

## §6201. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [PL 1991, c. 824, Pt. A, §80 (AMD).]

**1. Benefit base.** "Benefit base" means property taxes accrued or rent constituting property taxes accrued. In the case of a claimant paying both rent and property taxes for a homestead, benefit base means both property taxes accrued and rent constituting property taxes accrued. The benefit base may not exceed \$3,350 for single-member households and \$4,400 for households with 2 or more members. [PL 2007, c. 700, Pt. A, §1 (AMD).]

**2. Claimant.** "Claimant" means an individual who has filed a claim under this chapter and who was domiciled in this State and occupied a homestead in this State during the entire year for which a claim for relief under this chapter is filed. "Claimant" also includes an individual who has filed a claim under this chapter and who was domiciled in this State and owned or otherwise maintained a homestead in this State during the entire year for which the claim for relief under this chapter is filed and occupied that homestead for at least 6 months during that year. Regardless of how many names of individuals appear on the property deed, the person who meets the qualifications described in this subsection and proves sole responsibility for the payment of the property taxes on the subject property is the claimant with respect to that property. If 2 or more individuals meet the qualifications in this subsection and share the payment of the rent or the responsibility for the payment of the property taxes, each individual may apply on the basis of the rent paid or the property taxes levied on the homestead that reflect the ownership percentage of the claimant and the claimant's household.

If 2 or more individuals claim the same property, the matter must be referred to the State Tax Assessor, whose decision is final. Ownership of a homestead under this chapter may be by fee, by life tenancy, by bond for deed, as mortgagee or any other possessory interest in which the owner is personally responsible for the tax for which a refund is claimed.

[PL 2007, c. 438, §111 (AMD).]

**3. Elderly household.** "Elderly household" means a household in which, during the year for which relief is requested:

A. At least one member of the household had attained the age of 62; [PL 2007, c. 438, §112 (AMD).]

B. The claimant was not married and had attained the age of 55 and was, due to disability, receiving federal disability payments such as supplemental security income; or [PL 2007, c. 438, §112 (AMD).]

C. The claimant was married and had attained the age of 55 and both the claimant and the claimant's spouse were, due to disability, receiving federal disability payments such as supplemental security income. [PL 2007, c. 438, §112 (AMD).]

[PL 2007, c. 438, §112 (AMD).]

**4. Gross rent.** "Gross rent" means rental 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. If the landlord and tenant have not dealt with each other at arm's length, and the State Tax Assessor is satisfied that the gross rent charged was excessive, the State Tax Assessor may adjust the gross rent to a reasonable amount for purposes of this chapter.

[PL 1991, c. 824, Pt. A, §81 (AMD).]

**5. Homestead.** "Homestead" means the dwelling owned or rented by the claimant or held in a revocable living trust for the benefit of the claimant and occupied by the claimant and the claimant's dependents as a home, and may consist of a part of a multidwelling or multipurpose building and a part

of the land, up to 10 acres, upon which it is built. "Owned" includes a vendee in possession under a land contract and of one or more joint tenants or tenants in common and includes possession under a legally binding agreement that allows the owner of the dwelling to transfer the property but continue to occupy the dwelling as a home until some future event stated in the agreement.

[PL 2011, c. 513, §1 (AMD).]

**6. Household.** "Household" means a claimant and spouse and members of the household for whom the claimant under this chapter is entitled to claim an exemption as a dependent under Part 8 for the year for which relief is requested.

[PL 1987, c. 516, §§3, 6 (NEW).]

**7. Household income.** "Household income" means all income received by all persons of a household in a calendar year while members of the household.

[PL 1987, c. 516, §§3, 6 (NEW).]

**8. Household income eligibility adjustment factor.** "Household income eligibility adjustment factor" means one plus the annualized cost-of-living adjustments for Social Security retirement benefits during the year for which relief is requested.

[PL 1987, c. 516, §§3, 6 (NEW).]

**9. Income.** "Income" means Maine adjusted gross income determined in accordance with Part 8, modified as provided by this subsection.

A. Maine adjusted gross income must be increased by the following amounts, to the extent not included in Maine adjusted gross income:

- (1) Contributions, including catch-up contributions, to any pension, annuity or retirement plan, including contributions to an individual retirement account under Section 408 of the Code, a simplified employee pension plan, a salary reduction simplified employee pension plan, a savings incentive match plan for employees plan and a deferred compensation plan under Section 457 of the Code and cash or deferred arrangements under Section 401 of the Code and qualified, or "Keogh," accounts;
- (2) Nontaxable contributions to a flexible spending arrangement under Section 125 of the Code;
- (3) Amounts excluded from gross income under Section 129 of the Code;
- (4) Distributions from a ROTH IRA;
- (5) Capital gains;
- (6) The absolute value of the amount of trade or business loss, net operating loss carry-over, capital loss, rental loss, farm loss, partnership or S Corporation loss included in Maine adjusted gross income;
- (7) Inheritance;
- (8) Life insurance proceeds paid on death of an insured;
- (9) Nontaxable lawsuit rewards resulting from lawsuits for actions such as slander, libel and pain and suffering, excluding reimbursements such as medical and legal expenses associated with the case;
- (10) Support money;
- (11) Nontaxable strike benefits;
- (12) The gross amount of any pension or annuity, including railroad retirement benefits;
- (13) All payments received under the federal Social Security Act and state unemployment insurance laws;

- (14) Veterans' disability pensions;
- (15) Nontaxable interest received from the Federal Government or any of its agencies or instrumentalities;
- (16) Interest or dividends on obligations or securities of this State and its political subdivisions and authorities;
- (17) Workers' compensation and the gross amount of "loss of time" insurance; and
- (18) Cash public assistance and relief, but not including relief granted under this chapter. [PL 2007, c. 438, §113 (NEW).]

B. Maine adjusted gross income must be decreased by the following amounts, to the extent included in Maine adjusted gross income:

- (1) The first \$5,000 of proceeds from a life insurance policy, whether paid in a lump sum or in the form of an annuity;
- (2) A rollover from an individual retirement account, pension or annuity fund or plan to an individual retirement account, pension or annuity fund or plan;
- (3) Gifts from nongovernmental sources; and
- (4) Surplus foods or other relief in kind supplied by a governmental agency. [PL 2007, c. 438, §113 (NEW).]

[PL 2007, c. 438, §113 (RPR).]

**10. Property taxes accrued.** "Property taxes accrued" means property taxes exclusive of special assessment, delinquent interest and charges for service levied on a claimant's homestead in this State as of April 1, 1972, or any tax year thereafter. If a claimant receives an abatement of property taxes based on hardship or poverty pursuant to section 841, subsection 2 during the year for which relief is requested, "property taxes accrued" means only the portion of property taxes levied that was not abated during the year for which the claimant requests relief. If a homestead is owned by 2 or more persons or entities as joint tenants or tenants in common, and one or more persons or entities are not members of the claimant's household, "property taxes accrued" is that part of property taxes levied on the homestead that reflects the ownership percentage of the claimant and the claimant's household. If a claimant and spouse own their homestead for part of the year for which relief is requested and rent it or a different homestead for part of the same tax year, "property taxes accrued" means taxes levied on the homestead on April 1st, multiplied by the percentage of 12 months that the property was owned and occupied by the household as its homestead during the year for which relief is requested. When a household owns and occupies 2 or more different homesteads in this State in the same calendar year, property taxes accrued relate only to the total of the property taxes owed for the time that each property was occupied by the household as a homestead. To calculate the amount attributable to each property, the April 1st assessment on each homestead is multiplied by the percentage of 12 months that each property was owned and occupied by the claimant as the claimant's homestead during the year for which relief is requested. If a homestead is an integral part of a larger unit such as a farm, or a multipurpose or multidwelling building, property taxes accrued are that percentage of the total property taxes accrued that the value of the homestead is of the total value, except that property taxes accrued do not include any portion of taxes claimed as a business expense for federal income tax purposes. For purposes of this chapter, "unit" refers to the parcel of property separately assessed of which the homestead is a part. [PL 2013, c. 424, Pt. A, §28 (AMD).]

**11. Rent constituting property taxes accrued for an elderly household.** "Rent constituting property taxes accrued for an elderly household" means 25% of the gross rent actually paid in cash or its equivalent in any tax year by a claimant and the claimant's household solely for the right of

occupancy of their Maine homestead in the tax year and which rent constitutes the basis, in the succeeding calendar year, of a claim for relief under this chapter by the claimant.

[PL 1987, c. 839, §1 (AMD).]

**11-A. Rent constituting property taxes accrued for nonelderly household.** "Rent constituting property taxes accrued for nonelderly household" means 20% of the gross rent actually paid in cash or its equivalent in any tax year by a claimant and the claimant's household solely for the right of occupancy of their Maine homestead in the tax year and which rent constitutes the basis, in the succeeding calendar year, of a claim for relief under this chapter by the claimant.

[PL 2005, c. 2, Pt. E, §2 (AMD); PL 2005, c. 2, Pt. E, §§7, 8 (AFF).]

**12. Year for which relief is requested.** "Year for which relief is requested" means the calendar year preceding that in which the claim is filed. For a claim filed during January to May of any year, or during the extension period allowed under section 6215, "year for which relief is requested" means the calendar year 2 years preceding that in which the claim is filed.

[PL 2005, c. 218, §58 (AMD).]

#### SECTION HISTORY

PL 1987, c. 516, §§3,6 (NEW). PL 1987, c. 839, §§1,2 (AMD). PL 1989, c. 534, §§A2,A3 (AMD). PL 1989, c. 871, §20 (AMD). PL 1991, c. 149 (AMD). PL 1991, c. 824, §§A80,81 (AMD). RR 1993, c. 1, §109 (COR). PL 1993, c. 395, §§27-29 (AMD). PL 1993, c. 670, §9 (AMD). PL 1995, c. 368, §§CCC5,7 (AMD). PL 1995, c. 368, §CCC11 (AFF). PL 1997, c. 504, §20 (AMD). PL 1997, c. 557, §A1 (AMD). PL 1997, c. 557, §G1 (AFF). PL 1997, c. 643, §HHH6 (AMD). PL 1997, c. 643, §HHH10 (AFF). PL 1999, c. 16, §D1 (AMD). PL 1999, c. 16, §D2 (AFF). PL 1999, c. 401, §R1 (AMD). PL 1999, c. 401, §R2 (AFF). PL 1999, c. 414, §54 (AMD). PL 1999, c. 414, §57 (AFF). PL 1999, c. 507, §1 (AMD). PL 1999, c. 507, §3 (AFF). PL 2001, c. 396, §§40,41 (AMD). PL 2005, c. 2, §§E1,2 (AMD). PL 2005, c. 2, §§E7,8 (AFF). PL 2005, c. 218, §58 (AMD). PL 2005, c. 457, §EEE1 (AMD). PL 2005, c. 457, §EEE2 (AFF). PL 2005, c. 618, §17 (AMD). PL 2005, c. 618, §22 (AFF). PL 2007, c. 325, §1 (AMD). PL 2007, c. 438, §§111-113 (AMD). PL 2007, c. 539, Pt. BBBB, §1 (AMD). PL 2007, c. 700, Pt. A, §1 (AMD). PL 2011, c. 513, §1 (AMD). PL 2011, c. 552, §2 (AMD). PL 2013, c. 424, Pt. A, §28 (AMD).

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