

# **CITY OF GARDINER**

## **PROPERTY TAX ASSISTANCE ORDINANCE**

### **Section 1. Purpose**

The purpose of this Ordinance is to establish a program pursuant to Chapter 907-A of Title 36 of the Maine Revised Statutes to provide property tax assistance to qualifying persons who reside in the City of Gardiner. Under this program, the City of Gardiner will provide supplemental cash refund payments to those individuals aged 65 and older who qualify as Gardiner resident beneficiaries of the State of Maine Residents Property Tax Fairness Credit pursuant to Chapter 822 of Title 36 of the Maine Revised Statutes, as may be amended from time to time, and meet the criteria established by this Ordinance.

### **Section 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.

**Property Tax Assistance Program:** The program established by the City of Gardiner under this Ordinance. Also referred to as the "Program."

**Property Tax Fairness Credit Program:** The property tax credit established by the State of Maine pursuant to 36 M.R.S.A. §§ 5219-II, 5219-KK, as may be amended from time to time.

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

**City Manager:** The City Manager or his/her designee.

### **Section 3. Criteria for Participation**

In order to participate in the Property Tax Assistance Program, an applicant must demonstrate all of the following:

1. That the applicant has a homestead in the City of Gardiner at the time of application and for ten years prior to the date of application. Furthermore, before a rebate is given, verification must be made that it is the primary residence of the applicant.
2. That the applicant has received a tax credit under the provisions of the State of Maine Residents Property Tax Fairness Credit Program.
3. That the applicant has paid property taxes in full for the year for which the refund is requested.
4. That the applicant is age 65 or older as of the application deadline of October 1.

### **Section 4. Application and Payment Procedures**

Persons seeking to participate in the Property Tax Assistance Program shall submit a written request to the City Manager no later than October 15 of each year.

Applications are required every year to participate in the Program. The City Manager 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 to the City, the applicant shall authorize the City to seek documentation from Maine Revenue Services of proof and dollar amount of State Property Tax Fairness Credit received by applicant. The Program is based on the State Property Tax Fairness Credit and relates to property taxes assessed and paid or rent paid in the preceding calendar year. The City 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 City Manager shall notify an applicant if an application is determined to be incomplete or inaccurate. The City Manager's decision on eligibility to participate in the Program shall be final.

#### **Section 5. Determination of eligibility and amount of eligibility**

If the City 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 but in no case shall the City's refund exceed the property taxes assessed and paid less the State Property Tax Fairness Credit:

1. The amount of credit qualified for under the Property Tax Fairness Credit Program;
2. A pro rata share of available monies in the Program Fund based on the amount of one's State Property Tax Fairness Credit; or
3. \$500.00.

The minimum payment made under this program shall not be less than \$100.00, subject to available funds.

The City Manager shall report to the City Council each year the projected payments and number of eligible applicants requesting assistance from the Program fund.

#### **Section 6. Program Fund – Limitations upon payments**

Payments under this Ordinance shall be conditioned upon the existence of sufficient monies in the Program Fund for the fiscal year in which participation is sought. If there are not sufficient monies in the Program Fund to pay all qualifying applicants in full under this Ordinance, payments shall be limited to the amounts available in the Program Fund on a pro rata basis to each eligible participant based on the amount of one's State credit under the Property Tax Fairness Credit Program. 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.

#### **Section 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 City Manager shall propose to the City Council as part of his/her annual budget recommendation an appropriation of 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 reserve account hereby established for this Program and shall not lapse into the City's undesignated fund balance.

#### **Section 8. Timing of Payments**

A person who qualifies for payment under the Program shall be mailed a check for the full amount (or pro-rated amount if inadequate funds are available) no later than December 1 for the year in which participation is sought. Recipients must be current residents of the City of Gardiner in order to receive a check under the Program.

#### **Section 9. Limitations upon payments**

Only one qualifying applicant per homestead shall be entitled to payment 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 the 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 City Manager shall be disbursed to another member of the household as determined by the City Manager. If the applicant was the only member of a household, then no payment shall be made under this Ordinance.