

The Maine Legislature repealed the Property Tax Stabilization law (LD290). The Stabilization law will remain in effect this year but next year will be replaced by LD130.

The LD 290 “Property Tax Stabilization for Senior Citizens” program, enacted in August 2022 was repealed by the Maine Legislature on July 6, 2023, with an effective date of October 11, 2023. The popularly regarded program had allowed Maine seniors 65 and older who owned a permanent residence for at least 10 years and were receiving (or eligible for) a homestead exemption, to freeze taxes at the previous year’s level regardless of income.

The repeal of this program means there will be no reapplication process and no need to follow-up with the Town Office as previously thought. Although the program has been repealed, your initial application will still be administered this year for the upcoming Tax Commitment in August 2023.

It is important to note that these are State programs. Although the Town plays a role in the administration of the law, the Town is not responsible for the creation or demise of these programs. Any questions or concerns owners have regarding this program should be directed to your legislative representative. To find your representative, please visit: <https://legislature.maine.gov>

The Property Tax Stabilization program has been repealed and replaced with an expanded Property Tax Deferral Program and expanded Property Tax Fairness Credit.

State Property Tax Deferral Program: The State Property Tax Deferral Program is a loan program that covers the annual property tax bills of Maine residents who are ages 65 and older and meet income requirements or are permanently disabled. The loan program requires repayment of the loan once the property is sold or becomes part of an estate. Applications must be submitted between January 1 and April 1 to the Assessor’s Office. More information about this program can be found at: <https://www.maine.gov/revenue/sites/maine.gov/revenue/files/inline-files/DeferralApplicantGuide.pdf>

Property Tax Fairness Credit: Eligible Maine taxpayers may receive a portion of the property tax or rent paid during the tax year on the Maine individual income tax return whether they owe Maine income tax or not. If the credit exceeds the amount of your individual income tax due for the tax year, the excess amount of credit will be refunded to you. More information can be found at: <https://www.maine.gov/revenue/taxes/tax-relief-credits-programs/income-tax-credits/property-tax-fairness-credit>