



# MAINE REVENUE SERVICES PROPERTY TAX DIVISION PROPERTY TAX BULLETIN NO. 1

---

## MAINE STATE VALUATION

---

REFERENCE: 36 M.R.S. §§ 208, 272, 302, 305(1), 381, 683, 692 and 841. 30-A M.R.S. § 5702.  
June 16, 2015; replaces May 22, 1995 revision

### 1. Overview

The State Tax Assessor must equalize and adjust the assessment list of each town by adding or deducting from it such amounts as will make it equal to its just value as of April 1. State valuation represents a determination of the 100% valuation of all taxable property, plus the percentage of exempt value of Homestead Exemptions and Business Equipment Tax Exemption property as specified in statute, less the percentage of captured assessed value in qualified Tax Increment Financing Districts. It is developed and certified annually for each of the 489 organized municipalities in the state (488 as of July 1, 2015), the 12 counties of the unorganized territory which have taxable property, and the Passamaquoddy Tribe and Penobscot Nation Indian Territories. The state valuation is required to be certified with the Secretary of State on or before February 1, annually.

### 2. Purpose

The state valuation is used in the levy of county taxes, in the determination of grants of state funds for education and revenue sharing, and in establishing municipal and school bond debt limits.

### 3. The Basis

The state valuation is compiled by determining, through field work and meetings with assessors, the approximate ratios of full value on which local assessments are made; and by then adjusting local assessed value by the appropriate ratios so that the valuation of those municipalities are equalized at 100%.

The data relied on by the State Tax Assessor is obtained by the field officers from several sources including but not limited to, municipal returns, meetings with assessors, real estate transfer tax filings and field staff appraisal of properties where adequate sales information is lacking. The sales and appraisal data are reviewed with the municipal assessors and compared with local assessed valuations to determine the ratio of full value.

### 4. Appeal Procedure

Annually, a copy of the preliminary state valuation report is mailed by first class mail to the assessor(s) of each municipality. This report provides the assessors with the details of the data and the computations used in the determination of state valuation. The local assessors review these reports to ensure accuracy of the information and to identify any issues for the State Tax Assessor

before the final state valuation notices are issued.

Notice of the “proposed” state valuation is sent by certified mail to each municipality’s chair of the board of assessors and the chair of the board of selectmen, in municipalities having selectmen, on or before October 1. This notice provides the municipal officers an opportunity to appeal the state valuation to the State Board of Property Tax Review (the “Board”) in the event that the municipal officers disagree with any of the state valuation findings.

### The Board

The Board is separate and independent from Maine Revenue Services and consists of 15 members appointed by the Governor. Appeals are heard and decided by a subset of five of the Board members.

The appeal must be filed with the Board within 45 days of notification of the proposed state valuation. It must be in writing, signed by a majority of the municipal officers and be accompanied by an affidavit stating the grounds for appeal. A copy of the appeal and affidavit must also be served on Maine Revenue Services.

The Board shall have the power to administer oaths, take testimony, hold hearings, summon such witnesses and subpoena such records, files and documents as it deems necessary for the proper hearing and disposal of the appeal. The Board shall have the power to promulgate rules and regulations governing procedures before it. The Board’s current rules and procedures may be found at [www.maine.gov/dafs/boardproptax/](http://www.maine.gov/dafs/boardproptax/).

The Board must hear the appeal within a reasonable time of filing of the appeal and must render its decision no later than January 15 following the date on which the appeal is taken. The Board must order notice of hearing and give at least five days' notice prior to hearing to the municipality and to Maine Revenue Services. The Board may raise or lower or sustain the state valuation as determined by Maine Revenue Services. The valuation thus determined shall be certified to the State Tax Assessor, who shall, if necessary, incorporate the decision into the valuation certified pursuant to 36 M.R.S. § 305(1)

Decisions of the Board may be appealed pursuant to the Maine Administrative Procedures Act, Title 5, chapter 375. If an appeal to the Superior Court or Supreme Judicial Court results in a lowering of the municipality's state valuation, the Treasurer of State shall reimburse with funds appropriated from the General Fund an amount equal to the money lost by the municipality due to the use by the state of an incorrect state valuation in any statutory formula used to distribute state funds to municipalities.

NOTE: This bulletin is intended solely as advice to assist persons in determining, exercising or complying with their legal rights, duties or privileges. If further information is needed, contact the Property Tax Division of Maine Revenue Services.

MAINE REVENUE SERVICES  
PROPERTY TAX DIVISION  
PO BOX 9106  
AUGUSTA, MAINE 04332-9106  
TEL: (207) 624-5600

The Department of Administrative and Financial Services does not discriminate on the basis of disability in admission to, access to, or operation of its programs, services or activities. This material can be made available in alternate formats by contacting the Department's ADA Coordinator at (207) 624-8288(voice) or V/TTY: 7-1-1.

(Published under Appropriation No. 1037.1)