

## **4-7 PROPERTY TAX ASSISTANCE ORDINANCE**

### **4-7.1 Purpose**

The purpose of this Ordinance is to establish a program to provide property tax assistance to qualifying persons, 55 years of age and over, who reside in the Town of Kennebunk. Under this Program, the Town of Kennebunk will provide supplemental tax credit to those individuals who qualify as Kennebunk resident beneficiaries of the State of Maine Residents Property Tax Program pursuant to 36 M.R.S.A. 5219-KK of the Maine Revised Statutes and who meet the criteria established by this Ordinance.

### **4-7.2 Definitions**

**Homestead:** A homestead is a dwelling owned or rented by the person seeking tax assistance under this Ordinance 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.

**Homestead Exemption:** The State of Maine property tax exemption for all individuals who have owned a permanent residence in Maine for twelve (12) months as of April 1. Established by the State of Maine pursuant to 36 M.R.S.A §683, as may be amended from time to time.

**Property Tax Assistance Program:** The program established by the Town of Kennebunk under this Ordinance. Also referred to as the "Program".

**Property Tax Fairness Credit Program:** The property tax credit established by the State of Maine pursuant to 36 M.R.S.A §5219-KK, as may be amended from time to time.

**Program Administrator:** The Town Manager or his/her designee.

**Program Fund:** The amount of money appropriated at Town Meeting for the preceding tax year; after all payments have been made, any remaining funds will be held in a reserve account in the Special Revenue Fund.

**Income:** Is the previous year's U.S. form 1040 tax return "adjusted gross income". Owners of

**Record:** Shall be as of April 1 preceding the August 1 deadline application.

**Qualifying applicant:** A qualifying applicant is a person who is determined by the Program Administrator, after review of a complete application under Section 4 of this Ordinance, to be eligible for a property tax credit payment under the terms of this Ordinance.

### **4-7.3 Criteria for Participation**

In order to participate in the Program, an applicant shall demonstrate all of the following:

- a. The applicant shall be 55 years of age or more at the time of application.
- b. The applicant shall have a homestead in the Town of Kennebunk at the time of the application and for the entire year prior to the date of application.
- c. The applicant has received a refund under the provisions of the Property Tax Fairness Credit program.
- d. The applicant shall have applied for the Maine Homestead Exemption.

#### **4-7.4 Application and Payment Procedures**

Any person seeking to participate in the Program shall submit a written request to the Program Administrator no later than August 1<sup>st</sup>. Applications are required every year to participate in this Program. The Program Administrator shall provide an application form for the Program, which shall include, at a minimum, the applicant's name, homestead address and contact information.

The Program is based on the State of Maine Property Tax Fairness Credit and relates to the property taxes and rent paid in the preceding year. Attached to all applications shall be proof and dollar amount (copy of check) of the State refund pursuant to the Property Tax Fairness Credit Program. .

The Program Administrator shall review and determine if the application is complete and accurate, and if the applicant is otherwise eligible to participate in the Program. The Program Administrator shall notify an applicant if an application is determined to be incomplete and identify any missing information. The Plan Administrator's decision on eligibility to participate in the Program shall be final.

#### **4-7.5 Determination of Eligibility and Amount of Assistance**

If the Program Administrator determines that the applicant is eligible to participate in the Program, they shall determine the total amount of such assistance to be provided. The amount of assistance shall be the lesser of the following:

- a. 50% of the amount of the refund awarded by the State to the applicant under the Property Tax Fairness Credit or;
- b. A prorated amount of the available monies in the Program Fund.

Under no circumstances shall the refund from the Maine State's "Property Tax Fairness Credit program" combined with the Town's assistance under this ordinance exceed the taxes for the property.

The Program Administrator shall report annually to the Select Board the projected payments and number of eligible applicants requesting assistance for the Program Fund. Ideally, this report will be prior to the upcoming budget presentation to adequately budget enough funds in

the Program Fund.

#### **4-7.6 Program Fund – Limitations Upon Payments**

Payments under the Ordinance shall be conditioned upon the existence of sufficient monies in the Program Fund the year in which participation is sought.

#### **4-7.7 Creation of the Program Fund**

The Program Fund from which payments shall be made under the terms of this Ordinance shall be created as follows:

As funds are available, the Select Board shall request the annual town meeting to appropriate monies from the general fund or other sources to support this Program. Any surplus monies available after all payments have been made shall be held in a reserve account in the Special Revenue Fund.

#### **4-7.8 Timing of Payments**

A person who qualifies for payment under this Program shall have the full amount (or pro-rated amount if inadequate funds are available) applied to the tax bill no later than the first installment for the year in which participation is sought.

#### **4-7-9 Limitations upon payments**

Only one qualifying applicant per household shall be entitled to payment under the Program each year. The right to file an application under this Ordinance 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.

#### **4-7-10 Amendments**

The Select Board may, after public notice and hearing, amend this Ordinance and draft and adopt regulations implementing the terms of this Ordinance on any matter not expressly set forth herein or as otherwise provided by law.

ADOPTED 06-13-2007

AMENDED 06-11-2008

AMENDED 06-21-2011

AMENDED 06-12-2012

AMENDED 06-14-2016

AMENDED 01-28-2025