

## **MMTCTA Legislation Watch – 2012**

### **1/12/12**

**LD 1680 – An Act To Amend the Circuitbreaker Program To Include Claimants Occupying Property Pursuant to a Trust and To Require Proof of Payment of Rent** – This LD will expand the types of trusts that can own a property and still allow the actual occupier to file for a Circuit Breaker refund. The proposal also requires renters who file for a refund to show proof that they actually paid the rent.

**LD 1693 – An Act To Amend the Law Governing Abatements of Property Taxes for Infirmity or Poverty** – The proposal clarifies that Circuit Breaker refunds can be factored into hardship abatement requests. Our understanding is that if an applicant qualifies for a hardship abatement and has received a Circuit Breaker refund of \$500 then the municipality can process the abatement but leave \$500 on the account to be paid. Some communities currently handle hardship requests in this manner and the proposal upholds that process. It responds to a claim that the refund should only be added to the applicants total income. The LD also requires all Circuit Breaker applicants show proof that they actual paid the taxes they are claiming a refund for and the third piece of the LD states that if a person receives an abatement from the municipality they can not include the tax value of that abatement in their Circuit Breaker refund application.

These two LD's will be discussed at a public hearing by the Taxation Committee on January 19<sup>th</sup> at 1:00 in Room 126 in the State House.

**LD 1699 – An Act To Create Excise Tax Equity and Consistency for Buses** – This LD will add buses designed to carry 15 or more people to the excise tax reimbursement program. For buses manufactured in model year 2006 and newer the excise tax will be based on the purchase price with the State reimbursing the municipality for the difference between that and the excise tax based on list price.

There is no scheduled public hearing for this proposal as of today.

**LD 1710 – An Act To Amend the Motor Vehicle Laws** – This LD makes numerous changes to various motor vehicle sections but the area I want to focus on is the Excise Tax Reimbursement Program. This bill would allow a commercial vehicle that qualifies for the program to pay the excise tax based on purchase price, just like the current law, but only for the first 6 years. In year 7 the excise tax is reverted back to the list price.

This LD will be discussed by the Transportation Committee on January 26<sup>th</sup> at 1:00 in Room 126 in the State House