



132nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2025

Legislative Document

No. 7

S.P. 19

In Senate, January 8, 2025

An Act to Increase the Homestead Property Tax Exemption for Residents 65 Years of Age or Older

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in black ink, appearing to read "D M Grant", is positioned above the printed name of the Secretary of the Senate.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator BENNETT of Oxford.
Cosponsored by Representative CARLOW of Buxton and
Senators: BRENNER of Cumberland, LIBBY of Cumberland, STEWART of Aroostook.

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 36 MRSA §683, sub-§1, as amended by PL 2017, c. 478, §1, is further amended to read:

1. Exemption amount. Except as provided in subsection 1-C and except for assessments for special benefits, the just value of \$10,000 of the homestead of a permanent resident of this State who has owned a homestead in this State for the preceding 12 months is exempt from taxation. Notwithstanding this subsection, a permanent resident of this State who loses ownership of a homestead in this State due to a tax lien foreclosure and subsequently regains ownership of the homestead from the municipality that foreclosed on the tax lien is deemed to have continuously owned the homestead and may not be determined ineligible for the exemption provided in this section due to the ownership of the homestead by the municipality. In determining the local assessed value of the exemption, the assessor shall multiply the amount of the exemption by the ratio of current just value upon which the assessment is based as furnished in the assessor's annual return pursuant to section 383. If the title to the homestead is held by the applicant jointly or in common with others, the exemption may not exceed \$10,000 of the just value of the homestead, but may be apportioned among the owners who reside on the property to the extent of their respective interests. A municipality responsible for administering the homestead exemption has no obligation to create separate accounts for each partial interest in a homestead owned jointly or in common.

Sec. 2. 36 MRSA §683, sub-§1-C is enacted to read:

1-C. Exemption amount for residents 65 years of age or older. Notwithstanding subsections 1 and 1-B, for property tax years beginning on or after April 1, 2025, the exemption amount for a homestead of a permanent resident of this State who is 65 years of age or older and who has resided on the homestead for at least the preceding 10 years is the just value of \$75,000 of the homestead.

Sec. 3. 36 MRSA §685, sub-§2, ¶E, as amended by PL 2023, c. 412, Pt. II, §1, is further amended to read:

E. For property tax years beginning on or after April 1, 2023, 76% of the taxes lost by reason of the exemptions under subsections 1 and, 1-B and 1-C.

SUMMARY

This bill increases the homestead property tax exemption for permanent residents of this State who are 65 years of age or older and have owned a homestead in the State for at least 10 years from \$25,000 to \$75,000 for property tax years beginning on or after April 1, 2025.