



# 132nd MAINE LEGISLATURE

## FIRST REGULAR SESSION-2025

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Legislative Document

No. 1112

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H.P. 731

House of Representatives, March 18, 2025

**RESOLUTION, Proposing an Amendment to the Constitution of  
Maine Requiring Not Less Than 90 Percent State Reimbursement  
for Residential Real Estate Property Tax Exemptions and to  
Establish a Minimum Homestead Exemption**

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Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT  
Clerk

Presented by Representative MATLACK of St. George.

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

4           **Constitution, Art. IV, Pt. Third, §23** is amended to read:

5           **Section 23. Municipalities reimbursed annually.** The Legislature shall  
6 annually reimburse each municipality from state tax sources for not less than 50% of the  
7 property tax revenue loss suffered by that municipality during the previous calendar year  
8 because of the statutory property tax exemptions or credits enacted after April 1, 1978,  
9 except that the Legislature shall reimburse each municipality from state tax sources for not  
10 less than 90% of the property tax revenue loss suffered by that municipality during the  
11 previous calendar year because of an exemption for the residential real estate of veterans  
12 who served in the Armed Forces of the United States, an exemption for the residential real  
13 estate of persons who are legally blind and an exemption for the qualifying homesteads of  
14 permanent residents of this State. On or after April 1, 2026, the exemption provided for  
15 qualifying homesteads may be no less than \$50,000, which must be adjusted annually by  
16 the percentage change in the consumer price index, or similar inflationary index, published  
17 by a bureau that calculates labor statistics in a United States department of labor for the  
18 calendar year. The Legislature shall enact appropriate legislation to carry out the intent of  
19 this section and in implementing this section may not distribute less than 5% of state sales  
20 and income tax revenues to municipalities according to a formula established in state  
21 statutes. If, on or after July 1, 2025, the percentage of state sales and income tax revenues  
22 shared with municipalities exceeds 5%, no less than the increased percentage of state sales  
23 and income tax revenues may be distributed to municipalities according to a formula  
24 established in state statutes.

25           This section shall allow, but not require, reimbursement for statutory property tax  
26 exemptions or credits for unextracted minerals.

27           **Constitutional referendum procedure; form of question; effective date.**

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

33           "Do you favor amending the Constitution of Maine to require the  
34 Legislature to annually reimburse each municipality from state tax sources  
35 not less than 90% of the property tax revenue loss suffered by that  
36 municipality during the previous calendar year because of exemptions on  
37 the residential real estate of veterans who served in the Armed Forces of  
38 the United States, the residential real estate of persons who are legally  
39 blind and the qualifying homesteads of permanent residents of this State,  
40 set the homestead exemption at no less than \$50,000, adjusted annually for  
41 inflation and require the State to distribute no less than 5% of state sales  
42 and income tax revenues to municipalities according to a formula  
43 established in state statutes?"

