

Order 288-16/17

Passage: 9-0 on 6/19/2017

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**CITY OF PORTLAND
IN THE CITY COUNCIL**

Effective 6/29/2017

DAVID H. BRENERMAN (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

**ORDER REFERRING
THE PORTLAND SENIOR TAX EQUITY PROGRAM
TO THE FINANCE COMMITTEE**

ORDERED, that the City Council hereby refers the proposed Senior Tax Equity Program Ordinance, attached hereto, to the Finance Committee; and

BE IT FURTHER ORDERED, that the Finance Committee review the proposed ordinance and provide its final recommendation on this issue to the City Council.

AMENDMENT TO PORTLAND CITY CODE
CHAPTER 2 (ADMINISTRATION) ARTICLE XI
(PORTLAND PROPERTY TAX ASSISTANCE)

Article XI. Portland Property Tax Assistance

Cross reference(s) --

State law reference(s) -- Tax credits, 36 M.R.S.A. Sec. 5219-KK; Maine Residents Property Tax Program, 36 M.R.S.A. Sec. 6201 et seq.; Municipal property tax assistance, 36 M.R.S.A. Sec. 6231 et seq.

§ 2-451. Definitions.

For purposes of this Article:

Applicant shall mean a person who files with the City an application for a benefit under the Program.

Director shall mean the Finance Director of the City of Portland or his or her designee.

Eligible applicant shall mean a person who is determined, after review of a complete application under this Article, to be eligible for a Program Benefit under the terms of this Article.

Homestead shall have the same meaning as in 36 M.R.S.A. § 5219-KK(1)(C), as may be amended from time to time.

Program shall mean the property tax assistance program established by this Article.

Program Benefit shall mean the amount of the refund payment for which an eligible applicant is qualified as determined by the Director under this Article.

Program Fund shall mean a dedicated account into which funds for the Program that are appropriated by the City Council are placed.

State Program shall mean the Maine Property Tax Fairness Credit Program established by 36 M.R.S. § 5219-KK, as may be amended from time to time.

Year shall mean January 1 through December 31.

§ 2-452. Purpose of Program; Program Description.

The purpose of this article is to establish a Program to provide property tax assistance in the form of a refund payment to income-eligible persons at least sixty-two (62) years of age who have a homestead in the City of Portland and who qualify for a tax credit under the State Program.

§ 2-453. Eligible Applicant.

In order to be an eligible applicant for a benefit from the City under the Program, an applicant must demonstrate all of the following:

(a) The applicant must be 62 years of age and have a homestead in the City at the time of application.

(b) If the applicant owns his or her homestead, the applicant paid in full all property taxes for the year for which the refund is requested. If the applicant rents his or her homestead, the applicant paid rent during the year for which the refund is requested.

(c) The applicant has received a tax credit under the State Program for the prior year.

§ 2-454. Application and Benefit Payment.

In order to qualify for a benefit under the Program, applicants must submit an application between March 15 and May 15 relative to the prior year's income tax for a benefit under this Article. An application is required each year that an applicant desires to participate in the Program. The Director shall provide an application form for the Program, which shall include, at a minimum, the applicant's name, homestead address, and contact information. As part of the application, the Applicant shall authorize the City to obtain documentation from Maine Revenue Services establishing the amount of the credit the applicant received under the State Program. The Program is based on the State Program and relates to property taxes assessed and paid or rent paid in the preceding year. The Director shall review and determine if the application is complete and accurate and if the applicant is an eligible applicant. The Director's determinations as to whether an applicant is an eligible applicant and the amount of the applicant's Program benefit shall be final.

§ 2-455. Determination of Eligibility; Amount of Program Benefit.

If the Director determines that an applicant is an eligible applicant, the Director shall then determine the applicant's Program benefit, which shall be the lesser of the following amounts:

(a) The amount of credit the applicant qualified for under the State Program;

(b) Nine hundred dollars (\$900.00); or

(c) A pro rata share of available monies in the Program fund based on the amount of each eligible applicant's credit under the State Program.

§ 2-456. Creation of Program Fund; Limitation on Payments.

Upon presentation of the budget to the City Council, the City Manager shall propose an appropriation of funds to support this Program. If the Council approves the appropriation of such funds, they shall be placed in the Program Fund. Any surplus monies available after all payments have been made in a given year shall remain in the Program Fund. In the event that the City Council fails to appropriate funds for the Program Fund, or if there are insufficient funds in the Program Fund to pay any eligible applicant all or part of the applicant's Program benefit, the applicant's request for a benefit under the Program will not carry over to the next year.

§ 2-457. Payments.

An eligible applicant shall be mailed a check for the Program Benefit no later than September 30 of the year in which the applicant files an application, or within thirty days after the City receives satisfactory documentation that the applicant has received a tax credit under the State Program for the prior year.

§ 2-458. One Eligible Applicant Per Household.

Only one eligible applicant per homestead shall be entitled to payment under the Program each year. 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 the applicant by the applicant's legal

guardian or attorney-in-fact. If an applicant dies after having filed a timely and complete application that results in a determination that the applicant is eligible, the amount determined by the Director shall be disbursed to another member of the household as determined by the Director. If the applicant was the only member of a household, then no payment shall be made under the Program.

§ 2-459. Effective Date.

This Ordinance shall apply to benefit applications filed with the City on or after March 15, 2019, for a benefit relative to the 2018 income tax year and subsequent income tax years.