

TOWN OF READFIELD PROPERTY TAX ASSISTANCE PROGRAM ORDINANCE

Section 1. Purpose

This ordinance is enacted pursuant to 36 M.R.S.A. §6232. The purpose of this Ordinance is to establish a program to provide property tax assistance to eligible persons who reside in the Town of Readfield. Under this program, the Town of Readfield will provide refund payments to those individuals who qualify for and are beneficiaries of the State of Maine Property Tax Fairness Credit pursuant to 36 M.R.S.A. §5219-KK, and who meet the criteria established by this Ordinance.

Section 2. Definitions

Homestead: For purposes of this article, "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, rented or held in a trust, life tenancy or similar legal instrument for the benefit of the person seeking tax assistance under this Ordinance. The dwelling must be occupied by that person and that person's dependents as a home.

Qualifying applicant: A qualifying applicant is a person who is determined by the Town Manager, after review of a complete application under Section 4 of this Ordinance, to be eligible for a benefit under the terms of this Ordinance.

Section 3. 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 have a homestead in the Town of Readfield at the time of the application and for the entire year prior to the date of application.
- b. If owned by the applicant, the homestead shall be enrolled in the State of Maine Homestead Exemption Program (36 M.R.S.A. §§ 681-689) for the year preceding the date of application
- c. The applicant has received a refund under the State of Maine Property Tax Fairness Credit (36 M.R.S.A. §5219-KK) for the year preceding the date of application.
- d. Total household income not exceeding an amount equal to 80% of the current United States Department of Housing and Urban Development median family income for the Town of Readfield for the applicable family size.

Section 4. Application and Payment Procedures

Persons seeking to participate in the Property Tax Assistance Program shall submit a written request to the Town Manager no later than August 1 of the year for which the credit is requested. Applications are required every year to participate in this program. The Town Manager 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 any refund under the State of Maine Property Tax Fairness Credit Program (36 M.R.S.A. §5219-KK). Attached to all applications shall be proof of household income for the year preceding the date of application. 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 determination of eligibility to participate in the Program may be appealed to the Chair of the Board of Assessors within twenty (20) days of the date of the Town Manager's decision.

Every effort shall be made to manage the application and award process discreetly, however, applications (or portions thereof) made under this Program may be subject to public record requests pursuant to Title 1 M.R.S.A. Section 402(3).

Section 5. Determination of eligibility and amount of eligibility

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

- a. 40% of the amount of the refund awarded by the State under the Property Tax Fairness Credit (36 M.R.S.A. §5219-KK) for the tax year preceding the date of application;
- b. \$360.00 or;
- c. Available monies in the Town of Readfield Local Tax Assistance Fund, as prorated among eligible applicants.

The Town Manager shall report to the Select Board for its approval at a meeting in August each year the benefit amounts and number of eligible applicants to be granted assistance from the program fund.

Section 6. Program Fund - Limitations upon payments

Benefits under this 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 cover all qualifying applicants under this Ordinance, benefits shall be limited to the amounts available in the fund. In the event that a lack of funding results in no benefit or less than the full benefit to a qualifying applicant, the request will not carry over to the next year.

Section 7. Creation of the Program Fund

The program fund from which benefits shall be drawn under the terms of this Ordinance shall be created as follows:

If approved, an initial appropriation of \$50,000 shall be made from the undesignated fund as identified in the June 12, 2018 Town Meeting Warrant. This appropriation shall be deposited in a carry-forward account to be solely for the purpose of tax assistance associated with the Program. As funds are available, the Select Board shall request from the annual town meeting monies from the general fund or other sources to support this program.

Section 8. Timing of Benefits

A homeowner who qualifies for a tax benefit under this program shall receive a credit to his/her tax account. A renter who qualifies for a tax benefit under this Program shall be mailed a check. In all cases the benefit shall be equal to the amount for which he/she is eligible under Section 5 of this ordinance (or the pro-rated amount if inadequate funds are available) and shall be made available to the applicant no later than 14 days from the date of Town Manager approval of the applications for the year in which participation is sought.

Section 9. Limitations upon Benefits

Only one qualifying applicant per household shall be entitled to a benefit under this 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 shall be disbursed to another member of the household as determined by the Chair of the Board of Assessors or the Town Manager. If the applicant was the only member of a household, then no benefit shall be made under this Ordinance.