

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

### **4-7.1 Purpose**

The purpose of this Ordinance is to establish a program (the “Program”) to provide property tax assistance to persons 62 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.

**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 July 1 deadline application.

**Qualifying applicant:** A qualifying applicant is a person who is determined by the Town Manager or designee, 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 62 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 36 M.R.S.A. 5219-KK State (“Property Tax Fairness Credit”).
- e. 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 Town Manager no later than July 1<sup>st</sup>. Applications are required every year to participate in this Program. The Town Manager or designee shall provide an application form for the Program, which shall include, at a minimum, the applicant's name, homestead address and contact information. Attached to all applications shall be proof and dollar amount (copy of check) of State Refund under 36 M.R.S.A. 5219-KK State ("Property Tax Fairness Credit"). The Town Manager or designee 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 or designee shall notify an applicant if an application is determined to be incomplete and identify any missing information. The Town Manager's or designee's decision on eligibility to participate in the Program shall be final.

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

If the Town Manager or designee determines that the applicant is eligible to participate in the Program, he shall determine the total amount of such assistance to be provided. Eligibility shall be the lesser of the following amounts:

- a. 25% of the amount of the refund awarded by the State to the applicant under 36 M.R.S.A. 5219-KK State ("Property Tax Fairness Credit") or;
- b. \$ 300.00; or
- c. A prorated amount of the available monies in the Program fund established under Section 6 of this Ordinance. If funds are not available in the Program fund to fully fund eligible applications under subsection a or b above, the Town Manager or designee shall reduce payments in accordance with Section 6 of this Ordinance.

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

The Town Manager or designee shall report to the Board of Selectmen at its first meeting after September 30<sup>th</sup> each year the projected payments and number of eligible applicants requesting assistance for 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. If there are not sufficient monies in the Program Fund to pay all qualifying applicants under this Ordinance, payments shall be limited to the amounts available in the Fund and applied proportionately. 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

#### **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 Board of Selectmen 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 remain in the dedicated account hereby established for this Program and shall not lapse into the Town's undesignated fund balance.

#### **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 October payment 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. 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 or designee shall be disbursed to another member of the household as determined by the Town Manager or designee. If the applicant was the only member of a household, then no payment shall be made under this Ordinance.

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

The Board of Selectmen 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