



132nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2025

Legislative Document

No. 140

S.P. 76

In Senate, January 14, 2025

An Act to Incrementally Increase the Homestead Property Tax Exemption

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 BALDACCI of Penobscot.

Cosponsored by Senators: BAILEY of York, CYRWAY of Kennebec, Representative:
ROEDER of Bangor.

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

Sec. 1. 36 MRSA §683, sub-§1-B, as amended by PL 2019, c. 343, Pt. H, §2, is repealed and the following enacted in its place:

1-B. Additional exemption; inflation adjustment. A homestead eligible for an exemption under subsection 1 is eligible for an additional exemption as provided in this subsection:

A. For property tax years beginning before April 1, 2016, \$5,000 of the just value of the homestead;

B. For property tax years beginning April 1, 2017, April 1, 2018 and April 1, 2019, \$10,000 of the just value of the homestead;

C. For property tax years beginning April 1, 2020, April 1, 2021, April 1, 2022, April 1, 2023, April 1, 2024 and April 1, 2025, \$15,000 of the just value of the homestead;
and

D. For property tax years beginning on or after April 1, 2026, \$10,000 of the just value of the homestead for each property tax year in addition to the amount under paragraph C, until the additional exemption under this subsection is equal to \$85,000.

Beginning with property tax years beginning April 1, 2033, the State Tax Assessor annually shall multiply the amount of the exemption under this subsection and subsection 1 by the cost-of-living adjustment. For the purposes of this section, "cost-of-living adjustment" means the Chained Consumer Price Index, as defined in section 5402, subsection 1, for the 12-month period ending June 30th of the preceding calendar year divided by the Chained Consumer Price Index for the 12-month period ending June 30, 2032.

SUMMARY

This bill, for property tax years beginning on or after April 1, 2026, increases the homestead property tax exemption by \$10,000 of the just value of the homestead each property tax year until the total exemption reaches \$95,000. In subsequent property tax years, the exemption amount is adjusted annually for inflation.