

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

An Act To Support Continued Viability of Affordable Housing

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

Sec. 1. 36 MRSA §652-A is enacted to read:

§ 652-A. Affordable rental housing facilities

1. Certification. An owner of a low-income rental housing facility who desires to secure exemption under this section shall make written application and file written proof of entitlement for exemption with the assessors of the municipality in which the property is located on or before the first day of April in the year in which the exemption is first requested. In the application, the owner shall certify that the property qualifies for the low-income rental housing tax credit under Section 42 of the Code. A copy of the recorded extended low-income housing commitment agreement, other low-income rental housing use restriction covenant required by Section 42 of the Code or other low-income rental housing use restriction required by the Maine State Housing Authority is sufficient proof of entitlement. Upon receiving the application with the required certification and proof of entitlement, the assessors shall grant the exemption. The exemption continues in effect until the property no longer qualifies for the low-income rental housing tax credit under Section 42 of the Code.

2. Exemption. All low-income rental housing facilities, including a facility functionally related and subordinate to a low-income rental housing facility, that qualify for the low-income rental housing tax credit under Section 42 of the Code are exempt from taxation. The exemption allowed under this subsection is limited to that part of the just value that is in any way, directly or indirectly, attributable to or based on the low-income rental housing tax credit under Section 42 of the Code. For purposes of this section, references to Section 42 of the Code include any successor provisions to Section 42 of the Code.

SUMMARY

This bill provides that low-income housing facilities that qualify for the low-income housing tax credit under the United States Internal Revenue Code of 1986, Section 42 are exempt from taxation in this State to the extent of the just value attributable in any way to or based in any way on the value exempted under the low-income housing tax credit.