

CHAPTER 507

SENIOR TAX ASSISTANCE YARMOUTH (STAY)

Town of Yarmouth, Maine

Adopted 9/15/16

Amended: 2/16/17

Amended: 10/19/17

Amended: 5/21/2020

CHAPTER 507

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SENIOR TAX ASSISTANCE YARMOUTH (STAY)

ARTICLE I

Purpose

The purpose of this ordinance is to establish a Program to provide property tax assistance to persons 67 years of age and over who reside in the Town of Yarmouth. Under this Program, the Town of Yarmouth will provide refund payments to those individuals who maintain a homestead in the Town of Yarmouth and meet the criteria established by this Chapter.

ARTICLE II

Definitions

As used in this article, the following terms shall have the meanings indicated:

Benefit base: property taxes assessed against a qualifying applicant during the tax year on the qualifying applicant's homestead or rent constituting property taxes paid by the resident individual during the tax year on a homestead not exceeding \$3,800.

Homestead: For purposes of this Chapter, "homestead" shall have the same meaning as defined in 36 M.R.S.A. § 5219-KK(1)(C). Generally, a homestead is a dwelling owned or rented by the person seeking tax assistance under this Chapter or held in a revocable living trust for the benefit of that person. The dwelling must be occupied by that person and that person's dependents as a home.

Rent constituting property tax: 20% of the gross rent actually paid in cash or its equivalent during the twelve month period ending March 31 immediately preceding the application deadline established hereunder solely for the right of occupancy of a homestead. For the purposes of this Chapter, "gross rent" means rent paid at arm's length solely for the right of occupancy of a homestead, exclusive of charges for any utilities, services, furniture, furnishings or personal property appliances furnished by the landlord as part of the rental agreement, whether or not expressly set out in the rental agreement.

Qualifying applicant: A person who is determined by the Town Manager or his designee, after review of a complete application under Article IV of this Chapter, to be eligible for a refund payment under the terms of this Chapter.

ARTICLE III

Criteria for participation

In order to participate in the property tax assistance program, an applicant shall demonstrate all of the following:

- a. The applicant shall be 67 years of age or more at the time of application.
- b. The applicant shall have a homestead in the Town of Yarmouth at the time of the application and for the entire calendar year prior to the date of application.
- c. The applicant has been a resident of the Town of Yarmouth for at least 10 consecutive years immediately preceding the date of application for participation in the Program.
- d. The applicant shall meet the application and eligibility criteria set forth in Articles IV and V this Chapter.

ARTICLE IV

Application and payment procedures

- a. Persons seeking to participate in the property tax assistance program shall submit an application to the Town Manager no later than the last business day of the month of April of the fiscal year in which the refund is requested. Applications are required for every year the applicant seeks to participate in this Program. The application form for the Program shall be made available upon request in the Town Manager's office and shall include, at a minimum, the applicant's name, homestead address and contact information. Attached to all applications shall be proof of household income.
- b. Applicants shall also submit proof of property taxes assessed on the Yarmouth homestead in the current fiscal year or rent constituting property taxes paid on the Yarmouth homestead during the prior 12 month period (April-March) for which the refund is requested.

Applications must include a completed IRS Form W-9 to be considered complete and eligible for Program participation.

- c. The Town Manager shall review and determine if the application is complete and accurate and if the applicant is otherwise eligible to participate in the Program. The Town Manager shall notify an applicant if an application is determined to be incomplete. The Town Manager's decision on eligibility to participate in the Program shall be final.

Article V

Determination of eligibility and amount

A. If the Town Manager determines that the applicant is eligible to participate in the Program, he shall determine the total amount of such eligibility in accordance with the following formula. Eligibility under this article shall be proportional to the applicant's income in relation to the applicant's benefit base. For purposes of calculating eligibility under this Chapter, the applicant's income shall include total household income and the benefit base shall not exceed \$3800 regardless of actual property taxes assessed or rent constituting property taxes payable. Applicants with household income greater than an amount equal to 90% of the current U.S. Department of Housing and Urban Development Metropolitan Area Median Family Income shall not be eligible for benefits under this Chapter. Notwithstanding the following formulas, the maximum benefit allowed under this Chapter shall be \$1,200 or the maximums hereinafter set forth, whichever is less. Eligibility shall be the lesser of the following amounts:

1) Fifty percent of the amount by which the benefit base (not to exceed \$3,800) exceeds 4% of the applicant's household income (not to exceed 90% of the current HUD Median Family Income (MFI) for the Portland Metropolitan Area).

$$(\text{Benefit base} - 4\% \text{ of Income}) / 2 = \text{Benefit Amount}$$

2) Notwithstanding the formula, above, refund amounts shall be capped for households or individuals in accordance with the following:

If household income is equal to or less than 60% of the Median Family Income (MFI) for the Greater Portland (Maine) Metropolitan Area as reported US Department of Housing Development (HUD)*, the refund shall be capped at \$1,200.

If household income is equal to or less than 70% of the Median Family Income for the Greater Portland (Maine) Metropolitan Area as reported US Department of Housing Development (HUD)*, the refund shall be capped at \$960.

If household income is equal to or less than 80% of the Median Family Income for the Greater Portland (Maine) Metropolitan Area as reported US Department of Housing Development (HUD)*, the refund shall be capped at \$720.

If household income is equal to or less than 90% of the Median Family Income for the Greater Portland (Maine) Metropolitan Area as reported US Department of Housing Development (HUD)*, the refund shall be capped at \$480.

If household income is greater than 90% of the Median Family Income for the Greater Portland (Maine) Metropolitan Area as reported US Department of Housing Development (HUD)*, the application shall be denied.

* The most recently published HUD report as of January 15 of the application year shall control.

- B. No renter or owner of a homestead property shall be eligible for refund if the property shall be exempt from property tax assessment for the tax year; and no renter or property owner shall of a homestead property shall be eligible for a refund if the property shall be benefited by a Credit Enhancement Agreement providing greater than a 50% reimbursement of taxes paid under any Tax Increment Financing plan offered by the Town of Yarmouth for the tax year.
- C. In event the applicant's rented or leased premises shall include landlord provision of heat and/or electricity, the Town Manager shall deduct from the rental payment calculation in accordance with the applicable allowances in Appendices A-F of Chapter 504 of the Yarmouth Town Code (General Assistance Ordinance).

Article VI

Limitations on payments

Payments under this Chapter shall be conditioned upon the existence of sufficient monies in the program fund the year in which participation is sought. If there are not sufficient monies in the program fund to pay all qualifying applicants under this Chapter, payments shall be limited to the amounts available in the fund by an equal percentage reduction in all eligible refund payments. In the event that a lack of funding results in no payment or less than the full payment to a qualifying applicant, the request will not carry over to the next year.

Article VII

Creation of program fund

The program fund from which payments shall be made under the terms of this Chapter shall be created as follows:

- A. As funds are available, the Town Council may annually appropriate monies from the general fund or other sources to support this Program.
- B. Any surplus monies available after all payments have been made shall be carried forward within the Fund to the next fiscal year.

C. Any additional funds that may be received by dedication, gift, donation, or by supplemental appropriation as may be approved.

Article VIII

Timing of Payments

A person who qualifies for payment under this Program shall be mailed a check for the benefit amount for which they are eligible under Article V on or about May 15, with or without proration as provided hereinabove in Article VI.

Article IX

One applicant per household

Only one qualifying applicant per household shall be entitled to payment under this Program each year. Eligibility shall be determined based on total household income. The right to file an application under this article is personal to the applicant and does not survive the applicant's death, but the right may be exercised on behalf of an applicant by the applicant's legal guardian or attorney-in-fact. If an applicant dies after having filed a timely complete application that results in a determination of qualification, the amount determined by the Town Manager shall be disbursed to another member of the household as determined by the Town Manager. If the applicant was the only member of a household, then no payment shall be made under this Chapter.