

JOINT STANDING COMMITTEE ON TAXATION

VETERANS PROPERTY TAX EXEMPTIONS

jsj 4/16/21

	Current law	LD 897 S. Warren	LD 576 T. Jackson	LD 647 Keim	LD 1166 Dodge	LD 1181 Wadsworth
Eligible veterans	<p>Veterans who:</p> <ol style="list-style-type: none"> \$6,000 TC A. Age 62+ B. Served in <u>the armed forces of the US</u> C. During federally-recognized war period <p>Or</p> <p>Received Armed Forces Exped. Medal</p> <p>Or</p> <p>Disabled in line of duty and receiving pension or compensation from US gov. for total, service-connected disability with specially adapted housing</p>	<p>CONCEPT DRAFT</p> <p>Protect veterans from unfair consequences of PT laws</p> <p><u>Sponsor proposed amendment at PH:</u> Under Municipal Property Tax Deferral Program for Senior Citizens authorize municipalities to set interest rate lower the statutory rate of 0.5% higher than the rate for delinquent taxes.</p>	<p>Expanded to cover:</p> <p>“Otherwise eligible” veterans who served 2/1/55 to 2/27/61</p>	<p>Expanded to cover:</p> <p>“Otherwise eligible” veterans who served 2/1/55 to 2/27/61</p>	I	<p>CONCEPT DRAFT</p> <p>Reduce PT on primary residence of veteran who is \$100% disabled due to service-connected disability</p>
Eligible property	Any property owned by veteran and otherwise subject to property tax in the municipality of residence of the veteran					Specifies “primary residence”
Amount of exemption	<ol style="list-style-type: none"> \$50,000 paraplegic veterans \$7,000 WWI vets and survivors \$6,000 other veterans Surviving spouse, minor child or parent of deceased veteran receiving vets pension or compensation 		Increases \$6,000 and \$7,000 exemption to \$10,000		<p>Increases \$6,000 exemption to \$9,000</p> <p>Increases \$7,000 exemption to \$10,500.</p>	

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Affect on other exemptions	Does not affect homestead exemption.					
State reimburses municipalities	50% for exemptions enacted or increased after 4/1/1978		100% state reimbursement for PT revenue loss resulting from increased exemptions to \$10,000	Not specified. Constitutional minimum 50% (36 MRSA §661)	Not specified. Constitutional minimum 50% (36 MRSA §661)	
Application date	Based on status of property on April 1st		4/1/22	Not specified	4/1/22	
Estimated fiscal impact						
Notes					Sponsor indicates support for other expansions (age, % of exemption, merchant marines, anyone who served in military)	