021, c. 483, Pt. AA, §21 (AFF).]

F. Lump-sum payments and inheritances. [PL 2021, c. 483, Pt. AA, §4 (NEW); PL 2021, c. 483, Pt. AA, §21 (AFF).]
[PL 2021, c. 483, Pt. AA, §4 (NEW); PL 2021, c. 483, Pt. AA, §21 (AFF).]

3-B. Municipality. "Municipality" means a city, town, plantation or the unorganized territory.
[PL 2021, c. 483, Pt. AA, §5 (NEW); PL 2021, c. 483, Pt. AA, §21 (AFF).]

4. Tax-deferred property. "Tax-deferred property" means the property upon which taxes are deferred under this chapter.
[PL 1989, c. 534, Pt. C, §1 (NEW).]

5. Taxes. "Taxes" or "property taxes" means ad valorem taxes, assessments, fees and charges entered on the assessment and tax roll.
[PL 1989, c. 534, Pt. C, §1 (NEW).]

6. Taxpayer. "Taxpayer" means an individual who has filed a claim for deferral under this chapter or individuals who have jointly filed a claim for deferral under this chapter.
[PL 1989, c. 534, Pt. C, §1 (NEW).]

SECTION HISTORY

PL 1989, c. 534, §C1 (NEW). PL 1989, c. 713, §1 (AMD). PL 1997, c. 526, §14 (AMD). PL 2021, c. 483, Pt. AA, §§2-5 (AMD). PL 2021, c. 483, Pt. AA, §21 (AFF). PL 2025, c. 113, Pt. A, §3 (AMD).

§6251. Deferral of tax on homestead; joint election; age requirement; filing claim

1. Filing claim. Subject to section 6252, a taxpayer may apply to defer the property taxes on the taxpayer's homestead by filing a claim for deferral with the municipal assessor after January 1st but no later than April 1st of the first year in which deferral is claimed if:

A. The taxpayer filing a claim is 65 years of age or older or is unable to be employed by reason of disability on April 1st of the year in which the claim is filed; [PL 2021, c. 483, Pt. AA, §6 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

B. The taxpayer, if the sole owner of the property, has income, as defined in section 5219-KK, subsection 1, paragraph D, of less than $40,000 for the calendar year immediately preceding the calendar year in which the claim is filed or, for applications filed after January 1, 2024, income of less than $80,000 for the calendar year immediately preceding the calendar year in which the claim is filed. In the case of property that is owned by more than one owner, all owners together have income, as defined in section 5219-KK, subsection 1, paragraph D, of less than $40,000 for the calendar year immediately preceding the calendar year in which the claim is filed or, for applications filed after January 1, 2024, income of less than $80,000 for the calendar year immediately preceding the calendar year in which the claim is filed; [PL 2023, c. 523, Pt. A, §14 (RPR).]

C. The taxpayer, if the sole owner of the property, has liquid assets of less than $50,000 or, for applications filed after January 1, 2024, less than $100,000. In the case of property that is owned by more than one owner, all the owners together have liquid assets of less than $75,000 or, for applications filed after January 1, 2024, less than $150,000; and [PL 2023, c. 523, Pt. A, §15 (RPR).]

D. The taxpayer's homestead receives a homestead exemption under chapter 105, subchapter 4-B. [PL 2021, c. 483, Pt. AA, §6 (NEW); PL 2021, c. 483, Pt. AA, §21 (AFF).]

The municipal assessor shall forward each claim filed under this subsection to the bureau within 30 days of receipt and the bureau shall determine if the property is eligible for deferral. Claims must be filed on a form approved by the State Tax Assessor and must include all information requested by the State Tax Assessor, including without limitation the taxpayer's and the taxpayer's direct heirs' contact information. Income and liquid assets of all individual owners of a homestead must be included in an application for deferral.
[PL 2023, c. 523, Pt. A, §§14, 15 (AMD).]

2. Property tax deferral. If a taxpayer is determined to be eligible to defer property taxes for any year by filing a claim for deferral under subsection 1, it has the effect of:

A. Deferring the payment of the property taxes levied on the homestead for the municipal fiscal year beginning on or after April 1st of that year; [PL 1989, c. 534, Pt. C, §1 (NEW).]

B. Continuing deferral of the payment by the taxpayer of any property taxes deferred under this chapter for previous years that have not become delinquent under section 6260; and [PL 1989, c. 534, Pt. C, §1 (NEW).]

C. Continuing the deferral of the payment by the taxpayer of any future property taxes for as long as the provisions of section 6252 are met or the taxpayer withdraws from the deferral of future property taxes under this chapter by notifying the bureau as provided in section 6258. [PL 2021, c. 483, Pt. AA, §6 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

[PL 2021, c. 483, Pt. AA, §6 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

3. Guardian, conservator and agent compliance. If a guardian, conservator or agent under a power of attorney or pursuant to a protective arrangement or any other lawful order has been appointed for a taxpayer otherwise qualified to obtain deferral of taxes under this chapter, the guardian, conservator or agent may act for that taxpayer in complying with this chapter.
[PL 2021, c. 483, Pt. AA, §6 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

4. Trustee compliance. A trustee of a revocable inter vivos trust, if that trust was created by a taxpayer who is both the trustor and a beneficiary and who is otherwise qualified to obtain a deferral of taxes under this chapter, may act for the taxpayer in complying with this chapter.
[PL 2021, c. 483, Pt. AA, §6 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

5. Spouse not required to claim.
[PL 2021, c. 483, Pt. AA, §6 (RP); PL 2021, c. 483, Pt. AA, §21 (AFF).]

6. Appeal. A taxpayer aggrieved by the denial of a claim for deferral of homestead property taxes or disqualification from deferral of homestead property taxes may file an appeal of the State Tax Assessor's determination, within 30 days of notification of denial or disqualification by the State Tax Assessor, with the State Board of Property Tax Review as provided in chapter 101, subchapter 2-A.
[PL 2021, c. 630, Pt. B, §6 (AMD).]

SECTION HISTORY

PL 1989, c. 534, §C1 (NEW). PL 1989, c. 713, §§2,3 (AMD). PL 1989, c. 875, §E50 (AMD). PL 1993, c. 395, §31 (AMD). PL 2021, c. 483, Pt. AA, §6 (AMD). PL 2021, c. 483, Pt. AA, §21 (AFF). PL 2021, c. 630, Pt. B, §6 (AMD). PL 2023, c. 360, Pt. A, §§11, 12 (AMD). PL 2023, c. 412, Pt. S, §§6, 7 (AMD). PL 2023, c. 523, Pt. A, §§14, 15 (AMD).

§6252. Property entitled to deferral

In order to qualify for tax deferral under this chapter, the property must meet all of the following requirements when the claim is filed and thereafter as long as the payment of taxes by the taxpayer is deferred. [PL 1989, c. 534, Pt. C, §1 (NEW).]

1. Claimant's homestead. The property must be the homestead of the individual or individuals who file the claim for deferral, except for an individual required to be absent from the homestead by reason of health.
[PL 1989, c. 534, Pt. C, §1 (NEW).]

2. Fee simple estate. The individual claiming a deferral must, solely or together with the individual's spouse, own the fee simple estate or be purchasing the fee simple estate under a recorded instrument of sale, or 2 or more individuals must together own or be purchasing the fee simple estate with rights of survivorship under a recorded instrument of sale if all owners live in the homestead.
[PL 2021, c. 483, Pt. AA, §7 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

3. No prohibitions. There must be no prohibition to the deferral of property taxes contained in any provision of federal law, rule or regulation applicable to a mortgage, trust deed, land sale contract or conditional sale contract for which the homestead is security.
[PL 1989, c. 534, Pt. C, §1 (NEW).]

4. No duplicate deferral. The property is not receiving a deferral of taxes under chapter 908-A.
[PL 2021, c. 483, Pt. AA, §8 (NEW); PL 2021, c. 483, Pt. AA, §21 (AFF).]

5. No municipal lien. The property does not have an existing municipal lien against it other than a lien that may be released pursuant to section 6252-A, subsection 5.
[PL 2023, c. 523, Pt. A, §16 (AMD).]

SECTION HISTORY

PL 1989, c. 534, §C1 (NEW). PL 2021, c. 483, Pt. AA, §§7-9 (AMD). PL 2021, c. 483, Pt. AA, §21 (AFF). PL 2023, c. 412, Pt. S, §8 (AMD). PL 2023, c. 523, Pt. A, §16 (AMD).

§6252-A. Deferral of delinquent taxes

Notwithstanding section 6252, subsection 5, a taxpayer who owes delinquent property taxes and whose property is subject to a municipal lien may qualify for tax deferral of a homestead under this chapter subject to the following conditions. [PL 2023, c. 412, Pt. S, §9 (NEW).]

1. Limit 2 years. The taxpayer owes no more than 2 years of delinquent property taxes at the time of application for deferral.
[PL 2023, c. 412, Pt. S, §9 (NEW).]

2. Added to deferred taxes. The amount of delinquent property taxes, plus interest and costs, must be determined as of a predetermined payoff date. This amount must be added to the amount of tax deferred for the first fiscal year pursuant to section 6251, subsection 2, paragraph A.
[PL 2023, c. 412, Pt. S, §9 (NEW).]

3. State lien. The amount of the state lien under section 6254 must be increased by the amount of delinquent property taxes deferred under this section.
[PL 2023, c. 412, Pt. S, §9 (NEW).]

4. Reimbursed to municipality or unorganized territory. An amount equal to the delinquent property taxes, interest and costs must be included in the certification provided by the State Tax Assessor to the Treasurer of State and reimbursed to the municipality or to the Unorganized Territory Education and Services Fund by the Treasurer of State pursuant to section 6257, subsection 1.
[PL 2023, c. 412, Pt. S, §9 (NEW).]

5. Release of lien. Upon receipt of full reimbursement for delinquent property taxes, interest and costs, the municipality, or the State Tax Assessor for the unorganized territory, shall release the lien attached to the homestead for those delinquent property taxes, interest and costs.
[PL 2023, c. 412, Pt. S, §9 (NEW).]

6. Restriction. A taxpayer who owns more than one residential property within the State subject to an existing municipal lien is not eligible to claim a deferral pursuant to this section.
[PL 2023, c. 613, Pt. A, §1 (AMD).]

SECTION HISTORY

PL 2023, c. 412, Pt. S, §9 (NEW). PL 2023, c. 613, Pt. A, §1 (AMD).

§6253. Claim forms; contents

1. Administration. A taxpayer's claim for deferral under this chapter must be in writing on a form supplied by the bureau and must:

A. Describe the homestead; [PL 1989, c. 534, Pt. C, §1 (NEW).]

B. Provide information establishing the eligibility for the deferral under this chapter, including information that establishes that the liquid assets and the income, as defined in section 5219-KK, subsection 1, paragraph D, are less than the limits set by section 6251, subsection 1 for the calendar

year immediately preceding the calendar year in which the claim is filed; and [PL 2021, c. 483, Pt. AA, §10 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

C. Contain any information required by the bureau to show that the requirements of section 6252 have been met. [PL 2021, c. 483, Pt. AA, §10 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

[PL 2021, c. 483, Pt. AA, §10 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

2. Statement verification. The claim must contain a statement verified by a written declaration of the taxpayer making the claim that the statements contained in the claim are true.

[PL 2021, c. 483, Pt. AA, §10 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

SECTION HISTORY

PL 1989, c. 534, §C1 (NEW). PL 2021, c. 483, Pt. AA, §10 (AMD). PL 2021, c. 483, Pt. AA, §21 (AFF).

§6254. State liens against tax-deferred property

1. Lien. The lien provided in section 552 must continue for purposes of protecting the State's deferred tax interest in tax-deferred property. When it is determined that one of the events set out in section 6259 has occurred and that a property is no longer eligible for property tax deferral under this chapter, the State Tax Assessor shall send notice by certified mail to the taxpayer, or the taxpayer's heirs or devisees, listing the total amount of deferred property taxes, including accrued interest and costs of all the years and demanding payment on or before the due date established by section 6260.

When the circumstances listed in section 6259, subsection 4 occur, the amount of deferred taxes is due and payable 5 days before the date of removal of the property from the State.

If the deferred tax liability of a property has not been satisfied by the due date established by section 6260, the State Tax Assessor shall, within 30 days, record in the registry of deeds in the county where the real estate is located a tax lien certificate signed by the State Tax Assessor or bearing the assessor's facsimile signature, setting forth the total amount of deferred tax liability, a description of the real estate on which the tax was deferred and an allegation that a tax lien is claimed on the real estate to secure payment of the tax, that a demand for payment of the tax has been made in accordance with this section and that the tax remains unpaid.

At the time of the recording of the tax lien certificate in the registry of deeds, the State Tax Assessor shall send by certified mail, return receipt requested, to each record holder of a mortgage on the real estate, to the holder's last known address, a true copy of the tax lien certificate. The cost to be paid by the taxpayer, or the taxpayer's heirs or devisees, is the sum of the fees for recording and discharging of the lien as established by Title 33, section 751, plus $13. Upon redemption, the State Tax Assessor shall prepare and record a discharge of the tax lien mortgage. The lien described in section 552 is the basis of this tax lien mortgage procedure.

The filing of the tax lien certificate, provided for in this section, in the registry of deeds creates a mortgage on the real estate to the State and has priority over all other mortgages, liens, attachments and encumbrances of any nature and gives to the State all rights usually instant to a mortgage, except that the mortgagee does not have any right of possession of the real estate until the right of redemption expires.

Payments accepted during the redemption period may not interrupt or extend the redemption period or in any way affect the foreclosure procedures.

[PL 2025, c. 113, Pt. A, §4 (AMD).]

2. Foreclosure. If the mortgage, including interest and costs, is not paid within 12 months of the date on which the certificate was filed in the registry of deeds, as provided in this section, the mortgage is deemed foreclosed and the right of redemption expired.

[PL 1989, c. 534, Pt. C, §1 (NEW); PL 1989, c. 713, §4 (RPR).]

2-A. Inventory. The filing of the certificate in the registry of deeds is sufficient notice of the existence of the mortgage. Whenever the State acquires title to real estate, the State Tax Assessor shall cause an inventory to be made of all such real estate. The inventory must contain a description of the real estate, amount of accrued taxes by years and any information necessary to the administration and supervision of the real estate.
[PL 2001, c. 652, §11 (AMD).]

2-B. Sale; legislative authorization. After authorization by the Legislature, the State Tax Assessor shall, sell or convey any such real estate, but shall in all cases of sales, except sales to former owners of the real estate, give public notice of the proposal to sell the real estate and shall ask for competitive bids and sell to the highest bidder with the right of rejecting all bids. Sales of any such real estate may not be made by the State Tax Assessor except by authorization of the Legislature.

The supervision, administration, utilization and vindication of the right of the State in any such real estate is vested in the State Tax Assessor until the title is conveyed or otherwise disposed of by the Legislature.
[PL 1989, c. 713, §4 (NEW).]

3. Foreclosure receipts. Following the sale by the State Tax Assessor of real property acquired through the tax lien certificate procedure outlined in this chapter, all claims of the State evolving from the homestead property tax exemption are satisfied, as well as any tax delinquencies relative to the property in question in the municipality where located. The residual amount resulting from the sale of the property is to be returned to the former owner or to the owner's heirs or devisees.
[PL 1989, c. 534, Pt. C, §1 (NEW); PL 1989, c. 713, §4 (RPR).]

4. Dangerous buildings. The State Tax Assessor may request that the municipal officers, in the case of a municipality, or the county commissioners, in the case of the unorganized territory in their county, investigate any homestead subject to deferral and make determinations whether the homestead is a dangerous building pursuant to Title 17, chapter 91, subchapter 4. If eligible expenses pursuant to Title 17, section 2853 are incurred by a municipality or the county in the case of the unorganized territory, the State Tax Assessor shall reimburse those eligible expenses from funds in the Senior Property Tax Deferral Revolving Account under section 6266.
[PL 2021, c. 483, Pt. AA, §12 (NEW); PL 2021, c. 483, Pt. AA, §21 (AFF).]

SECTION HISTORY

PL 1989, c. 534, §C1 (NEW). PL 1989, c. 713, §4 (RPR). PL 2001, c. 652, §11 (AMD). PL 2007, c. 695, Pt. A, §45 (AMD). PL 2021, c. 483, Pt. AA, §§11, 12 (AMD). PL 2021, c. 483, Pt. AA, §21 (AFF). PL 2025, c. 113, Pt. A, §4 (AMD).

§6255. Listing of tax-deferred property; interest accrual

1. Tax-deferred property list. If eligibility for deferral of homestead property is established as provided in this chapter, the bureau shall notify the municipal assessor and the municipal assessor shall show on the current ad valorem assessment and tax roll which property is tax-deferred property by an entry clearly designating that property as tax-deferred property.
[PL 1989, c. 534, Pt. C, §1 (NEW).]

2. Tax statement. When requested by the bureau, the municipal tax collector shall send to the bureau as soon as the taxes are extended upon the roll the tax statement for each tax-deferred property.
[PL 1989, c. 534, Pt. C, §1 (NEW).]

3. Interest. Interest accrues on the actual amount of payments advanced to the municipality for the tax-deferred property pursuant to section 186 reduced by one percentage point.
[PL 2021, c. 483, Pt. AA, §13 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

SECTION HISTORY

PL 1989, c. 534, §C1 (NEW). PL 2021, c. 483, Pt. AA, §13 (AMD). PL 2021, c. 483, Pt. AA, §21 (AFF).

§6256. Recording liens in county; recording constitutes notice of state lien

1. Recording of liens. For each municipality in which there is tax-deferred property, the bureau shall cause to be recorded in the mortgage records of the county, a list of tax-deferred properties of that municipality. The list must contain a description of the property as listed in the municipal valuation together with the name of the owner listed on the valuation. The list must be corrected annually to reflect the addition or deletion of deferred properties as well as partial payments received.
[PL 1989, c. 534, Pt. C, §1 (NEW); PL 1989, c. 713, §5 (AMD).]

2. Notice of recording. The recording of the tax-deferred properties under subsection 1 is notice that the bureau claims a lien against those properties in the amount of the deferred taxes plus interest together with any fees paid to the county register of deeds in connection with the recording, release or satisfaction of the lien, even though the amount of taxes, interest or fees is not listed.
[PL 1989, c. 534, Pt. C, §1 (NEW); PL 1989, c. 713, §5 (AMD).]

SECTION HISTORY

PL 1989, c. 534, §C1 (NEW). PL 1989, c. 713, §5 (AMD).

§6257. Payment of amount equivalent to deferred taxes by the State

1. Payment of deferred taxes. Within 30 days of the receipt of information from a municipal tax collector concerning the amount of deferred property taxes in the respective municipality, the State Tax Assessor shall certify that amount to the Treasurer of State who shall make payment to the municipality on or before the 15th day of the following month. Payments made for deferred property taxes in the unorganized territory must be made to the Unorganized Territory Education and Services Fund established in section 1605.
[PL 2021, c. 483, Pt. AA, §14 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

1-A. Prorated payment of deferred taxes.
[PL 2021, c. 483, Pt. AA, §14 (RP); PL 2021, c. 483, Pt. AA, §21 (AFF).]

1-B. Reimbursement to taxpayers.
[PL 2021, c. 483, Pt. AA, §14 (RP); PL 2021, c. 483, Pt. AA, §21 (AFF).]

2. Accounts maintained. The bureau shall maintain accounts for each deferred property.
[PL 2021, c. 483, Pt. AA, §14 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

SECTION HISTORY

PL 1989, c. 534, §C1 (NEW). PL 1989, c. 713, §6 (AMD). PL 1991, c. 528, §DD1 (AMD). PL 1991, c. 528, §RRR (AFF). PL 1991, c. 591, §DD1 (AMD). PL 1991, c. 622, §CC1 (AMD). PL 2021, c. 483, Pt. AA, §14 (AMD). PL 2021, c. 483, Pt. AA, §21 (AFF).

§6258. Annual notice to taxpayer

1. Annual deferral notice. On or before December 15th of each year, the bureau shall send a notice to each taxpayer who has claimed deferral of property taxes for the current tax year. The notice must:

A. Inform the taxpayer that the property taxes have been deferred in the current year; [PL 1989, c. 534, Pt. C, §1 (NEW).]

B. Show the total amount of deferred taxes remaining unpaid since initial application for deferral and the interest accruing therein to November 15th of the current year; [PL 1989, c. 534, Pt. C, §1 (NEW).]

C. Inform the taxpayer that voluntary payment of the deferred taxes may be made at any time to the bureau; and [PL 1989, c. 534, Pt. C, §1 (NEW).]

D. Contain any other information that the bureau considers necessary to facilitate administration of the homestead deferral program including, but not limited to, the right of the taxpayer to submit any amount of money to reduce the total amount of the deferred taxes and interest and the right of the taxpayer to withdraw from the deferral of future property taxes under this chapter by notifying the bureau by any method that the bureau may prescribe. [PL 2021, c. 483, Pt. AA, §15 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

[PL 2021, c. 483, Pt. AA, §15 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

2. Notice mailed. The bureau shall give the notice required under subsection 1 by mail sent to the residence address of the taxpayer as shown in the claim for deferral or as otherwise determined by the bureau to be the correct address of the taxpayer.
[PL 1989, c. 534, Pt. C, §1 (NEW).]

SECTION HISTORY

PL 1989, c. 534, §C1 (NEW). PL 1989, c. 713, §7 (AMD). PL 2021, c. 483, Pt. AA, §15 (AMD). PL 2021, c. 483, Pt. AA, §21 (AFF).

§6259. Events requiring payment of deferred tax and interest

Subject to section 6261, all deferred property taxes, including accrued interest, become payable as provided in section 6260 when: [PL 1989, c. 534, Pt. C, §1 (NEW).]

1. Death of claimant. The taxpayer who claimed deferment of collection of property taxes on the homestead dies or, if there was more than one claimant, the survivor of the taxpayers who originally claimed deferment of collection of property taxes under section 6251 dies;
[PL 1989, c. 534, Pt. C, §1 (NEW).]

2. Sale of property. The property with respect to which deferment of collection of taxes is claimed is sold, a contract to sell is entered into, or some person other than the taxpayer who claimed the deferment becomes the owner of the property;
[PL 1989, c. 534, Pt. C, §1 (NEW).]

3. Claimant moves. The tax-deferred property is no longer the homestead of the taxpayer who claimed the deferral, except in the case of a taxpayer required to be absent from that tax-deferred property by reason of health; or
[PL 1989, c. 534, Pt. C, §1 (NEW).]

4. Removal of home. The tax-deferred property, a mobile or floating home, is moved out of the State.
[PL 1989, c. 534, Pt. C, §1 (NEW).]

SECTION HISTORY

PL 1989, c. 534, §C1 (NEW).

§6260. Time for payments; delinquencies

Whenever any of the circumstances listed in section 6259 occurs: [PL 1989, c. 534, Pt. C, §1 (NEW).]

1. Continuation of assessment year. The deferral of taxes for the assessment year in which the circumstance occurs shall continue for that assessment year;
[PL 1989, c. 534, Pt. C, §1 (NEW).]

2. Deferred property taxes due. The amounts of deferred property taxes, including accrued interest, for all years are due and payable to the bureau within 12 months of the date on which the circumstance occurs, except as provided in subsection 3 and sections 6261 and 6263;
[PL 2023, c. 441, Pt. B, §5 (AMD); PL 2023, c. 441, Pt. B, §7 (AFF).]

3. Out-of-state move. Notwithstanding the provisions of subsection 2 and section 6263, when the circumstance listed in section 6259, subsection 4, occurs, the amount of deferred taxes shall be due and payable 5 days before the date of removal of the property from the State; and
[PL 1989, c. 534, Pt. C, §1 (NEW).]

4. Delinquency. If the amounts falling due as provided in this section are not paid on the indicated due date or as extended under section 6263, those amounts shall be deemed delinquent as of that date and the property shall be subject to foreclosure as provided in section 6254.
[PL 1989, c. 534, Pt. C, §1 (NEW).]

SECTION HISTORY

PL 1989, c. 534, §C1 (NEW). PL 1991, c. 846, §38 (AMD). PL 2023, c. 441, Pt. B, §5 (AMD). PL 2023, c. 441, Pt. B, §7 (AFF).

§6261. Election by spouse to continue tax deferral

1. Continuation by spouse. When one of the circumstances listed in section 6259, subsections 1 to 3 occurs, the spouse who did not or was not eligible to file a claim jointly with the taxpayer may continue the property in its deferred tax status by filing a claim within the time and in the manner provided under section 6251 if:

A. The spouse of the taxpayer is or will be 65 years of age or older not later than 6 months from the day the circumstance listed in section 6259, subsections 1 to 3 occurs; and [PL 1989, c. 534, Pt. C, §1 (NEW).]

B. The property is the homestead of the spouse of the taxpayer and meets the requirements of section 6252, subsection 2. [PL 1989, c. 534, Pt. C, §1 (NEW).]
[PL 1989, c. 534, Pt. C, §1 (NEW).]

2. Continuation of deferral by spouse. A spouse who does not meet the age requirements of subsection 1, paragraph A or the disability requirement of section 6251, subsection 1, paragraph A, but is otherwise qualified to continue the property in its tax-deferred status under subsection 1 may continue the deferral of property taxes deferred for previous years by filing a claim within the time and in the manner provided under section 6251. If a spouse eligible for and continuing the deferral of taxes previously deferred under this subsection becomes 65 years of age or meets the disability requirement of section 6251, subsection 1, paragraph A prior to April 1st of any year, the spouse may elect to continue the deferral of previous years' taxes deferred under this subsection and may elect to defer the current assessment year's taxes on the homestead by filing a claim within the time and in the manner provided under section 6251. Thereafter, payment of the taxes levied on the homestead and deferred under this subsection and payment of taxes levied on the homestead in the current assessment year and in future years may be deferred in the manner provided in and subject to this chapter.
[PL 2021, c. 483, Pt. AA, §16 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

3. Filing extension. Notwithstanding that section 6251 requires that a claim be filed no later than April 1st, if the bureau determines that good and sufficient cause exists for the failure of a spouse to file a claim under this section on or before April 1st, the claim may be filed within 90 days after notice of taxes due and payable under section 6260 is mailed or delivered by the department to the taxpayer or spouse.
[PL 1989, c. 534, Pt. C, §1 (NEW).]

SECTION HISTORY

PL 1989, c. 534, §C1 (NEW). PL 2021, c. 483, Pt. AA, §16 (AMD). PL 2021, c. 483, Pt. AA, §21 (AFF).

§6262. Voluntary payment of deferred tax and interest

1. Payments. All payments of deferred taxes shall be made to the bureau.
[PL 1989, c. 534, Pt. C, §1 (NEW).]

2. Taxes and interest. Subject to subsection 3, all or part of the deferred taxes and accrued interest may at any time be paid to the bureau by:

A. The taxpayer or the spouse of the taxpayer; [PL 2021, c. 483, Pt. AA, §17 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

B. The next of kin of the taxpayer, heir at law of the taxpayer, child of the taxpayer or any person having or claiming a legal or equitable interest in the property; or [PL 2021, c. 483, Pt. AA, §17 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

C. Any other person or organization making a payment as a gift to the taxpayer. [PL 2021, c. 483, Pt. AA, §17 (NEW); PL 2021, c. 483, Pt. AA, §21 (AFF).]
[PL 2021, c. 483, Pt. AA, §17 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

3. Notice of payment. A person listed in subsection 2, paragraph B or C may make the payments only if no objection is made by the taxpayer within 30 days after the bureau deposits in the mail notice to the taxpayer of the fact that the payment has been tendered.
[PL 2021, c. 483, Pt. AA, §18 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

4. Payment application. Any payment made under this section shall be applied first against accrued interest and any remainder against the deferred taxes. This payment does not affect the deferred-tax status of the property. Unless otherwise provided by law, this payment does not give the person paying the taxes any interest in the property or any claim against the estate, in the absence of a valid agreement to the contrary.
[PL 1989, c. 534, Pt. C, §1 (NEW).]

5. Lien discharge. When the deferred taxes and accrued interest are paid in full and the property is no longer subject to deferral, the bureau shall prepare and record in the county in which the property is located a lien discharge.
[PL 1989, c. 534, Pt. C, §1 (NEW).]

SECTION HISTORY

PL 1989, c. 534, §C1 (NEW). PL 2021, c. 483, Pt. AA, §§17, 18 (AMD). PL 2021, c. 483, Pt. AA, §21 (AFF).

§6263. Extension of time for payment upon death of claimant or spouse

1. Payment extension. If the taxpayer who claimed homestead property tax deferral dies, or if a spouse who continued the deferral under section 6261 dies, the bureau may extend the time for payment of the deferred taxes and interest accruing with respect to the taxes becoming due and payable under section 6260, subsection 2, if:

A. The homestead property becomes property of an individual or individuals:

(1) By inheritance or devise; or

(2) If the individual or individuals are heirs or devisees in the course of settlement of the estate; [PL 1989, c. 534, Pt. C, §1 (NEW).]

B. An individual or individuals commence occupancy of the property as a principal residence within 12 months of the date of death; and [PL 2023, c. 441, Pt. B, §6 (AMD); PL 2023, c. 441, Pt. B, §7 (AFF).]

C. An individual or individuals make application to the bureau for an extension of time for payment of the deferred taxes and interest within 12 months of the date of death. [PL 2023, c. 441, Pt. B, §6 (AMD); PL 2023, c. 441, Pt. B, §7 (AFF).]

[PL 2023, c. 441, Pt. B, §6 (AMD); PL 2023, c. 441, Pt. B, §7 (AFF).]

2. Extension terms. Subject to paragraph B, an extension granted under subsection 1 must be for a period not to exceed 6 years from the date of death. The terms and conditions under which the extension is granted must be in accordance with a written agreement entered into by the bureau and the individual or individuals.

An extension granted under this section terminates immediately if:

A. The homestead property is sold or otherwise transferred by any party to the extension agreement; [PL 1989, c. 534, Pt. C, §1 (NEW).]

B. All of the heirs or devisees who are parties to the extension agreement cease to occupy the property as a principal residence; or [PL 1989, c. 534, Pt. C, §1 (NEW).]

C. The homestead property, a mobile or floating home, is moved out of the State. [PL 2023, c. 441, Pt. B, §6 (AMD); PL 2023, c. 441, Pt. B, §7 (AFF).]

[PL 2023, c. 441, Pt. B, §6 (AMD); PL 2023, c. 441, Pt. B, §7 (AFF).]

3. Accrued interest. During the period of extension, and until paid, the deferred taxes continue to accrue interest in the same manner and at the same rate as provided under section 6255, subsection 3. Interest may not accrue upon interest.

[PL 2023, c. 441, Pt. B, §6 (AMD); PL 2023, c. 441, Pt. B, §7 (AFF).]

SECTION HISTORY

PL 1989, c. 534, §C1 (NEW). PL 2023, c. 441, Pt. B, §6 (AMD). PL 2023, c. 441, Pt. B, §7 (AFF).

§6264. Limitations

Nothing in this chapter is intended to or may be construed to: [PL 1989, c. 534, Pt. C, §1 (NEW).]

1. Foreclosure. Prevent the collection, by foreclosure, of property taxes which become a lien against tax-deferred property;

[PL 1989, c. 534, Pt. C, §1 (NEW).]

2. Benefited property.

[PL 1989, c. 534, Pt. C, §1 (NEW); PL 1989, c. 713, §8 (RP).]

3. Land provisions. Affect any provision of any mortgage, or other instrument relating to land, requiring a person to pay property taxes.

[PL 1989, c. 534, Pt. C, §1 (NEW).]

SECTION HISTORY

PL 1989, c. 534, §C1 (NEW). PL 1989, c. 713, §8 (AMD).

§6265. Deed or contract clauses preventing application for deferral prohibited; clauses void

After the effective date of this chapter, it shall be unlawful for any mortgage trust deed or land sale contract to contain a clause or statement that prohibits the owner from applying for the benefits of the deferral of homestead property taxes provided in this chapter. Any such clause or statement in a mortgage trust deed or land sale contract executed after the effective date of this chapter shall be void.

[PL 1989, c. 534, Pt. C, §1 (NEW).]

SECTION HISTORY

PL 1989, c. 534, §C1 (NEW).

§6266. Senior Property Tax Deferral Revolving Account; sources; uses

1. Revolving account. This section establishes in the State Treasury the Senior Property Tax Deferral Revolving Account, referred to in this section as "the revolving account," to be used by the bureau for the purpose of making the payments to municipal tax collectors and to the Unorganized Territory Education and Services Fund, established in section 1605, of property taxes deferred for tax years beginning on or after April 1, 2022, as required by section 6257, reimbursements, as required under section 6254, subsection 4, and repayment of transfers pursuant to subsection 5.
[PL 2021, c. 483, Pt. AA, §19 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

2. Advancement of funds. The funds necessary to make payments under subsection 1 must be advanced to the bureau from time to time as necessary by the Treasurer of State as a transfer under subsection 4.
[PL 2021, c. 483, Pt. AA, §19 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

3. Payments credited. All sums of money received by the bureau under this chapter as repayments of deferred property taxes including the interest accrued under section 6255, subsection 3, upon receipt, must be credited to the revolving account and must be available for the purposes of subsection 1 and subsection 5.
[PL 2021, c. 483, Pt. AA, §19 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

4. Transfer request. If there is not sufficient money in the revolving account to make the payments required by subsection 1, the State Tax Assessor shall notify the Treasurer of State of the amount necessary to make the required payments and the Treasurer of State shall transfer that amount from the Housing Opportunities for Maine Fund, established in Title 30-A, section 4853, to the revolving account.
[PL 2021, c. 483, Pt. AA, §19 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

5. Reimbursement of funds. When the bureau determines that funds in sufficient amounts are available in the revolving account, the bureau shall repay to the Housing Opportunities for Maine Fund, established in Title 30-A, section 4853, the amounts advanced as transfers under subsection 4.
[PL 2021, c. 483, Pt. AA, §19 (AMD); PL 2021, c. 483, Pt. AA, §21 (AFF).]

SECTION HISTORY

PL 1989, c. 534, §C1 (NEW). PL 2021, c. 483, Pt. AA, §19 (AMD). PL 2021, c. 483, Pt. AA, §21 (AFF).

§6267. Phase out of elderly tax deferral program

(REPEALED)

SECTION HISTORY

PL 1993, c. 707, §G10 (NEW). PL 2021, c. 483, Pt. AA, §20 (RP). PL 2021, c. 483, Pt. AA, §21 (AFF).

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