

**TOWN OF NORTH YARMOUTH
PROPERTY TAX ASSISTANCE ORDINANCE**

SECTION 1. Title, Purpose, Authority

Subsection 1.1 Purpose:

The purpose of this Ordinance is to establish a program to provide property tax assistance to persons **70** years of age and over, whose household income is **\$50,000** or less, who reside in the Town of North Yarmouth. Under this program, the Town of North Yarmouth will provide a tax benefit to those individuals who qualify as North Yarmouth resident beneficiaries of the Municipal Property Tax Assistance Program (“Program”) pursuant to Chapter 907-A of Title 36 of the Maine Revised Statutes and meet the criteria established by this Ordinance.

SECTION 2. Definitions

Subsection 2.1 Benefit Base: Property taxes paid by a qualifying applicant during the tax year on the qualifying applicant’s homestead or rent constituting property taxes paid by the resident individual during the tax year on a homestead.

Subsection 2.2 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 the applicant’s primary place of residence.

Subsection 2.3 Household Income: Household income shall have the same meaning as “income,” as that term is defined in 36 M.R.S. § 6201(9), as may be amended from time to time.

Subsection 2.4 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 tax benefit under the terms of this Ordinance.

Subsection 2.5 Rent Constituting Property Taxes: This term shall have the same meaning as that term is defined in 36 M.R.S. § 5219-KK(1)(E), as may be amended from time to time.

SECTION 3. Criteria for Participation

Subsection 3.1 - In order to participate in the Program, an applicant shall demonstrate all of the following:

- 3.1.1 The applicant shall be **70** years of age or more at the time of application.
- 3.1.2 The applicant shall have a homestead in the Town of North Yarmouth at the time of the application and for the entire year prior to the date of application.
- 3.1.3 The applicant has been a resident of the Town of North Yarmouth for at least 10 years immediately preceding the date of application for participation in the Program.
- 3.1.4 For applications filed on or after July 1, 2025, applicants must demonstrate that they have received a tax credit under the provisions of the State of Maine Property Tax Fairness Credit Program, in accordance with 36 M.R.S. § 5219-KK.

SECTION 4. Application for Property Tax Assistance

Subsection 4.1 - Person(s) seeking to participate in this Program shall submit an application to the Town Manager no later than **July 31st**. 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

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of household income. Applicants who do not file an income tax return but receive Social Security benefits must submit their SSA-1099 form with the 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 decision on eligibility to participate in the Program shall be final.

SECTION 5. Determination of Eligibility and Amount of Eligibility

Subsection 5.1 - Eligibility under this ordinance is designed to provide greater benefits proportionally to applicants with lower household income in relation to their benefit base.

Subsection 5.2 - If the Town Manager determines that the applicant is eligible to participate in the Program, he/she shall determine the total amount of such eligibility. Eligibility shall be the lesser of the following amounts:

- 5.2.1 The amount of the benefit calculated under Section 5.3 of this Ordinance;
- 5.2.2 A pro rata share of the available monies in the Program Fund established under Section 6 of this Ordinance, based on the calculated amount of the benefit; and
- 5.2.3 Property taxes paid or rent constituting property taxes paid, less the amount received under the State of Maine Property Tax Fairness Credit Program (for applications filed on or after July 1, 2025).

Subsection 5.3 – Eligible applicants may qualify for benefits based on a calculation of the applicant’s benefit base as a percentage of their household income under the following formula:

$$[(\text{benefit base}/\text{household income}) \times 100 = \text{benefit base as a percentage of household income.}]$$

The table below lists the benefits that correspond with the benefit base as a percentage of household income.

Benefit Base as Percentage of Household Income (Range)	Benefit Amount
8%-12%	\$350.00
12.01%-16%	\$500.00
16.01%-20%	\$750.00
20.01%-24%	\$1,000.00
24.01%-28%	\$1,250.00
28.01% and over	\$1,500.00

Subsection 5.4 - The Town Manager shall report to the Select Board at the first meeting in August of each year, the projected benefits and number of eligible applicants requesting assistance under the Program.

SECTION 6. Program Fund - Limitations Upon Benefits

Subsection 6.1 - Benefits under this Ordinance shall be conditioned upon the existence of sufficient monies in the Property Tax Assistance Program Fund (“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, 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.

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SECTION 7. Creation of the Program Fund

Subsection 7.1 - The Program Fund from which tax benefits shall be made under the terms of this Ordinance shall be created as specified in Subsection 7.2.

Subsection 7.2 - As funds are available, the Select Board shall request from the Annual Town Meeting to appropriate monies from the general fund or other Town sources to support this Program. Any surplus monies available after all benefits have been made shall be retained in the specified fund for use of the Program in future years.

SECTION 8. Timing of Tax Benefits

Subsection 8.1 - A person who qualifies for a tax benefit under this Program shall have their benefit applied to their outstanding real estate taxes no later than **October 1st** for the year in which participation is sought.

SECTION 9. Limitations Upon Tax Benefits

Subsection 9.1 - 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 Town Manager. If the applicant was the only member of a household, then no tax benefit shall be made under this Ordinance.

SECTION 10. Periodic Review of Ordinance

Subsection 10.1 The Select Board shall conduct a review of this Ordinance at least once every three years to determine whether any amendments are necessary for compliance with applicable law or are in the best interests of the Town. This section does not limit the Select Board's authority to review and/or propose amendments to the Ordinance at any other time, provided such amendments comply with all applicable laws.

ADOPTED: May 30, 2009

AMENDED: June 18, 2011

AMENDED: April 8, 2017

AMENDED: _____