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**RESOLUTION, Proposing an Amendment to the
Constitution of Maine To Limit the Rate of Change in
the Property Tax Liability of Elderly Maine Residents**

Constitutional amendment. Resolved: Two thirds of each branch of the Legislature concurring, that the following amendment to the Constitution of Maine be proposed:

Constitution, Art. IX, §8, first ¶ is amended to read:

Section 8. Taxation. All taxes upon real and personal estate, assessed by authority of this State, shall be apportioned and assessed equally according to the just value thereof, except as provided in this section.

Constitution, Art. IX, §8, sub-§6 is enacted to read:

. 6. Property owned by person 59 1/2 years of age or older. The Legislature has the power to require that municipalities limit increases of tax imposed on the assessed value on real property of no more than 2 acres owned by a person at least 59 1/2 years of age as that person's primary residence. The rate is fixed at the tax rate in effect on the date the person enrolls the qualified property. After that, the rate of increase must be limited to no more than the rate of inflation as measured by an index of consumer prices as published by a federal agency. When title to the property is transferred to someone other than the owner's spouse or a change in use occurs, the difference in the property taxes actually paid and the property taxes that would have been imposed on the property but for this subsection for the 5 years immediately prior to the transfer of title or change in use must be paid to the taxing municipality. Upon transfer of title or change in use, the property assumes the just value in effect at the time of the transfer or change in use. The Legislature may enact legislation to implement the administration of this subsection.

; and be it further

Constitutional referendum procedure; form of question; effective date.

Resolved: That the municipal officers of this State shall notify the inhabitants of their respective cities, towns and plantations to meet, in the manner prescribed by law for holding a statewide election, at a statewide election held in the month of November following the passage of this resolution, to vote upon the ratification of the amendment proposed in this resolution by voting upon the following question:

"Do you favor amending the Constitution of Maine to authorize the Legislature to limit to the rate of inflation the rate of property tax increases on real property of no more than 2 acres owned and occupied as a primary residence by a person at least 59 1/2 years of age and requiring, upon transfer to a person other than the owner's spouse or a change in use, the payment of the taxes not collected for the 5 years prior to a transfer of the property or change in use?"

The legal voters of each city, town and plantation shall vote by ballot on this question and designate their choice by a cross or check mark placed within the corresponding square below the word "Yes" or "No." The ballots must be received, sorted, counted and declared in open ward, town and plantation meetings and returns made to the Secretary of State in the same manner as votes for members of the Legislature. The Governor shall review the returns. If it appears that a majority of the legal votes are cast in favor of the amendment, the Governor shall proclaim that fact without delay and the amendment becomes part of the Constitution of Maine on the date of the proclamation; and be it further

Secretary of State shall prepare ballots. Resolved: That the Secretary of State shall prepare and furnish to each city, town and plantation all ballots, returns and copies of this resolution necessary to carry out the purposes of this referendum.

SUMMARY

This resolution proposes to amend the Constitution of Maine to authorize the Legislature to require municipalities to limit tax increases on property up to 2 acres in size owned and occupied as a person's primary residence if that person is at least 59 1/2 years of age. The amount of the tax increase would be limited to the rate of inflation. Upon transfer of the property to someone other than the spouse of the owner or a change in use, the property taxes not paid for the 5 years prior to the transfer or change in use due to this tax increase limitation would be required to be paid to the municipality and the property would assume the just value in effect at the time of transfer or change in use.