

**LD 290 “PROPERTY TAX STABILIZATION FOR SENIOR CITIZENS” AMENDED BY  
STATE LEGISLATURE TO ONLY APPLY TO 2023 TAX YEAR;  
TWO TAX RELIEF PROGRAMS BEING EXPANDED**

The LD 290 “Property Tax Stabilization for Senior Citizens” program was enacted in August 2022 and allowed Maine seniors 65 and older who owned a permanent residence for at least 10 years and were receiving (or were eligible for) a homestead exemption to freeze taxes at the previous year’s level, regardless of income.

In July 2023, the Legislature amended this program by LD 258, which states that the Property Tax Stabilization program only applies to the current tax year (July 1, 2023- June 30, 2024). This means there will be **no reapplication process**, but your initial application for the current tax year will still be administered for the upcoming Tax Commitment in August 2023.

It is important to note that this is a State of Maine program and while the Town of Yarmouth had an assigned role in the administration of it, the Town is not responsible for the policy objectives of this initiative or its repeal. 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/senate/>.

**Two existing State programs benefiting low-income seniors to be expanded:**

To help lower-income seniors avoid higher property taxes and remain in their homes, two existing State programs are being expanded:

1. **The Property Tax Fairness Credit**, which currently allows eligible taxpayers to take a \$1,500 income tax credit, was increased by the Legislature in LD 258 to \$2,000 for tax years beginning January 1, 2024; it also allows the benefits to remain constant for an eligible taxpayer whose spouse passes away. Note: This is a State program and is not administered by the Town of Yarmouth. To claim the credit, you must file Form 1040ME and Schedule PTFC/STFC for the tax year during which the property tax or rent was paid. For help, call Maine Revenue Services at 207 624-9784. For more info, please visit: [www.maine.gov/revenue/taxes/tax-relief-credits-programs/income-tax-credits/property-tax-fairness-credit](http://www.maine.gov/revenue/taxes/tax-relief-credits-programs/income-tax-credits/property-tax-fairness-credit)

2. **The State Property Tax Deferral Program**, a lifeline loan program that covers the annual property tax bills of eligible Maine seniors age 65 and older who cannot afford to pay them on their own, has been expanded by the Legislature in LD 258 for applications filed after January 1, 2024. It doubles the income limit to \$80,000 and also raises asset limits. Taxes must be paid back when the home is sold or becomes part of an estate, or otherwise becomes ineligible for the homestead exemption. Note: This too is a State program and is not administered by the Town of Yarmouth. Questions on this State-managed program can be referred to Maine Revenue Services, Property Tax Division, at 207-624-5600 or [prop.tax@maine.gov](mailto:prop.tax@maine.gov). For more info, please visit: [www.maine.gov/revenue/taxes/tax-relief-credits-programs/property-tax-relief-programs/deferral-program](http://www.maine.gov/revenue/taxes/tax-relief-credits-programs/property-tax-relief-programs/deferral-program) .

#### **OTHER RESIDENTIAL TAX RELIEF PROGRAMS:**

The Town of Yarmouth does provide a local property tax relief program for eligible Yarmouth seniors known as “Senior Tax Assistance Yarmouth” or “STAY”. That program remains available.

Applicants must be at least 67 years of age at the time of application, have been a resident of the Town of Yarmouth for at least the past 10 years, and must have maintained a homestead in Yarmouth for at least one year. The taxpayer’s (or renter’s) total household income must be no more than 90% of the Area Median Income for Greater Portland in the prior calendar year. The amount of refund is calculated as a percentage of property tax obligations which exceed 4% of income. An application with proof of income must be filed annually before the end of April.

**Maine Homestead Exemption Program:** This program provides a measure of property tax relief for certain individuals who have owned homestead property in Maine for at least 12 months and make the property they occupy on April 1 their permanent residence. Under this program, up to \$25,000 of assessed value is deducted from the annual tax assessment before the tax bill is calculated. If you have already applied for this program you do not need to apply again on the same property unless title is changed (ex., the property is placed into a revocable trust). It is important to note that **if you have recently moved or sold your property, you must reapply for the exemption** on your new home.

The [Application for the Maine Homestead Exemption Program \(PDF\)](#) must be received by the tax assessor by April 1 in the year that the exemption is first

granted. Applications received after April 1 will not become effective until the following tax year. You can view the Homestead Exemption FAQs. Application forms are available at the Town Hall or by contacting [assessing@yarmouth.me.us](mailto:assessing@yarmouth.me.us)

**Blind Exemption:** A homeowner who is legally blind as determined by a doctor is eligible for a \$4,000 exemption on their property, adjusted to the town certified ratio. [Applications for Blind Persons Exemption \(PDF\)](#) must be received by the tax assessor by April 1 in the year that the exemption is first granted. Applications received after April 1 will not become effective until the following tax year. Please provide a letter from your licensed Doctor of Medicine, Doctor of Osteopathy or Doctor of Optometry with the application.

**Veterans Exemption:** A Property owners may be eligible for a reduction in the valuation of their property if they have been honorably discharged and meet one of the following qualifications:

- Are a Maine Resident age 62 on or before April 1, 2022 who served during a [recognized war period \(PDF\)](#).
- Receive 100% disability from the VA
- Are a paraplegic veteran
- Are an un-remarried widow or widower of a qualifying veteran
- Are the surviving minor child or parent of a qualifying veteran

In all cases, the applicant must fill out an application and provide the Assessor with proof of service (Form DD214). Exemptions, prior to adjustment by the town certified ratio, are:

- WWI: \$7,000
- WWII or later: \$6,000
- Paraplegic Veteran: \$50,000 for specially-adapted housing unit

[Applications for Veterans Exemption \(PDF\)](#) must be received by the tax assessor by April 1 in the year that the exemption is first granted. Applications received after April 1 will not be effective until the following tax year. Please provide a copy of your discharge papers (Form DD214) with the application.

**Surviving Spouse, Minor Child or Widowed Parent of a Veteran:** Applications must be received by the tax assessor by April 1 in the year that the exemption is first granted. [Applications for Surviving Spouse, Minor Child, or Widowed Parent of a Veteran Exemption \(PDF\)](#) received after April 1 will not become effective until the following tax year. Please provide a copy of the death certificate and discharge papers (DD214) with the application.

**Current Land Use Programs:** The State of Maine has four "current use" programs that offer the property owner a reduction in assessed value: Farmland, Open Space, Tree Growth, and Working Waterfront. The programs establish valuation of property at its current use, rather than at market value.

### **BUSINESS PROPERTY TAX RELIEF PROGRAMS:**

**Business Equipment Tax Reimbursement (BETR)** The BETR program is designed to encourage capital investment in Maine. The program reimburses business taxpayers for local personal property taxes paid on most qualified business property. To qualify, qualified business property must have been first placed in service in Maine after April 1, 1995. Applications for the [2023 BETR Program](#) are based on taxes paid in **2022**. The application period for refunds of personal property tax paid during 2022 is August 1, 2023 through December 31, 2023. The Taxpayer must first submit the form to the Assessor's Office for verification and signature. Forms are then mailed back to the Taxpayer for submission to Maine Revenue Services for reimbursement.

**Business Equipment Tax Exemption (BETE):** The BETE program is a 100% property tax exemption program for eligible property that would have been first subject to tax in Maine on or after April 2, 2007. BETE does not replace the Business Equipment Tax Reimbursement (BETR) program. The BETR program remains in place for qualified property placed in service after April 1, 1995 and on or before April 1, 2007 and for retail/service property placed in service after April 1, 1995. Visit the [Maine Revenue Services website](#) for more information, to print the BETE application, review the guidance documents, and the tutorial. BETE applications are returned to the Yarmouth Assessor's Office (not the State) and are due by May 1st of each year. Applications are available at the Yarmouth Town Hall or by contacting [assessing@yarmouth.me.us](mailto:assessing@yarmouth.me.us)