Poverty Property Tax Abatement Policy
Adopted by the City Council of Saco: October 16, 2000

A. FINDINGS:

Whereas: Maine Law, Title 36, M.R.S.A., Sec. 841.2 permits the municipal officers "on their own knowledge or in written application (to) make such abatements as they believe reasonable in the real and personal property taxes on all persons who, by reason of infirmity or poverty, are in their judgment unable to contribute to the public charges."

The City desires an alternative to forcing the sale of property in order to collect Taxes from those otherwise unable to pay.

The Saco City Council hereby outlines the conditions upon which poverty abatements will be granted:

1. Applicants seeking poverty abatement have the burden of proving that they are eligible for the abatement;

2. It is not the Council’s responsibility to prove that the applicant is not entitled to abatement.

Persons desiring abatement must:

1. Complete an Application for Abatement of Property Taxes,

2. Supplementary Questionnaire, Financial Statement, and must complete General Assistance application forms.

3. Applicants who are requesting abatements for previous tax years must demonstrate no ability to contribute to the public charge, both currently and during the tax year or years for which the abatement is being requested.

4. Persons desiring abatement will be given the options of applying for General Assistance and the poverty abatement process. People who meet annualized General Assistance eligibility standards are eligible for a poverty-tax abatement if there are no mitigating factors, such as projected income, excess real or personal property, or unreasonable expenses; and, eligibility determination will subtract annualized household income from annual need.

The Council will review applicant’s income and expenses. Factors to take into consideration include the applicant’s income, both current and projected; assets such as an excessively expensive single vehicle, plus extra cars, recreational
vehicles, boats, real estate, etc.; actual expenses which may not be reasonable or necessary and which may be reduced or eliminated; and other sources of income or methods to alleviate their financial distress such as relatives.

The Council will evaluate the information presented by the applicant and determine if the applicant has met his/her burden of proof and the eligibility standards. A denial could issue if Council are unable to determine eligibility because the applicant failed to produce necessary documentation. A denial could issue if Council assess a resource (General Assistance) is available.

When an application is filed, the Council will ask the applicant to permit them to delay action on the request. The Council prefers to wait to make their final decision until just prior to when the lien forecloses. This policy is based on the Council’s hope that the applicant’s financial condition will have improved by that time so that the abatement is not needed. If applicant agrees with the proposed delay, he/she should sign and return the “Postponement Notice” within 14 days.

If applicants are clearly poor and have little or no likelihood of any prospects, which would enable them to pay the taxes, the Council is obligated to grant abatement. A partial abatement is appropriate in those cases where the applicant can pay part of the taxes or will be able to pay a portion of the taxes prior to the tax lien expiring. Council may consider abating only fees and interest that would accrue as a result of the lien.

CITY OF SACO
300 MAIN STREET
SACO, ME 04072

APPLICATION FOR ABATEMENT OF TAXES FROM SACO CITY COUNCIL

Maine Law, Title 36, Section 841, allows the municipal officers to make an abatement in the case of an error or mistake for two years prior to the current tax year. This authority to grant an abatement is limited to only correcting an error or a mistake, such as the property being taxed to the incorrect owner. It does not extend to the municipal officers authority to grant an abatement in the case of a disagreement over the valuation of a property.

Name of Applicant: ________________________________________________
Address: __________________________________________________________

Map _____     Block_____     Lot _____
Location: _________________________________________________________

Abatement Requested:

<table>
<thead>
<tr>
<th>Due Date</th>
<th>Year</th>
<th>Year</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Value</td>
<td>$</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building Value:</td>
<td>$</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Property:</td>
<td>$</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Value:</td>
<td>$</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Taxes:</td>
<td>$</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Reason for request:
______________________________________________________________________
______________________________________________________________________
______________________________________________________________________
______________________________________________________________________

Date Received: __________________________

Action by Saco City Council
on: _________________________________
______________________________________________________________________
______________________________________________________________________
______________________________________________________________________
______________________________________________________________________

By: ________________________________

____________________________________

____________________________________

____________________________________
CITY OF SACO
PROPERTY TAX ABATEMENT REQUEST
SUPPLEMENTARY QUESTIONNAIRE

Complete a separate questionnaire for each year for which an abatement is requested.

1. Approximate acreage of the property for which you are requesting a tax abatement:
_________________________________________________________________________________

2. Purchase date:
_________________________________________________________________________________

3. How much equity do you have in the property?
_________________________________________________________________________________

4. Property use:  Residence ____, Business ____ , Rental _____

5. Unpaid tax balance:
_________________________________________________________________________________

6. Have you initiated bankruptcy proceedings during any of the year(s) for which an abatement is requested?
_________________________________________________________________________________

7. Has any of your property been attached or seized under legal proceedings? ____  If yes, identify the legal proceedings, the property involved, and the present status of the case.  
_________________________________________________________________________________

8. Are there any liens upon your property at this time? _____ If yes, please detail.
_________________________________________________________________________________

9. During any of the years for which an abatement is requested, and the 2 years prior, have you or your spouse done any of the following?
   a) Placed anything of value in which you have an interest in the hands of a third person?
   __________  If yes, describe the value and circumstances of the transfer.
_________________________________________________________________________________

   b) Made any assignment of any property for the benefit of your creditors? ____  
      If yes, give the date, name and address of assignee, and terms of
c) Made any gifts, other than usual presents, to family members? ____ If yes, give name and address of recipient and value of gift. 

Was the gift conditional? If yes, describe the conditions. 

A PHOTOCOPY OF YOUR FEDERAL AND STATE INCOME TAX RETURNS, ALL SCHEDULES, AND IF APPLICABLE, YOUR SPOUSE’S. 
CITY OF SACO 
PROPERTY TAX ABATEMENT REQUEST 

FINANCIAL STATEMENT 

INCOME. Please list amounts of ALL family income from EVERY source and note whether this income is received weekly, monthly or yearly. 

<table>
<thead>
<tr>
<th></th>
<th>Income Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Social Security Benefits</td>
<td>$</td>
</tr>
<tr>
<td>2</td>
<td>Disability/Supplemental Security Income (SSDI or SSI)</td>
<td>$</td>
</tr>
<tr>
<td>3</td>
<td>Military/Veteran’s Pension</td>
<td>$</td>
</tr>
<tr>
<td>4</td>
<td>TANF</td>
<td>$</td>
</tr>
<tr>
<td>5</td>
<td>Unemployment/Worker’s Compensation</td>
<td>$</td>
</tr>
<tr>
<td>6</td>
<td>Net Income from Employment</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>(Name of Employer____________________)</td>
<td>$</td>
</tr>
<tr>
<td>7</td>
<td>Child Support Payments</td>
<td>$</td>
</tr>
<tr>
<td>8</td>
<td>Alimony (received on a regular basis)</td>
<td>$</td>
</tr>
<tr>
<td>9</td>
<td>Income from Renters, Roomers or Boarders</td>
<td>$</td>
</tr>
<tr>
<td>10</td>
<td>Educational Grants</td>
<td>$</td>
</tr>
<tr>
<td>11</td>
<td>Other Retirement</td>
<td>$</td>
</tr>
<tr>
<td>12</td>
<td>Annuity or Trust Fund</td>
<td>$</td>
</tr>
<tr>
<td>13</td>
<td>Interest from Security or Investments</td>
<td>$</td>
</tr>
<tr>
<td>14</td>
<td>Gifts (occurring on a regular basis)</td>
<td>$</td>
</tr>
<tr>
<td>15</td>
<td>Any other Income</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>(Please specify____________________)</td>
<td>$</td>
</tr>
</tbody>
</table>

ASSETS (Please list cash value) 

<table>
<thead>
<tr>
<th></th>
<th>Asset Type</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Real Estate</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>(A) Your Home</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>(B) Other Land or Buildings</td>
<td>$</td>
</tr>
</tbody>
</table>
2 Car (Make_____Year_____Mileage_______) $ 
Other Vehicles Make___Year___Mileage___ $ 
Make___Year___Mileage___ $ 

3 Savings Account and Trust Funds $ 
4 Stocks, Bonds, IRA, 401 Plan etc. $ 
5 Life Insurance $ 
6 Checking Account $ 
7 Cash on Hand $ 
8 Valuable personal property (other than necessary household furnishings) such as guns, jewelry, boats, motors, snowmobiles, computers etc. 
Please specify___________________________________________________________________________________________________________________________ $ 

9 Other (including all items for which you are making pmts) $ 

ALTERNATE SOURCES ATTEMPTED 
Please indicate which alternate source of aid you have sought to enable you to meet your tax obligation. 

Yes No 
1 Home equity loan 
2 Borrowing against life insurance/retirement plan 
3 Taken out a personal loan 
4 Help from friends or other relatives 
5 A second job 
6 Maine Residents Property Tax Refund Program 
7 Sale of personal assets 
8 Social Assistance (TANF, HEAP, Food stamps,) etc. 
9 Requested mortgage holder to pay tax 

LIST OF ALL HOUSEHOLD MEMBERS 

NAME AGE OCCUPATION 

I understand that my signature on the application shall serve as authorization for the Saco City Council or its designee(s) to investigate the information contained in the
application for abatement of Taxes, Supplementary questionnaire, and financial
statement, and any other information pertinent to its making a determination on this
application. I further authorize the Saco City Council or its designee(s) to have access
to certain records, be they confidential or not, including but not limited to financial
institutions, Internal Revenue Service records, Maine Department of Taxation records,
medical records and reports, hospital records and reports, Veterans Administration
records and reports, Department of Human Services records and reports, and insurance
records.

I hereby certify that all information in this application and supplementary questionnaire
(s), and financial statement is true to the best of my knowledge and belief.

___________________________________________
Date Applicant’s Signature

___________________________________________
Date Spouse’s Signature

Subscribed and sworn to before me this day.

___________________________________________
Date Notary Public

Council will issue a decision within 30 days of the application, and that decision will give
the reasons for the abatement decision.

Applicants who have had their request for abatement denied have the right to appeal
the denial within 60 days to the Board of Assessment Review. Further appeal of the
decision of the Board of the Assessment Review may be made to the Superior Court.

Council’s decision on application: _____ Granted _____ Denied

If granted, the abatement requested is allowed in the amount of
$___________________________

If denied, the reasons for denial are:
______________________________________________________________________
______________________________________________________________________
______________________________________________________________________
______________________________________________________________________
______________________________________________________________________
______________________________________________________________________

CITY OF Saco
PROPERTY TAX ABATEMENT

POSTPONEMENT NOTICE – PROPERTY TAX ABATEMENT

In accordance with Section 4 of the City of Saco’s Council Policy Regarding Property Tax Abatements, the applicant accepts the Council’s preference to wait to make its’ final decision until just prior to when the lien forecloses. This policy is based on the Council’s hope that the applicant’s financial condition will have improved by that time so that an abatement is not needed.

Read and agreed to:

Applicant Signature  Date

Spouse’s Signature  Date
ABATEMENT HEARING PROCEDURE

PARTICIPANTS:  City Council and Mayor  
               City Administrator  
               Petitioner – Applicant or his/her designated representative (counsel).

MAYOR:  “This Hearing will come to order. The purpose of the hearing is to establish whether or not to grant a property tax hardship abatement as prescribed in MRSA, Title 36, Section 841(2).

This hearing will be conducted in the following manner:

1.  The hearing will be informal, without technical rules of evidence.

2.  The person(s) requesting the hearing has the option to present their hardship situation for themselves or with the aid of others, including legal counsel.

(Petitioner’s Name), you have submitted an application for a hardship abatement which includes financial information. You have a right to present oral or written testimony or documentary evidence. Do you understand this right?

PETITIONER:  Answer Yes or No.

MAYOR:  “(Petitioner’s Name), be further advised that the City Council decision will be based exclusively on evidence or testimony presented in this hearing and its relationship to the Maine Revised Statutes Annotated and that there will be a decision with reasons given to you in writing.

(Petitioner’s Name), do you understand what I have just stated about the conduct of the hearing?

PETITIONER:  Answers “yes” or “no.” If “no,” officer takes time to explain how the hearing will be conducted.

MAYOR:  “(Petitioner’s Name), do you wish to challenge any member of the City Council as to their impartiality and fairness in hearing your case.”  
          (If petitioner does not understand, the Mayor should explain.)

PETITIONER:  “No” or petitioner challenges (name of City Councilor) on the grounds of _____ (reasons) ____.  (If challenge for cause is made by the petitioner, the Mayor will consider the challenge.  If
challenge is sustained, the member so named will be excused, e.g., where the member has previous involvement with the decision upon which the abatement hearing is requested.

MAYOR: “The petitioner will now be sworn: Please stand and raise your right hand. DO YOU SWEAR OR AFFIRM THAT THE EVIDENCE YOU SHALL GIVE IN THE CASE NOW IN HEARING SHALL BE THE TRUTH, THE WHOLE TRUTH AND NOTHING BUT THE TRUTH, SO HELP YOU GOD?”

PETITIONER: “I do.”

MAYOR: “It is our desire to ascertain the truth of all matters. Is the information you have already submitted correct and up to date? Is there any information you would like to add?

(Petitioner’s Name), would you state the general nature of the hardship.”

(The general nature of the hardship is explained by the petitioner.)

“Are you seeking a partial abatement?”

The outstanding taxes and the amount for which abatement is requested should be admitted into the record by the Mayor.

MAYOR: “Would any member of the City Council like to put forth questions to the petitioner (allow questions and answers for this exchange). Does (Petitioner’s Name) wish to provide any further information?”

PETITIONER: “No” or “yes” plus final statement.

MAYOR: “As there is no further information, the City Council will take under consideration the proceedings we have witnessed. The City Council will review the hardship information presented in light of the State law.

“The decision of the City Council will be communicated in writing to the petitioner.” (Must be 30 days after application, not hearing, according to statute. If there is a problem with time, promise them a written decision as soon as possible.)

“This hearing is declared adjourned.”
B. FURTHER INSTRUCTIONS TO CITY COUNCIL

1. At deliberation, remember that the statute requires reasons for the decision, with the reasons incorporated in the written decision.

2. Also, the applicant must be notified of this right to appeal and the procedure for requesting an appeal.

3. Include in decision: "If you wish to appeal the decision of the municipal officers on your application for a poverty abatement, you must apply in writing to the Saco Board of Assessment Review within sixty (60) days of the notice of this decision"