

Property Tax Relief Programs
Windham Town Council Memo
By Assessor Josh Houde – January 13, 2026

The Maine legislature established a Property Tax Relief Task Force that met six times from September thru December, 2025. Their final report will be released towards the end of 2026, but they have already issued some recommendations and highlighted relief measures that are currently in place. One of the measures currently in place is the **Property Tax Fairness Credit (PTFC)**. This credit provides targeted relief based on income and is a valuable resource for Windham residents.

Details – Prior to following the work of the Task Force, I was only vaguely aware of the PTFC. It turns out that the state spends even more money on this targeted relief program than it does on the Homestead Exemption.

- According to Task Force data for FY 25, the state spent \$85 million on the Homestead Exemption and \$110 million on the Property Tax Fairness Credit.
- Whereas the Homestead exemption has no income cap, the PTFC considers both income and property tax when determining eligibility and benefits.
- Under this program, all Maine residents pay their property taxes up to 4% of their income. If a resident's property tax exceeds 4% of their income, the PTFC may kick in to reimburse them for a portion of it, provided they meet the eligibility requirements.
- The income cap, beyond which one does not qualify, varies by tax filing status. It is:
 - \$61,250 for single
 - \$80,000-\$97,500 for head of household or married (varies by dependents)
 - \$100,000 for seniors age 65+
- This refundable credit can reimburse up to \$1000 for general residents, and up to \$2000 for seniors (age 65 or older).
- PTFC eligibility and benefit bases have expanded annually for several years. Notably, the maximum refund for seniors increased from \$1500 to \$2000 for the 2024 tax year to help offset the repeal of the senior tax stabilization program in 2023.

Impact – The potential relief for residents is substantial. \$2000 off of a \$5000 tax bill, for instance, is 40%! One of the key challenges, however, is that many residents don't associate this credit to their property taxes since they receive it as a reimbursement when they file their income taxes. The Task Force is considering ways to make that connection more direct.

Sample Calculations – In order to better understand the impact of the PTFC on Windham residents, I have prepared three sample calculations for houses assessed at \$433k (the Windham median), \$315k, and \$200k. Please note that:

- The property tax is calculated using the 2025 mill rate of \$12.06 per \$1000 of value.
- Percentages listed represent the portion of the tax bill covered by the PTFC.
- Any property valued higher than \$433k would follow the benefits in Scenario #1.
- These figures were calculated using Maine Tax Schedule PTFC; however, residents should consult their own tax professional for confirmation of their eligibility and benefits.

SAMPLE CALCULATIONS

Scenario #1

Assessment: \$433,000 (Windham Median)

Property Tax: \$5,200 (rounded)

HOUSEHOLD	\$30k Income	\$50k Income	\$70k Income	\$90k Income
Seniors (all)	\$2000 (38%)	\$2000 (38%)	\$1200 (23%)	\$400 (8%)
Married w/ Kids	\$1000 (19%)	\$1000 (19%)	\$1000 (19%)	\$300 (6%)
Married no Kids	\$1000 (19%)	\$1000 (19%)	\$400 (8%)	X
Single	\$1000 (19%)	\$450 (9%)	X	X

Scenario #2

Assessment: \$315,000

Property Tax: \$3,800

HOUSEHOLD	\$30k Income	\$50k Income	\$70k Income	\$90k Income
Seniors (all)	\$2000 (53%)	\$1800 (47%)	\$1000 (26%)	\$200 (5%)
Married w/ Kids	\$1000 (26%)	\$1000 (26%)	\$1000 (26%)	\$200 (5%)
Married no Kids	\$1000 (26%)	\$1000 (26%)	\$400 (11%)	X
Single	\$1000 (26%)	\$450 (12%)	X	X

Scenario #3

Assessment: \$200,000

Property Tax: \$2,400

HOUSEHOLD	\$30k Income	\$50k Income	\$70k Income	\$90k Income
Seniors (all)	\$1200 (50%)	\$400 (17%)	X	X
Married w/ Kids	\$1000 (42%)	\$400 (17%)	X	X
Married no Kids	\$1000 (42%)	\$400 (17%)	X	X
Single	\$1000 (42%)	\$400 (17%)	X	X

Local Tax Relief

In addition to state relief offered through the Homestead Exemption and the Property Tax Fairness Credit, Windham also offers **local tax relief** for seniors as provided for in Title 36 (para 6232).

- This program also operates with an income cap and residency requirement and provides up to \$700 *on top of* state relief.
- Windham provided \$205k of total relief to 305 residents in 2025 (almost all those who received relief received the maximum benefit of \$700).
- Per Task Force data, only 27 of Maine's 482 municipalities offer a local relief program like this, with a total of 2,877 participants and \$1.9M of relief. Windham's program therefore composes approximately 11% of the relief offered *statewide* through these programs.

SUPPLEMENTAL GRAPH Assessed Value Brackets

