

## **Property Tax Stabilization for Seniors**

Recently enacted legislation adds a new property tax relief option for Maine residents 65 years or older.

PL 2021, c. 751 (to be codified at 36 M.R.S. § 6281), requires municipalities to “stabilize” – meaning freeze – the property tax responsibility of eligible taxpayers at the amount billed the preceding tax year. If taxes assessed on eligible property exceed the “stabilized” amount, the state must reimburse municipalities 100% of the difference.

An eligible taxpayer must: (1) be 65 years or older, (2) be a permanent Maine resident as defined in the Maine Resident Homestead Property Tax program (“Homestead Program”), and (3) have owned a qualifying homestead in Maine for at least 10 years prior to application. “Stabilization” applies only to property occupied by an eligible taxpayer which is eligible for a Homestead Program exemption for the property tax year during which stabilization is requested. The law includes no limits on an applicant’s income or the market value of the homestead property.

Taxpayers must annually apply for the program by the December 1st preceding the property tax year (beginning on April 1<sup>st</sup>) for which stabilization is requested. Eligible taxpayers may also transfer stabilization benefits to new homesteads established within Maine.

Note that the law does *not* freeze an eligible homestead’s property tax valuation or the taxpayer’s tax assessment; municipal assessors must continue to record the property’s just value in each annual property tax commitment. The law merely freezes the amount an eligible taxpayer may be billed by the municipality.

Taxpayers may begin applying for the program upon the law’s effective date (August 8, 2022) until December 1, 2022. However, “stabilization” will first apply only to property taxes committed during calendar year 2023 (based on an assessment date of April 1, 2023). Tax bills issued based on property taxes committed during calendar 2022 will not be affected.

The Maine Revenue Services Property Tax Division has issued an application form and program guidance on its website at: <https://www.maine.gov/revenue/taxes/tax-relief-credits-programs/property-tax-relief-programs/stabilization-program> . (S.F.P.)

Access the text of the law here: [PL 2021, c. 751](#)



# INITIAL APPLICATION FOR PROPERTY TAX STABILIZATION FOR SENIOR CITIZENS

36 M.R.S. § 6281

Completed forms must be filed by December 1 with the municipality in which your homestead is located.

## SECTION 1: APPLICANT(S) INFORMATION

1a. Names of all property owners (names on your tax bill; for cooperative housing corporation shareholders, enter the name of the cooperative housing corporation and the shareholder's name): \_\_\_\_\_

1b. Physical location of your homestead (e.g. 14 Maple St.): \_\_\_\_\_

Municipality: \_\_\_\_\_ ZIP: \_\_\_\_\_

Email: \_\_\_\_\_ Telephone #: \_\_\_\_\_

1c. Mailing Address, if different from above: \_\_\_\_\_

Municipality: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_

## SECTION 2: ELIGIBILITY (Check all that apply):

- 2a.  I am a permanent resident of Maine.
- 2b.  I will be 65 or older as of April 1 of the upcoming year.
- 2c.  I have owned a homestead in Maine for at least ten years as of April 1 of the upcoming year. If your homestead has changed during the ten-year period, enter the full address (street number, street name, municipality) of any prior homestead(s) and years it was your homestead. The ten-year period is not required to be consecutive. Attach additional pages, if necessary:

Complete Address	Years

- 2d.  I declare the property listed in section 1 above is currently my permanent residence and that, if applicable, the property (or properties) listed in section 2c was my permanent residence during the years indicated.
- 2e.  I am not currently claiming or receiving a homestead property tax exemption for any other property.

**IF YOU ARE NOT ABLE TO CHECK ALL FIVE BOXES, STOP**  
You do not qualify for the Property Tax Stabilization program

## SECTION 3: MAINE RESIDENCY

3a.  I receive a homestead property tax exemption for the homestead listed on 1b above.  
*If you did not check box 3a, check all that apply below and include documentation (see instructions).*

- 3b.  I file a Maine resident income tax return (Form 1040ME).
- 3c.  The address on my driver's license or Maine ID card is the homestead listed on 1b above.
- 3d.  The legal address on my resident hunting/fishing license is the homestead listed on 1b above.
- 3e.  I pay motor vehicle excise tax in this municipality.
- 3f.  I am registered to vote in this municipality.
- 3g.  I have other documents showing my residency status.

DECLARATION(S) UNDER THE PENALTIES OF PERJURY. I declare that I have examined this application and (if applicable) accompanying schedules and statements and to the best of my knowledge and belief they are true, correct, and complete.

Signature of Homestead Owner(s) \_\_\_\_\_ Date: \_\_\_\_\_

**Print**   **Clear form**

\_\_\_\_\_ Date: \_\_\_\_\_

## INSTRUCTIONS

If you are at least 65 years old and have owned a homestead in Maine for at least ten years, you may qualify to have your property tax stabilized at the amount of your bill in the year you applied for the program. If your application for stabilization is approved, this will first affect the property taxes you owe for the property tax year following the year of submitting this application. This stabilization will continue, even if you move to a new homestead, including in a different municipality in Maine, so long as you file a timely application with the municipality each year and you continue to meet the eligibility requirements. The municipality may request additional documentation to prove your eligibility for the stabilization program.

NOTE: If you have been previously approved to participate in the program and are looking to continue your stabilization, please complete the Renewal Application for Property Tax Stabilization. That application is available on the Maine Revenue Services website at [www.maine.gov/revenue/tax-return-forms/property-tax](http://www.maine.gov/revenue/tax-return-forms/property-tax).

**SECTION 1.** Enter your full name(s) as shown on your property tax bill, the physical location of your homestead, your telephone number, email address, and mailing address (if different than the physical location). If you are a cooperative housing corporation shareholder, please enter both the name of the cooperative housing corporation and your name as the shareholder.

**SECTION 2.** Check the appropriate box related to each question. You must check all boxes to qualify for the Property Tax Stabilization program. If your homestead has changed during the 10-year period, enter the full address (street number, street name, municipality) of any prior homestead(s) and the years in which it served as your homestead. The 10-year period does not have to be consecutive. You may be required to provide additional evidence to document your ownership. **If you did not check all boxes in this section, you do not qualify for the Property Tax Stabilization program.**

**SECTION 3.** You must verify that you are a permanent resident of Maine. Evidence that you currently receive a homestead exemption for the property listed on section 1b is sufficient proof of permanent residency. If you do not currently receive a homestead exemption for this property, you must attach proof of your Maine residency. Proof of Maine residency includes, but is not limited to, Maine resident income tax return (Form 1040ME), your Maine driver's license/state ID, your Maine resident hunting/fishing license, your motor vehicle registration, or your voter registration.

The application must be signed. Completed applications must be filed by December 1 with the municipality in which your homestead is located. If your property is located in the Unorganized Territory, the form should instead be filed with Maine Revenue Services.

## DEFINITIONS

**Homestead.** "Homestead" means residential real property owned by an individual or individuals and occupied by those individuals as their permanent residence. Residential real property held in a revocable living trust for a beneficiary who occupies the property as his or her permanent residence also qualifies as a homestead. A resident homeowner who is subject to foreclosure and subsequently purchases the home back from the municipality is considered to have no interruption in homeownership for purposes of this exemption.

**Permanent residence.** "Permanent residence" means that place where an individual has a true, fixed, and permanent home and principal establishment to which the individual, whenever absent, has the intention of returning. An individual may have only one permanent residence at a time and, once a permanent residence is established, that residence is presumed to continue until circumstances indicate otherwise.

**Permanent resident.** "Permanent resident" means an individual who has established a permanent residence.