

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 Amend the Laws Governing Eligibility for the Maine Residents Property Tax Program

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

Sec. 1. 36 MRSA §6201, sub-§5, as amended by PL 1995, c. 368, Pt. CCC, §7 and affected by §11, is repealed and the following enacted in its place:

5. Homestead. "Homestead" means the dwelling occupied by the claimant and the claimant's dependents as a home that is:

A. Owned or rented by the claimant. For purposes of this paragraph, "owned" includes a vendee in possession under a land contract and of one or more joint tenants or tenants in common;

B. Held in a revocable living trust for the benefit of the claimant; or

C. A qualified personal residence trust or personal residence trust holding the settler's primary residence during the term of the qualified personal residence trust or personal residence trust. For purposes of this paragraph, "qualified personal residence trust" and "personal residence trust" have the same meaning as defined in the Code of Federal Regulations, Title 26, Section 25-2702.

"Homestead" includes a part of a multidwelling or multipurpose building and a part of the land, up to 10 acres, upon which it is built.

Sec. 2. Application. This Act applies to claims for benefits under the Maine Residents Property Tax Program filed for application periods that begin on or after August 1, 2007.

SUMMARY

This bill amends the Maine Residents Property Tax Program, also known as the Circuitbreaker Program, by including homesteads occupied by claimants that are qualified personal residence trusts or personal residence trusts. A qualified personal residence trust, or "QPERT," is a trust the governing instrument of which prohibits the trust from holding, for the original duration of the term interest, any asset other than one residence to be used or held for use as a personal residence of the term holder and qualified proceeds. A residence is held for use as a personal residence of the term holder as long as the residence is not occupied by any other person, other than the spouse or a dependent of the term holder, and is available at all times for use by the term holder as a personal residence.