

Real Estate Property Tax Relief Task Force

Resolve 2025, chapter 108
Thursday November 13, 2025 at 10 a.m.
Room 127 (TAX Committee Room)
State House, Augusta, ME

Agenda: Meeting #4

10:00 a.m.

Welcome

Chairs, Senator Nicole Grohoski & Representative Ann Matlack

10:05 a.m.

Current Use Programs

*Miriam Taleb, Program Specialist/Public Service Coordinator (Bureau of Agriculture) & Morten Moessnilde, Forest Policy & Management Division Director (Bureau of Forestry)
Kerry Leichtman, Assessor for the Towns of Camden and Rockport*

11:20 a.m.

Business Equipment Tax Programs

*Stephen Sullivan, Property Tax Division, Maine Revenue Services
Joe St. Peter, Deputy Assessor for the City of Auburn, ME IAAO Vice President*

LUNCH (~12:30 p.m.)

1:30 p.m.

Progress and Poverty Institute introduction

1:40 p.m.

Nontaxable Property in Maine

*Mary Alice Scott, Maine Association of Nonprofits
Peter Lacy, Property Tax Division, Maine Revenue Services*

Break (~2:55 p.m.)

3:10 p.m.

Task Force Member Discussion

- Review and discussion of preliminary findings and recommendations submitted by members
- Additional information that members would find helpful
- Future meeting dates

ADJOURN (~4:30 p.m.)



MAINE DEPARTMENT OF
**AGRICULTURE
CONSERVATION
& FORESTRY**

A Brief Overview of Maine's Tree Growth & Farmland Property Tax Programs

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Key points - Current Use Property Tax Programs

- Current use property tax programs exist in most states
- Programs were established to support rural economies, communities, and landscapes
 - Forest products, agriculture, fishing/aquaculture, recreation & tourism
- Maintain rural land use patterns
- Reduce pressure to divide & develop “working lands”

DACF

❖ Bureau of Agriculture – Craig Lapine, Director

- ❖ Mariam Taleb, Program Specialist/Public Service Coordinator

❖ Bureau of Forestry – Patty Cormier, Director

- ❖ Morten Moesswilde, Forest Policy & Management Division Director
- ❖ 12 District Foresters & Landowner Outreach Forester

Current use programs

- Are statewide property tax programs based on state law
- Are administered by the local tax assessor
- Have eligibility requirements for land and how it's used
- Usually reduce the valuation (and taxes) of enrolled land
- Require long-term commitments to maintain the land use
- Have significant withdrawal penalties for changing the land use OR failing to meet requirements
 - *May not be a fit for all landowners*

Property Taxation

Ordinary taxation

- Property's assessed value is based on "fair market value" or "highest and best use" of the property

"Current use" taxation

- Property's assessed value (primarily land) is based on the "current use" of the property
- Eligibility criteria for current uses based on each program

Current use programs in Maine

- ❖ Tree Growth
- ❖ Farmland
- ❖ Open Space
- ❖ Working Waterfront

Farmland and Open Space statute (1975)

- “...to encourage the **preservation of farmland**”
- “maintain a readily available **source of food and farm products**”
- “**prevent the forced conversion of farmland** to more intensive uses”

Source: Title 36, Chapter 105, Subchapter 10, Farm and Open Space Tax Law

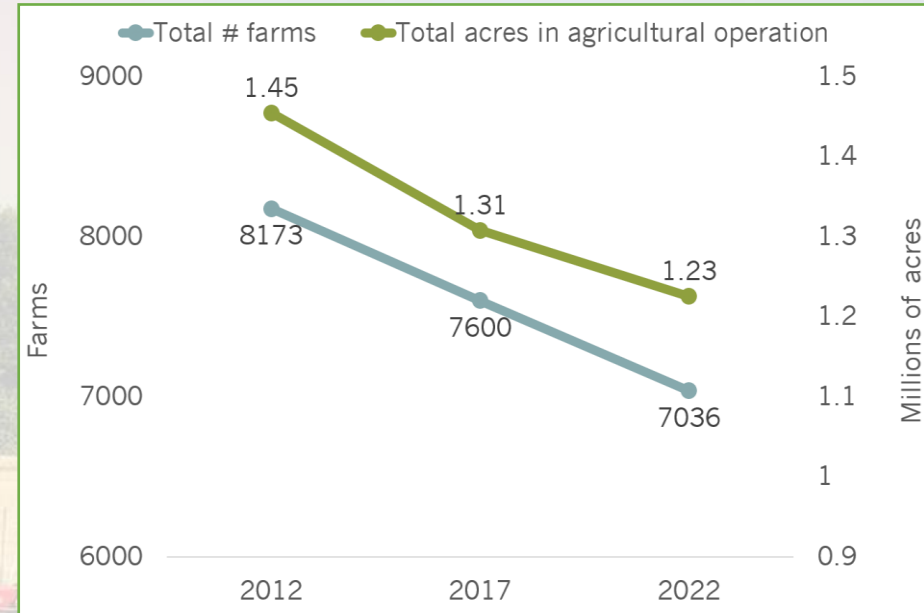
Current use tax programs are crucial tools in helping farms continue to operate sustainably and protect Maine’s open farmland.



Farms under threat

- 7036 farms in Maine and 1.23M acres (2022 Ag Census)
- Farms face rising production costs, less predictable weather and risk, development pressures and the same pressures other homeowners face
- Current use tax programs are crucial tools in keeping farm businesses viable

Loss of ~230,000 acres of farmland and >1,100 farms.



(MFT: Highlights from the 2022 Census of Agriculture)

Municipal benefits of farmland

1. **Farms drive rural economies:** Farm businesses in Maine spend >\$675M/ yr, most of which occurs locally, supporting the network of businesses secondary to farming.
2. **Sprawl is expensive, and protecting farmland can prevent sprawl:** roads, sewers, water, schools, and buses are all more expensive for municipalities to establish and maintain when spread out.
3. **Farms contribute more in property taxes than they cost in municipal budgets: ,**
Even when assessed at agricultural value, farmland costs towns \$0.37 in services per \$1 of tax revenue collected.
Residential developments cost \$1.16 per dollar collected.

Source: Cultivating Maine's Agricultural Future: A Policy and Planning Guide for Towns (2nd Edition)

Farmland Enrollment

- Eligibility:
 - Minimum of 5 contiguous acres in production
 - \$2000 annual gross income from agricultural products (in 1 of 2, or 3 of 5 last years)
- Enrollment:
 - Valuations set by the municipality based on state recommendations and recent sales
 - Must recertify every 2 years (landowner's responsibility)
- Land remains enrolled: land retains the classification, even if sold, until it is withdrawn or transferred to another eligible current use program
 - Withdrawal results in a Penalty:
= What taxes would have been over the last 5 years, – Taxes paid, + Interest



Forestland in Maine

- Forests occupy 88% of land statewide
 - 71% in southern megaregion, i.e. York to Waldo counties
- Family forestland is ~5.1 million acres, approximately 95,000 ownerships from 10-1000 acres.
- MFS estimates approximately 5,000-10,000 acres of forest conversion per year.
- Tree growth in organized towns is 3.6 million acres statewide
 - 404,000 acres in southern megaregion, or 18% of all forestland in southern counties
- Of statewide timber harvest, roughly 30% is in organized towns.
- Forestland benefits: water, wildlife, recreation/tourism, climate/carbon

Tree Growth Statute (1971):

“To tax all forest lands according to their productivity, encourage forest landowners to retain and improve their holdings of forest lands, and to promote better forest management.”

- Land is eligible where the owner's primary use of the parcel is to grow and harvest trees for commercial use
- Minimum 10 forested acres
- TG commitment is semi-permanent: Once enrolled, the TG classification does not expire even if ownership changes
 - ...unless land is actively withdrawn (with a penalty), or
 - transferred to another eligible program (e.g. farmland)
- TG valuations set by MRS/MFS annually, by county/type

Tree Growth –Basic Requirements:

- Landowner must have a written “forest management and harvest plan” that outlines activities to “regenerate, improve, and harvest a standing crop of timber”
 - The plan must be prepared/endorsed by a Maine Licensed Forester
- Landowner (and their forester) must recertify every 10 years that they: 1) have followed their existing plan and 2) have a current/updated plan
- Withdrawal (voluntary or involuntary) results in a significant financial penalty:
 - Landowner-initiated withdrawal of some or all acres
 - Town-initiated withdrawal of a parcel, based on failure to meet requirements
 - Penalty is applied to acres withdrawn
- Transfer to Farmland or Open Space , if eligible – no penalty

Key considerations

Current use taxation is intended to support certain land uses – not for avoiding taxes

Landowners who are not in it for the intended purpose(s) may be surprised by substantial penalties and/or unexpected constraints

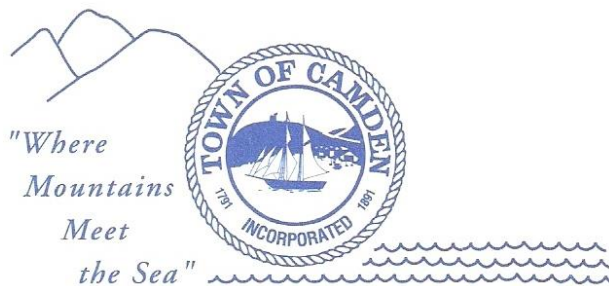
Landowners should plan ahead, ask questions, work with their forester, and communicate with the town's assessor



Thank You

Office of:

Town Manager
Tax Assessor
Tax Collector
Town Clerk
Treasurer
Code Officer
Finance Director
Harbor Clerk



Town Office

P.O. Box 1207
29 Elm Street
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Testimony on Current Use Programs
For
The Real Estate Property Tax Relief Task Force
November 13, 2025

Good morning. Chairpersons, Senator Grohoski, Representative Matlack, and esteemed members of the Real Estate Property Tax Relief Task Force. My name is Kerry Leichtman. I am assessor for the towns of Camden and Rockport. It is sincerely an honor to appear before you today. I am here to relay my experiences with Current Use programs. Spoiler Alert: I think they are necessary and worthwhile, but are badly abused and in need of careful rewriting.

Current use as a taxation concept makes good sense. By way of current use programs, the state and municipality encourage desirable land uses that might not be financially viable if the land was valued and taxed at its Fair Market Value. Current Use programs reduce land values in accordance with a particular approved current use as specified in the state Constitution¹. Maine has four current use programs: Farmland, Open Space, Tree Growth, Working Waterfront.

Farmland is intended to ensure a readily available local source of food and other farm products, and to protect farmlands from succumbing to development pressures²; Tree Growth aims to provide the state's forest products industry with raw materials³; Open Space will protect land that might otherwise be developed from development⁴; and Working Waterfront wants to prevent fishing and seafood related uses, and their workers, from being taxed off the waterfront⁵.

All laudable goals, but these good intentions are often overwhelmed by loopholes broad enough to drive a logging truck through.

I had a friend at Maine Revenue Service's Property Tax Division who I'd call when faced with a particularly egregious current use application.

My friend, Ozzie, would do his best to talk me off the ledge. An oft-repeated bit of wisdom he resorted to was that 95% of the people participating in current use were doing it according to the spirit as well as the letter of the law; that because I assess high-value towns, I was seeing more of the 5%.

¹ Maine State Constitution, Article 9 section 8.2, "Assessment of certain lands based on current use; penalty on change to higher use."

² 36 MRS §1101

³ 36 MRS §572

⁴ 36 MRS §1101

⁵ 36 MRS §1131

While there are obvious problems with that logic – the abuses I see cut across all economic strata – I tried to take comfort in it and had almost completely bought in when I went to a forestry event where I saw a friend with the Forest Service. While we chatted, I mentioned how Ozzie’s perspective was helping me cope. He laughed and said he thought the percentage split was closer to 45/55 than 95/5.

Why I care so much about this is simple, every tax break given to one property owner increases the burden on everyone else. Assessing is all about the fair and equitable treatment of taxpayers. People who are gaming the system are doing so at the expense of others and it bothers me. I think it bothers most assessors. But it is our job to administer tax law as it is written. And a lot of it is not very well written.

Farmland

A few examples: I had a farmland application from a resident whose property was 112 acres. Eight acres were fields and the rest was forested. He had a deal with a bee keeper to house some of the keeper’s hives when the bees weren’t working blueberry fields. He was going to be paid \$2,400/year to lease enough land for the hives.

I no longer remember the number of hives or the amount of land to be leased, but at most it couldn’t have needed more than a couple hundred square feet. According to statute the property owner can lease the land to another person and still qualify to be in the farmland current use program. Also, bees are a recognized farming activity. The farmland program’s minimum gross income to be earned every other year, or every three out of five years, is just \$2,000.

The applicant sought to enroll his 104 acres of trees in the program as farm woodland. This is allowed. The rate for that acreage is the same as if it were in the Tree Growth program except that the “farmer” would not need a Forest Management Plan or have to harvest a single twig.

Statute had no issue with this plan. It checked all of the boxes. But I had a major problem with it.

What I wound up doing was convincing the property owner to apply for Tree Growth instead of Farmland. If he didn’t go for it I’d have had to approve the application knowing full well that it was the only manure this “farm” would produce. But Tree Growth made sense. He’d have to hire a forester to write a plan and he’d have to follow the plan. This way the state’s goals of getting something in exchange for the discount would be met.

A few years later, the property was listed for sale. The photos that accompanied the listing showed he had improved the residence quite a lot. What had been a beaten down Cape was now in much better condition. I made the appropriate changes to the property record and wrote him a letter telling him of his new assessment. He sent the letter back with a note handwritten in the margins that said, “The photos are at least 10 years old. Put the value back to where it was.” So, in effect, he was telling me his real estate listing was as bogus as his farmland application had been.

I called the listing broker who told me he, the broker, had taken the pictures a few weeks prior. I left the values where they were.

Then there was the out-of-state landowner who flew to Maine from Alabama on his private jet just to talk to me about putting his property in farmland. Most of the farmers I know drive pickup trucks, not Learjets. Under farmland his valuation was reduced by just under \$1 million.

I'd be remiss if I didn't mention the sub-division developer who put his unsold lots into Farmland and let the blueberries come back. At some point they will undoubtedly become house lots again.

Open Space

There are many configurations of Open Space beginning with Ordinary Open Space for which the landowner receives a 20% discount off FMV. Many oceanfront parcels go for this one. They get a discount on highly valued land in exchange for not developing land they would probably not develop anyway, land that if developed would become a high-value property that would contribute to the town's tax base.

In addition to Ordinary Open Space (20% discount), there is permanently protected (30%), forever wild (20%), public access (25%), Managed Forest (10%). A parcel can be enrolled in numerous compatible categories. Ordinary + permanently protected + forever wild + public access = a 95% discount.

The Open Space category that makes the best sense is Permanently Protected Open Space. At this level a conservation organization receives a deeded right to preserve and manage the land assuring it will always be open space. While this will preserve land it does not allow public access, which some argue should be an essential component of every OS parcel.

On the flipside, an Open Space category that makes no sense is the newest category: Managed Forest. The landowner does need a Forest Management Plan but no trees need be harvested. Statute doesn't say what the goals are or what the forest is being managed for. I have a few suggestions that I'll get to at the end of this presentation. While the associated discount of 10% for Managed Forest may seem meager, once paired with ordinary open space it becomes 30%. Then add on permanently protected and it's 60%. If the landowner allows public access it's up to 85%.

It is almost impossible to deny an Open Space application. The requirements are too board and subjective. Any parcel put into Open Space must provide a public benefit. Statute lists 16 factors that, at a minimum, assessors must consider⁶. Because many of the factors are subjective, rather than providing guidance they are fuel for arguments and challenges.

For example, public benefit factor F reads, "The likelihood that the preservation of the land as undeveloped open space will provide economic benefit to the municipality by limiting municipal

⁶ 36 MRS §109(3)

expenditures required to service development.” Whether a community profits from development or expends funds to support it has long been a subject of debate. In other words, there is no right answer to the question, so how do you reject an application that cites factor F as one of the reasons the parcel should be admitted into Open Space?

Eliminating the Ordinary OS category will eliminate much of the abuse that I see. The 20% Ordinary OS discount does not preserve land from development because all the land owner has to do is remove a parcel or portion of a parcel from the program, pay a fairly small penalty and then sell or develop the parcel.

In my recommended version of Open Space, the lowest category is Permanently Protected which requires that certain land rights be deeded to a conservation organization. A deeded easement is the most effective way to keep land from development, and without the Ordinary OS category, Open Space will no longer be an attractive get-out-of-jail card for landowners who have not lived up to their end of the bargain with their TG or FL requirements. I’ll revisit this when I get to recommendations.

Tree Growth

The timber industry is an important sector of Maine’s economy. The state wanted to ensure the loggers, truck drivers and mills had plenty of raw materials to work with. The TG program accomplishes this by drastically lowering acreage values for Tree Growth participants. It makes good sense. Trees, valued for lumber, grow slowly; so sloth-like slowly that if the land they grew on was taxed at FMV, any potential harvest income would be eliminated by the 10-30 years of property taxes paid on the land while the trees mature to a marketable size.

Assessors are charged with enforcing compliance, but with both hands tied behind our backs. We are not permitted to keep Tree Growth Forest Management Plans on file. We cannot outright reject a plan.

It’s worth noting that the Maine Forest Service has, in the past, been a valuable partner for assessors, assisting us in investigating abuses and dealing with non-cooperative foresters. There’s been a change in leadership at MFS. I’m hopeful they will continue to be helpful.

When a plan is nearing its expiration we are required to send letters to the property owners alerting them of the need to recertify, and we have to send the letters out at prescribed times – no earlier than 185 out and no later than 120 days out. If we send the notices too early or too late the landowner’s countdown clock gets reset. And if they do fail to comply, property owners are allowed to transfer into Open Space, or Farmland, or Working Waterfront without penalty. Think about that for a moment. After receiving years of dramatic tax breaks the penalty for not holding up their end of the bargain is easily and legally side stepped.

How dramatic a tax break? In Camden, the FMV base value of backland is \$5,000. That same acreage, if enrolled in Tree Growth, is valued at \$278 for hardwood, \$332 for softwood and \$393 for mixed wood. On average, that’s a 94% discount.

Tree Growth requires a 10-acre minimum lot size. So using softwood, the middle value category, as an example, 10 acres at \$332/acre equals \$3,320 taxable value per year. At FMV that same land would be \$50,000 taxable value annually. Using a mil rate of \$17, the tax bill under Tree Growth is \$56.44; at FMV the tax would have been \$850. After 10 years, the taxes are \$564.40 in TG. They would have been \$8,500 at FMV. In 10 years the property owner has saved \$7,936.

Let's assume they haven't followed the plan.

After 10 years in the Tree Growth program the penalty is 30% of the difference between FMV and TG value. That is $(\$50,000 - \$3,320) \times .30 = \$14,004$. But the municipality won't see a dime of it because the parcel was reclassified and transferred into Open Space penalty free, after having saved almost \$8,000 while in Tree Growth.

This is the most common TG abuse that I see – the landowner who has been in TG for 10 or 20 or 30 years without harvesting anything, and when pressured, they simply reclassify and slide into Open Space penalty free. The landowner got thousands of dollars in tax breaks, the wood products industry got nothing, the town got nothing and the town's other taxpayers got the bill. That's a win-lose-lose-lose proposition.

If the landowner was truly facing a \$14,004 penalty chances are very good they would have harvested trees. This is not about striving to collect penalties; it is about using the threat of penalties to get the landowner to fulfill their end of the bargain.

Working Waterfront

On the books since 2007, Working Waterfront is the newest current use program. It came about because sharply escalating waterfront land values were pricing working people out of their oceanfront homes and fishing and seafood businesses out of their oceanfront locations.

You would think an assessor of two coastal towns would have a lot of experience with this program. But by the time it was enacted the transition had long since passed. Some had happily sold out, others were forced out by high taxes.

I don't think my experience is uncommon. While assessors discuss current use all the time, I can't recall ever hearing any talk about Working Waterfront.

Recommendations

As I said at the opening, current use makes sense. The goals, as promulgated by the Legislature, are worthy but the programs themselves are too loosely defined and do not adequately anticipate or address potential abuses. Good intent but ambiguous overly lenient language invites abuse.

The thinking behind the points made in my presentation and that I am about to make in these recommendations, is that one of the simpler ways to achieve property tax relief is to stop spending money on bad programs and policies.

The first three recommendations apply to all current use programs.

1. The parcel must be owned by a Maine resident to be eligible. Enrolling a parcel in current use ought to be a privilege of residency.
2. No reclassifying to defeat a penalty and no readmittance into a CU program until the penalty has been paid.
3. Land Trusts cannot exert B&C status to escape penalty.

Farmland

1. Increase the gross income requirement. It is now \$2,000 gross income for one out of two years, or three out of five years. \$2,000 is not farming, it's hobby income. Annual income should be increased to \$15,000-\$20,000 so that the benefit is helping real farmers.
 - a. Recommended acreage values by farming category (i.e. pastureland, crops, blueberries) are no longer posted by Maine Revenue. The older numbers – maybe 20-40 years old – are still being used. These values need to be updated regularly⁷.
 - b. Perhaps a system where a farm parcel is discounted by a percentage based on amount of farm income rather than type of farming so that if the farm produces 85 - 100% of the farmer's income the discount is steeper than a farm that produces 5% of the farmer's income.
2. The idea of income for one out of two years, or three out of five years, is a nod to how blueberries grow: one year on, one year off. The every other year scheme should be restricted to blueberries. It currently applies to any farm income.
3. There should be an allowance in the program for a farmer's temporary infirmity.
4. Statute does not establish an annual income for parcels already in the program. It requires \$2,000 gross income for one out of two years, or three out of five years before entering the program but is silent on the requirements once the parcel is in the program. Assessors have always used the \$2,000 income for one out of two years, or three out of five years as an annual requirement but statute doesn't back this up.
5. 1040F should be the standard proof of income.
6. Personal consumption should not be included as income. Impossible to quantify or verify.
7. Remove the FL TG category. As it is now, a parcel enrolled in the farmland program can receive the TG rates for the forested acreage on their property. They don't need a forest

⁷ 36 MRS §1119, The Department of Agriculture, Conservation and Forestry, "working with the Bureau of Revenue Services, representatives of municipal assessors and farmers shall prepare guidelines to assist local assessors in the valuation of farmland."

management plan and do not have to harvest a single stick but they get the same acreage rate as people enrolled in TG. If a farmer wants TG rates for forested portions of their land, they can enroll in TG if they meet the program's enrollment parameters. Only the land engaged in farming activities should be eligible for FL rates.

Tree Growth

1. With the possible exception of large commercial tracts of forest land (500 acres?) TG plans do not need to be confidential and should be kept on file with the assessor. In my opinion, the only reason they are not presently with the assessor is to hamper enforcement efforts.
2. Authorize assessors to reject plans that do not adequately convey necessary information.
3. Increase minimum parcel size to 25 acres. The current minimum parcel size is 10 acres. Owners of small parcels have told me they cannot get a crew to work on their parcels.
4. Harvested trees must go to Maine sawmills.
5. Assessors should not be required to send out multiple renewal notices. As it is now, assessors must send out 3 notices, at prescribed time ranges, with each notice carrying a \$500 fine. This should be changed to, at most, one notice six months out with one \$500 penalty issued on the day after the program's expiration date. If the plan is not renewed within 60 days, the parcel is removed from the program and a penalty issued.
6. Shoreland zone acreage should be excluded from TG.

Open Space

1. The Open Space categories need to be changed. I outlined what these changes might be in a memo I wrote for the Governor's Task Force on the Creation of a Forest Carbon Program. In my recommendations to the Task Force, I pared the five categories down to three:
 - a. Eliminate the Ordinary Open Space, Forever Wild and Managed Forest categories. Ordinary Open Space is the most abused category. It requires nothing of the parcel owner but gives plenty at the public's expense.
 - b. Forever Wild is, for the most part, redundant to Permanently Protected Open Space.
 - c. Managed Forest is a program with no goals or purpose established in statute.
2. Open Space should have three categories: Permanently Protected, Carbon Managed Forest, Public Access, with each category receiving 30% discount from FMV. If combined, the three categories allow for a 90% reduction in land value.
3. Municipalities need veto power on OS applications.
 - a. In Legislation introduced in the first session, a reworking of the OS statute looked to remove the 15,000 acre limit on how much land an entity can put into OS. Some, from smaller jurisdictions, testified that without the limit a single land owner could wipe out much of their tax base.

Conclusion

Assessors see the world through a mindset that is focused on the fair and equitable treatment of taxpayers. I often explain current use to an interested property owner as being a pact between them and the state: we'll give you a tax break in exchange for preserving land, or

raw materials for the wood products industry, or locally produced food. Sounds like a fair deal.

Current Use needs to be a fair exchange in order for it to be equitable to all, especially the property owners whose taxes are higher because others are getting a break.

That fair exchange means the property owner be held to their end of the bargain or face the consequences of a meaningful penalty. Accepting anything less is unfair to the other taxpayers in town.

Thank you for your time and attention.

BETR & BETE



Real Estate Property Tax Task Force

Business Equipment Tax Reimbursement (BETR)

- Purpose: Encourage business capital investment
- Established 1995
- 36 M.R.S § 6651 - 6665
- Eligible property: Equipment placed in service between April 1, 1995 and April 1, 2007



Business Equipment Tax Reimbursement (BETR)

Reimbursement Rates

12 years or less	100%
13 years	75%
14 years	70%
15 years	65%
16 years	60%
17 years	55%
18 years or more	50%



Business Equipment Tax Reimbursement (BETR)

Eligible Equipment, implementation

Included most qualified business property

Eligible Equipment, post April 1, 2007

Limited to property located at a retail facility

Equipment placed in service April 1, 1995 to April 1, 2007

Exemptions to eligibility exist



Business Equipment Tax Exemption (BETR)

- Entities not eligible for BETR
 1. A public utility
 2. Provider of radio paging services
 3. Provider of mobile telecommunications services
 4. Cable television company
 5. Provider of satellite-based direct television broadcast services
 6. Provider of multichannel, multipoint television distribution services
 7. Pollution control facility



Business Equipment Tax Reimbursement (BETR)

Excluded Equipment

- Office furniture
- Lamps and lighting fixtures
- Property used to support a telecommunications antenna
- Gambling machines or devices
- Natural gas pipelines and associated equipment
- Property used to produce or transmit energy for sale
- Property that excise tax has been assessed on
- Facility that stores spent nuclear fuel



Business Equipment Tax Reimbursement (BETR)

Property exempt from taxation

- Public property exempt pursuant to 36 M.R.S. § 651
- Property of institutions and organizations exempt pursuant to 36 M.R.S. § 652
- Property leased to public schools
- Property exempt pursuant to 36 M.R.S. § 655
- Property exempt pursuant to 36 M.R.S. § 656
- Property exempt pursuant to BETE program



Business Equipment Tax Reimbursement (BETR)

Reimbursement Amounts

Year	Refunds	Reimbursement
2021	951	\$19,319,269
2022	859	\$19,283,934
2023	823	\$18,397,641
2024	748	\$17,661,478



Business Equipment Tax Exemption (BETE)

- BETE enacted in 2006 with an effective date of April 1, 2008
- 36 M.R.S. § 691- 700-B
- BETE is a 100% exemption from personal property tax for qualifying business
- BETE did not replace BETR. BETR continues for retail businesses, and businesses with equipment placed in service prior to April 1, 2007



Business Equipment Tax Exemption (BETE)

- Qualified Businesses are 100% exempt from taxation on eligible equipment
- An annual application to the local assessor is required
- Local assessor is responsible for qualifying equipment eligibility and applying depreciation
- Certified Ratio must be applied to depreciated cost
- Municipality is reimbursed by the State for eligible equipment for at least 50% of lost tax revenue



Business Equipment Tax Exemption (BETE)

Enhanced BETE reimbursement

A municipality may be eligible for enhanced BETE reimbursement based on the personal property factor.

Personal property factor (ppf) = $\frac{\text{value of all taxable personal property} + \text{value of all exempt business equipment}}{\text{value of all taxable property}}$

If $\text{ppf} > 5\%$ enhanced reimbursement = $50\% \text{ reimbursement} + \text{ppf}/2$



Business Equipment Tax Exemption (BETE)

Year	Value	Reimbursement
2021	\$5,338,459,914	\$57,914,238
2022	\$5,814,555,148	\$62,848,203
2023	\$6,375,030,181	\$65,230,596
2024	\$7,056,844,259	\$68,893,532



BETR vs BETE

	BETR	BETE
Administration	Some Municipal, most MRS	Mostly municipal, MRS audit
Timing	Taxpayer refund year after tax paid	Taxpayer immediately exempt
Reimbursement	Direct to taxpayer by MRS	Reimbursement to municipality by MRS



Business Equipment Tax Exemption (BETE)

- Resources
- Property Tax Bulletin No. 27: Business Equipment Tax Reimbursement

[https://www.maine.gov/revenue/sites/maine.gov.revenue/files/inlin
e-files/Bulletin_no.27_final.pdf](https://www.maine.gov/revenue/sites/maine.gov.revenue/files/inlin
e-files/Bulletin_no.27_final.pdf)

- Property Tax Bulletin No. 28: Business Equipment Tax Exemption

[https://www.maine.gov/revenue/sites/maine.gov.revenue/files/inlin
e-files/bull28.pdf](https://www.maine.gov/revenue/sites/maine.gov.revenue/files/inlin
e-files/bull28.pdf)





MAINE REVENUE SERVICES PROPERTY TAX DIVISION BULLETIN NO. 27

BUSINESS EQUIPMENT TAX REIMBURSEMENT

REFERENCE: 36 M.R.S. §§ 6651 – 6665
September 5, 2025 revision; replaces April 9, 2020 original.

1. General

The Business Equipment Tax Reimbursement (“BETR”) program reimburses taxpayers for property taxes paid on certain business property.

This bulletin is intended solely as advice to assist persons in determining and complying with their legal rights, duties, and privileges under Maine law. It is written in a relatively informal style and is intended to address questions and issues commonly faced by municipal assessors and taxpayers regarding the BETR program. For more information about the BETR program, contact your local municipal assessor or Maine Revenue Services (“MRS”).

2. Definitions

- A. Assessor. “Assessor” means a sworn municipal assessing authority, whether an individual assessor, a board of assessors, or a chief assessor of a primary assessing area. With respect to the unorganized territory, “assessor” means the State Tax Assessor.
- B. Code. “Code,” as defined in 36 M.R.S. § 111(1), means the United States Internal Revenue Code of 1986 and amendments to that Code as of December 31, 2023.
- C. Municipality. “Municipality” means any city, town, plantation, or that portion of a county in the unorganized territory.
- D. Person. “Person,” as defined in 36 M.R.S. § 111(3), means an individual, firm, partnership, association, society, club, corporation, financial institution, estate, trust, business trust, receiver, assignee or any other group or combination acting as a unit, the State or Federal Government or any political subdivision or agency of either government.
- E. Primarily. “Primarily,” as defined under 36 M.R.S. 6651(2-A), means more than 50% of the time.
- F. Retail sales activity. “Retail sales activity,” as defined under 36 M.R.S. § 6651(4), means an

activity associated with the selection and purchase of goods or the rental of tangible personal property.

- G. Retail sales facility. “Retail sales facility,” as defined under 36 M.R.S. § 6651(5), means a structure used to serve customers who are physically present at the facility for the purpose of selecting and purchasing goods at retail or for renting tangible personal property. "Retail sales facility" does not include a separate structure that is used as a warehouse or call center facility.
- H. Structure. “Structure” means a building or other free standing architectural construction.

3. Eligible Property

The BETR program allows eligible persons to receive reimbursement for a portion of the property taxes paid on eligible property during the preceding calendar year. “Eligible property,” as defined under 36 M.R.S. § 6651(1), means tangible personal property that: (1) is used or held for use exclusively for a business purpose; (2) is subject to an allowance for depreciation under the Code; and (3) meets certain placed in service requirements.

- A. Used for a business purpose. Eligible property must be used or held for use exclusively for a business purpose by the person in possession; or, for construction in progress or inventory parts, intended to be used exclusively for a business purpose by the person who will possess that property.
- B. Depreciable under the Code. Eligible property must be subject to an allowance for depreciation under the Code, or would be subject to an allowance for depreciation under the Code if not already fully depreciated. In the case of construction in progress and inventory parts, eligible property must be subject to an allowance for depreciation under the Code when placed in service (or would be if not already fully depreciated).
- C. Placed in service requirements. Generally, eligible property must have been first placed in service in Maine on or after April 2, 1995, and before April 1, 2007. Eligible property can include property of any age, as long as it was first placed in service in Maine during the relevant time period.

Example 1. A non-retail piece of equipment is purchased and placed in service in New Hampshire in 1961. In 2005, the equipment was sold to a Maine manufacturing business, moved to Portland, and placed in service in Maine for the first time. This equipment satisfies the requirement for property to be first placed in service in Maine between April 2, 1995 and April 1, 2007.

Example 2. Same facts as Example 1, but the property was sold, moved, and placed in service in Maine for the first time in 2012. This equipment does not satisfy the requirement that the property be first placed in service in Maine between April 2, 1995 and April 1, 2007.

- D. Other eligible property. Other eligible property includes, without limitation, repair parts,

replacement parts, replacement equipment, additions, accessions and accessories to other eligible business equipment. Eligible property also includes inventory parts.

Property attached to real estate is not ineligible for reimbursement under the BETR program if the attachment is used primarily to further a particular business activity taking place in or on that real estate. Eligible property does not include attachments to real estate, however, if the attachment is used primarily to serve that building as a building or serve the land as land.

Example 3. An HVAC system attached to a building is generally ineligible for reimbursement because it serves the building generally and would be used by most businesses in that building.

Example 4. A specialized refrigeration unit attached to a building used primarily for the specific business activity located in the building is not ineligible for reimbursement.

4. Retail Property

Eligible property under the BETR program includes certain property located at a retail sales facility and used primarily in a retail sales activity. Property is located at a retail sales facility if it is in or near the facility, as long as the property is within the parcel of land upon which the structure is situated.

Retail property is *not* eligible for the BETR program if it is located at a retail sales facility exceeding 100,000 square feet of interior customer selling space, unless the facility is owned by a business whose Maine-based operation derives less than 50% of its total annual revenue on a calendar-year basis from sales that are subject to Maine sales tax. Retail property located in a retail sales facility with less than 100,000 square feet of interior customer selling space is eligible for the BETR program if all other qualifications are met, even if the property was placed in service after April 1, 2007.

Retail property is generally ineligible for the BETE program. For more information on the BETE program, see Bulletin No. 28 – Business Equipment Tax Exemption.

5. Excluded Property

Property owned by an excluded person, certain excluded property, and property exempted from taxation by another provision of law is generally ineligible for reimbursement under the BETR program.

A. Excluded person. Property owned or used by the following persons does not qualify for BETR:

- (1) A public utility.
- (2) A provider of radio paging services.
- (3) A provider of mobile telecommunications services.

- (4) A cable television company.
- (5) A provider of satellite-based direct television broadcast services or multichannel, multipoint television distribution services.

B. Excluded property. The following property does not qualify under the BETR program:

- (1) Office furniture.
- (2) Lamps and lighting fixtures.
- (3) Property used to support a telecommunications antenna used by a telecommunications business subject to tax under the Telecommunications Excise Tax. See 36 M.R.S. § 457.
- (4) Gambling machines or devices.
- (5) Natural gas pipeline (except pipeline less than one mile in length and owned by a consumer), pumping or compression stations, storage depots, and appurtenant facilities used for natural gas.
- (6) Property used to produce or transmit energy primarily for sale. Energy is primarily for sale if, during the property tax year for which a claim for reimbursement is being made, 2/3 or more of the useful energy is directly or indirectly sold and transmitted through the facilities of a transmission and distribution utility. Notwithstanding this exclusion, certain cogeneration facilities are eligible. See 36 M.R.S. § 6652(1-C). Certain battery storage systems are also eligible if:
 - a. more than 50% of the electrical output from the battery storage system serves load behind the utility meter where the system is located, or
 - b. there was a fully executed interconnection agreement between the battery system owner and the utility on or before January 1, 2025.
- (7) Property against which the excise tax under Title 36, chapter 111 (aircraft, house trailers, and motor vehicles) or chapter 112 (watercraft) has been assessed.
- (8) A facility that stores spent nuclear fuel, as defined under 22 M.R.S. § 673(18), or radioactive waste classified by the United States Nuclear Regulatory Commission as greater-than-Class C waste.

C. Property otherwise exempt from taxation. Property that is exempt from the property tax under another provision of law is not eligible for the BETR program. This includes, but is not limited to, the following:

- (1) Public property exempt pursuant to 36 M.R.S. § 651.
- (2) Property of Institutions and Organizations exempt pursuant to 36 M.R.S. § 652, including,

but not limited to:

- a. Benevolent and charitable organizations;
 - b. Literary and scientific institutions;
 - c. American Legion, Veterans of Foreign Wars, American Veterans, Sons of Union Veterans of the Civil War, Disabled American Veterans, and Navy Clubs of the U.S.A.;
 - d. Chambers of Commerce and Boards of Trade;
 - e. Houses of Religious Worship;
 - f. Fraternal organizations, except college fraternities; and
 - g. Hospitals, health maintenance organizations, and blood banks.
- (3) Property leased to public schools. See 20-A M.R.S. § 4001(3)(C).
 - (4) Personal property exempt pursuant to 36 M.R.S. § 655.
 - (5) Property exempt pursuant to 36 M.R.S. § 656.
 - (6) Property exempt pursuant to the BETE program under 36 M.R.S. §§ 691 – 700-B. For more information on the BETE program, see Bulletin No. 28 – Business Equipment Tax Exemption.

6. Application

Persons seeking reimbursement under the BETR program must file an annual application, first with the assessor of the municipality where the property is located, then with MRS. Applicants in the unorganized territory must file an annual application with MRS. The steps in the application process are:

- A. Application. First, the applicant must submit a list of property subject to tax that the applicant believes is eligible for reimbursement to the assessor of the municipality where the property is located (or to MRS for applicants in the unorganized territory). The list must include, for each item: the original cost, date placed in service, and whether the property was acquired new or used.
- B. Assessor. Next, the municipal assessor must respond to the applicant's list with the assessed value of each item and the tax assessed by the date of the first tax bill or within 60 days of the applicant's request, whichever is later.
- C. MRS. Finally, the applicant must submit the information from steps A and B, including the

amount of tax paid on the eligible property during the previous calendar year and proof of payment to MRS. The applicant must submit the reimbursement request to MRS between August 1 and December 31 in the year following the calendar year in which the tax payments were made. MRS may, for good cause, extend the filing deadline by no more than 60 days. If the applicant requests reimbursement for an amount different than the associated tax reported by the municipal assessor, the applicant must include an explanation of the difference. If the municipal assessor does not provide the assessed value and tax assessed on the eligible property, the applicant may submit the incomplete application with an explanation to MRS.

Applications must be made on forms either provided by or approved by MRS. Applications for the BETR program are available at www.maine.gov/revenue/tax-return-forms/property-tax, or may be available through an applicant's municipality. Applicants in the unorganized territory can submit for reimbursement online at www.revenue.maine.gov.

7. Reimbursement

If an applicant qualifies for the BETR program, MRS will reimburse the applicant within 90 days from receipt of a complete and timely application. The percentage of property taxes reimbursed is based on the number of years the property has been subject to reimbursement. Reimbursement for the first 12 years that the property is included in the application is 100%. After 12 years, the reimbursement percentage reduces annually until it reaches 50%. The reimbursement schedule is:

12 years or less	100%
13 years	75%
14 years	70%
15 years	65%
16 years	60%
17 years	55%
18 years or more	50%

There may also be limitations to reimbursements in certain circumstances.

- A. Outstanding personal property tax debt. If an applicant qualifies for reimbursement but owes \$10,000 or more in personal property tax to a single municipality or the unorganized territory, MRS will withhold that reimbursement until the applicant pays the outstanding tax. The municipal tax collector must notify MRS of any outstanding personal property tax debt of \$10,000 or more between July 1 and July 15 of the year in which reimbursement will be requested. Within 10 days of the notification to MRS, the municipal tax collector must also notify the applicant that reimbursement may be suspended unless the past due taxes are paid. If the applicant does not pay the outstanding tax by the end of the application period, the reimbursement for that year is forfeited.
- B. Subsequent changes. If, after the submission of an application for reimbursement, the applicant learns of a reduction in property tax due to abatement or any other reason, the applicant must file an amended application with MRS within 60 days of the reduction. If the applicant has already received a reimbursement, the portion of the reimbursement relating to the reduction

must be returned to MRS within 60 days of the reduction. A supplemental tax paid after the application date may be included in the following year's reimbursement claim.

- C. Successor-in-interest. Only the owner of a business as of August 1 of the application year is eligible for reimbursement. If a business is sold before August 1 of a claim year, the new owner may be eligible for reimbursement of taxes paid during the previous calendar year, even if the tax was assessed against the previous owner and even if the previous owner paid the taxes.
- D. Tax increment financing. The reimbursement for property placed in service after April 1, 2007 (generally retail property, see Section 4), and property for which reimbursement has been claimed for more than 12 years may be limited if the property is part of a tax increment financing ("TIF") district. If the owner of such property receives reimbursement of taxes on the property through a TIF credit enhancement agreement, the reimbursement issued under the BETR program is limited to the actual taxes paid less the TIF reimbursement received with respect to the eligible property.
- E. Payments to a lessor. When a lessee pays property taxes to a lessor and the lessor receives reimbursement under the BETR program for those taxes, the lessor must forward the reimbursement to the lessee.
- F. Cessation of operations. When a business has permanently ceased all productive operations, reimbursement may not be allowed. Reimbursement will be denied if an applicant has ceased all productive operations on April 1 of the year taxes are assessed and if there have been no productive operations for at least 12 months prior to the date of the application for reimbursement. Reimbursement will be allowed, however, if the owner of a business that has ceased all productive operations has publicly advertised that the facility is for sale or lease and has made a good faith effort to market and sell or lease the facility within that 12-month period.

8. Appeals

An applicant denied reimbursement or receiving a reduced reimbursement from MRS may appeal that decision through the reconsideration process under 36 M.R.S. § 151. The applicant must request reconsideration from MRS, in writing, within 60 days of receipt of the notice of denial/reduction. Reconsideration decisions by MRS are subject to independent review by either the Maine Board of Tax Appeals (if the amount in controversy is between \$1,000 and \$500,000) or the Maine Superior Court (regardless of the amount in controversy). For additional information, see 36 M.R.S. §§ 151 and 151-D.

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MAINE REVENUE SERVICES PROPERTY TAX DIVISION BULLETIN NO. 28

BUSINESS EQUIPMENT TAX EXEMPTION

REFERENCE: 36 M.R.S. §§ 691 – 700-B
September 23, 2025; replaces January 31, 2023, revision

1. General

The Business Equipment Tax Exemption (“BETE”) program exempts eligible business equipment from the property tax.

This bulletin is intended solely as advice to assist persons in determining and complying with their legal rights, duties, and privileges under Maine law. It is written in a relatively informal style and intended to address questions and issues commonly faced by municipal assessors and landowners regarding the BETE program. For more information regarding the BETE program, contact your local municipal assessor or Maine Revenue Services (“MRS”).

2. Definitions

- A. Assessor. “Assessor” means a sworn municipal assessing authority, whether an individual assessor, a board of assessors, or a chief assessor of a primary assessing area. With respect to the unorganized territory, “assessor” means the State Tax Assessor.
- B. Certified ratio. “Certified ratio” means the level of municipal assessed value, expressed as a percentage of just value, as certified by the assessor pursuant to 36 M.R.S. § 383.
- C. Code. “Code,” as defined in 36 M.R.S. § 111(1), means the United States Internal Revenue Code of 1986 and amendments to that Code as of December 31, 2023.
- D. Exempt business equipment. “Exempt business equipment” means personal property that is eligible for and exempt under the BETE program.
- E. Increased assessed value. “Increased assessed value” means the amount by which the current assessed value of a Tax Increment Financing (“TIF”) district exceeds the original assessed value. The increased assessed value cannot be less than zero.
- F. Original assessed value. “Original assessed value” means the municipal assessed value as of March 31 of the tax year preceding the year in which the TIF district was designated. For example, a district is designated on February 2, 2019, effective April 1, 2019. The original assessed value would be the taxable value on March 31, 2018, which is the municipally assessed

value as of April 1, 2017. The value of exempt property in a TIF district is not included in the original assessed value.

- G. Person. “Person,” as defined in 36 M.R.S. § 111(3), means an individual, firm, partnership, association, society, club, corporation, financial institution, estate, trust, business trust, receiver, assignee or any other group or combination acting as a unit, the State or Federal Government or any political subdivision or agency of either government.
- H. Retail sales activity. “Retail sales activity,” as defined in 36 M.R.S. § 691(1)(A)(6)(b), means an activity associated with the selection and retail purchase of goods or rental of tangible personal property.. Generally, a “retail sale activity occurs” when a customer selects, purchases, and receives an item of tangible personal property that the customer takes with them when they leave. “Retail sales activity” does not include “production” as defined in 36 M.R.S. § 1752(9-B).
- I. Retail sales facility. “Retail sales facility,” as defined in 36 M.R.S. § 691(1)(A)(6)(c), means a structure used to serve customers who are physically present at the facility to select and either purchase or rent tangible personal property. “Retail sales facility” does not include a separate structure that is used as a warehouse or call center facility.
- J. Structure. “Structure” means a building or other freestanding architectural construction.

3. Eligible Business Equipment

The BETE program exempts eligible business equipment from the property tax. “Eligible business equipment,” as defined in 36 M.R.S. § 691(1)(A), means tangible personal property that: (1) is used or held for use exclusively for a business purpose; (2) is subject to an allowance for depreciation under the Code; and (3) meets certain placed-in-service requirements.

- A. Used for a business purpose. Eligible business equipment must be used or held for use exclusively for a business purpose by the person in possession of the equipment; or, for construction in progress or inventory parts, intended to be used exclusively for a business purpose by the person who will possess that property.
- B. Depreciable under the Code. Eligible business equipment must be subject to an allowance for depreciation under the Code, or would be subject to an allowance for depreciation under the Code if not already fully depreciated. In the case of construction-in-progress and inventory parts, eligible business equipment must be subject to an allowance for depreciation under the Code when placed in service (or would be if not already fully depreciated).
- C. Placed in service requirements. Eligible business equipment must have been first placed in service in Maine after April 1, 2007 and first subject to assessment on or after April 1, 2008. Eligible business equipment can include property of any age, as long as it was first placed in service in Maine during the relevant time period.

Example 1. A non-retail piece of equipment is purchased and placed in service in New

Hampshire in 1961. In 2012, the equipment was sold to a Maine manufacturing business, moved to Portland, and placed in service in Maine for the first time. This equipment satisfies the requirement for property to be first placed in service in Maine after April 1, 2007 and first subject to assessment on or after April 1, 2008.

Example 2. Same facts as Example 1, but the property was sold, moved, and placed in service in Maine for the first time in 2005. This equipment does not satisfy the requirement that the property be first placed in service in Maine after April 1, 2007 and first subject to assessment on or after April 1, 2008. This equipment, however, may be eligible for the Business Equipment Tax Reimbursement program – see Bulletin No. 27.

- D. Other eligible property. Other eligible business equipment includes, without limitation, repair parts, replacement parts, replacement equipment, additions, accessions, and accessories to other eligible business equipment. Eligible business equipment also includes inventory parts.

Property attached to real estate is not ineligible for exemption under the BETE program if the attachment is used primarily to further a particular business activity taking place in or on that real estate. Eligible property does not include attachments to real estate, however, if the attachment is used primarily to serve that building as a building or serve the land as land.

Example 3. An HVAC system attached to a building is generally ineligible for exemption because it serves the building generally and would be used by most businesses in that building.

Example 4. A specialized refrigeration unit attached to a building used primarily for the specific business activity located in that building is not ineligible for exemption.

See Section 9 for a non-exhaustive list of categories of property and their eligibility under the BETE program.

4. Excluded Property

Property owned by an excluded person, certain excluded property, property exempted from taxation by another provision of law, and certain retail sales property is generally ineligible for exemption under the BETE program.

- A. Excluded person. Property owned by the following persons does not qualify for the BETE program:

- (1) A public utility;
- (2) A provider of radio paging services;
- (3) A provider of mobile telecommunications services;
- (4) A cable television company;

- (5) A provider of satellite-based direct television broadcast services;
- (6) A provider of multichannel, multipoint television distribution services; or
- (7) A pollution control facility, except:
 - a. Property that would be subject to exemption under 36 M.R.S. § 656(1)(E) but has not yet been certified may be qualified for BETE;
 - b. Property that has been placed in service between the immediately preceding December 2 and April 1 of the year for which exemption is sought may be qualified for BETE; and
 - c. Property for which the taxpayer has submitted a certification application to the Commissioner of the Department of Environmental Protection prior to April 1 may be qualified for BETE.

B. Certain excluded property. The following property does not qualify for the BETE program:

- (1) Office furniture;
- (2) Lamps and lighting fixtures used primarily for general office lighting;
- (3) Property used to support a telecommunications antenna used by a telecommunications business subject to tax under the Telecommunications Excise Tax. See 36 M.R.S. § 457.
- (4) Gambling machines or devices;
- (5) Natural gas pipeline (except pipelines less than one mile in length and owned by a consumer), pumping or compression stations, storage depots, and appurtenant facilities used for natural gas;
- (6) Property used to produce or transmit energy primarily for sale. Energy is primarily for sale if, during the property tax year for which a claim for exemption is being made, 2/3 or more of the useful energy is directly or indirectly sold and transmitted through the facilities of a transmission and distribution utility. Notwithstanding this exclusion, certain cogeneration facilities are eligible. See 36 M.R.S. § 6652(1-C). Certain battery storage systems are also eligible if:
 - a. more than 50% of the electrical output from the battery storage system serves load behind the utility meter where the system is located, or
 - b. there was a fully executed interconnection agreement between the battery system owner and the utility on or before January 1, 2025.
- (7) Property against which the excise tax under Title 36, chapter 111 (aircraft, house trailers,

and motor vehicles) or chapter 112 (watercraft) has been assessed; and

- (8) A facility that stores spent nuclear fuel, as defined under 22 M.R.S. § 673(18), or radioactive waste classified by the United States Nuclear Regulatory Commission as greater-than-Class C waste.

C. Property exempted by another provision of law. Property that is exempt from property tax under another area of law is not eligible for BETE. This includes, but is not limited to, the following:

- (1) Public property exempt pursuant to 36 M.R.S. § 651.
- (2) Property of Institutions and Organizations exempt pursuant to 36 M.R.S. § 652, including, but not limited to, the following:
 - a. Benevolent and charitable organizations;
 - b. Literary and scientific institutions;
 - c. American Legion, Veterans of Foreign Wars, American Veterans, Sons of Union Veterans of the Civil War, Disabled American Veterans, and Navy Clubs of the U.S.A.;
 - d. Chambers of commerce and boards of trade;
 - e. Houses of religious worship;
 - f. Fraternal organizations, except college fraternities; and
 - g. Hospitals, health maintenance organizations, and blood banks.
- (3) Property leased to public schools, pursuant to 20-A M.R.S. § 4001(3)(C).
- (4) Personal property exempt pursuant to 36 M.R.S. § 655.
- (5) Property exempt pursuant to 36 M.R.S. § 656.

D. Certain retail sales property. Property located at a retail sales facility and used primarily in a retail sales activity does not qualify for the BETE program. Property is located at a retail sales facility if it is in or near the facility, as long as the property is within the parcel of land upon which the structure is situated.

While retail property is not eligible for exemption under the BETE program, it may be eligible for reimbursement under the Business Equipment Tax Reimbursement (“BETR”) program. For more information, see Bulletin No. 27 – Business Equipment Tax Reimbursement.

5. Application

An applicant must file a BETE application by May 1 of each year with the assessor of the municipality where the property would be subject to taxation, or to MRS for property located in the unorganized territory. Applicants are required to file annually, even if there are no changes in their eligible business equipment.

On written request by a taxpayer prior to the commitment of taxes, an assessor, or MRS for applicants in the unorganized territory, may extend the time during which a taxpayer may apply for the BETE program. The application extension can only be granted for good cause and may not exceed 3 months in length. If a taxpayer fails to apply in a timely manner, including within any extensions of time, the taxpayer may not obtain an exemption under the BETE program for that property during the tax year.

6. Responsibilities of Assessors

- A. Recording. All eligible business equipment exempted under the BETE program *must* be included in the municipal commitment book, valued as if it were subject to taxation, depreciated, and adjusted by the certified ratio.
- B. Retention. All applications must be kept on file as required by the rules set forth by the State Archives Advisory Board and be available for inspection by MRS.
- C. Determination. An assessor must review, approve, and sign all applications. If an assessor determines that property is ineligible, the assessor must provide a written notice of denial, including the reason for the denial, to the applicant by certified mail prior to the commitment date. Taxpayers may appeal the decision of the assessor as described in 36 M.R.S. §§ 841 - 849. For more information see Bulletin No. 10 – Property Tax Abatement and Appeals Procedures.
- D. Tax rate calculation. The value of the portion of all exempt business equipment for which the municipality is entitled to reimbursement must be added to the total taxable municipal value when calculating the municipal tax rate. For example, if a municipality is entitled to the 50% standard reimbursement rate for taxes not collected on exempt business equipment, the municipality must include 50% of the value of exempt business equipment in taxable municipal value for calculating the municipal tax rate.

7. Reimbursement.

A municipality that has appropriately exempted equipment under the BETE program is generally entitled to recover 50% of the property tax revenue lost due to the exemption from the State. This recovery is referred to as the standard reimbursement. Municipalities may be entitled to a higher reimbursement rate than the standard reimbursement rate under the following circumstances:

- A. Enhanced reimbursement. Municipalities may be eligible for the enhanced BETE reimbursement based on the municipality's personal property factor. The personal property factor is the value of all taxable business personal property in the municipality plus the value of

exempt business equipment; divided by the value of all taxable property in the municipality plus the value of exempt business equipment. The value of exempt business equipment is the value that would have been assessed if that property was taxable. If the personal property factor within a municipality exceeds 5%, then the municipality is eligible to receive an enhanced BETE reimbursement from the State. The enhanced reimbursement is 50% plus an amount equal to half of the personal property factor.

- B. Special reimbursement. Municipalities with TIF districts that were in effect prior to April 1, 2008 may receive a special reimbursement rate for tax revenues lost as a result of personal property located within the district exempt from taxation under the BETE program. The reimbursement rate is equal to the greater of (1) the captured assessed value for the district expressed as a percentage of increased assessed value or (2) the standard BETE reimbursement of 50%.

8. Audits And Appeals

MRS may audit and review the records of a municipality with regard to the BETE program. If MRS determines that an exemption was improperly approved, MRS will deny reimbursement to the municipality for the ineligible property. The municipality must make a supplemental assessment for the property which was improperly exempted. MRS may recapture the improperly distributed funds by a setoff against other payments due to the municipality. The recapture period is up to three years. A municipality aggrieved by a determination of MRS may appeal pursuant to 36 M.R.S. § 151.

9. Examples of Eligible Property

The following is a non-exhaustive list of categories of property and their eligibility under the BETE program:

A. Leased property.

- (1) Property leased to private schools. Property leased to private schools may qualify for the BETE program. However, property *owned* by a private school, and all property possessed by public schools, *including leased property*, is exempt from property tax under 36 M.R.S. §§ 651-652 and is therefore ineligible for the BETE program.
- (2) Property leased to hospitals. Property leased to hospitals is ineligible for BETE because it is already exempt from tax under 36 M.R.S. § 652(1)(K).
- (3) Property leased to other tax-exempt entities. Property leased to other tax-exempt entities such as churches, municipalities, State of Maine, etc. is eligible for BETE if that property would otherwise be taxable to the lessor.

- B. Veterinary clinics. Business equipment located at veterinary clinics is eligible for BETE. These entities sell services rather than tangible personal property and are therefore not retail sales

facilities. While a veterinary clinic may also sell some tangible personal property such as pet food, the primary purpose of the operation is to sell medical services for animals.

- C. Fencing. Security fencing is not eligible under the BETE program since it is considered to be attached to real estate and can be used for many different types of businesses rather than being unique to a particular business activity.
- D. Banking institutions in big box retail stores. Business equipment associated with banking institutions located within a big box store is eligible for BETE because, although it is located in a retail sales facility, it is not being used in a retail sales activity.
- E. Recreational-related business. Business equipment associated with golf courses, ski facilities, water parks, and amusement parks is generally eligible for exemption. Since the primary business purpose is to sell the service of providing amusement to their customers, such businesses are not considered retail sales facilities.
- F. Breweries and distilleries. Brewery and distillery business equipment is eligible for exemption if the primary (more than 50%) business purpose is to sell the product wholesale to retailers. If the primary business purpose is to supply an onsite tasting room or a bar or to serve walk-in customers, then the business may be considered a retail sales facility and be ineligible for exemption.
- G. Professional services. Business equipment owned by professional services firms such as attorneys, accountants, insurance agents, therapists, physicians, and architects is generally eligible for exemption because these professional services firms are in the business of selling services.
- H. Transient/short-term rentals. Transient or short-term rental property may be eligible for exemption, but only if it is used exclusively by the renters. If the owner of the property uses the property for personal use or as noneligible business equipment at any time, it is not eligible.
- I. Window treatments/interior decorating. Window treatments, curtains, and property used for interior decorating such as artwork, are generally eligible for exemption. Window shades are generally not eligible because the property is affixed or attached to a building and is not used to further a particular trade or business activity.

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Presentation to the Real Estate Property Tax Relief Task Force

Speech Notes for November 13, 2025

Greetings. Thank you for listening.

I am Joseph St Peter. I am the Deputy Assessor with the City of Auburn, I am a member of the Maine Chapter of the IAAO, I am also a licensed appraiser in the State of Maine. I have over 21 years' experience as a valuation professional.

I am going to share some of my ideas today. It won't hurt my feelings if my suggestions are not adopted; what matters is a meaningful re-examination of our present property tax structure. I am pleased that this task force exists, and that it will hear from all stakeholders, including assessors. In my experience, well intentioned policy can go awry quickly when the consequences of that policy are not considered. I am hopeful that meaningful reform will happen with your duly informed recommendations to the Legislature.

My intent is to be candid and tell you things that you may not hear "officially". I am speaking to practical concerns as an assessor and do not (necessarily) represent the positions of the State or my municipality. However, I do believe that I represent the best interests of my municipality and of taxpayers across the State.

Before I begin, some numbers to consider:

	'25	'23	
	Auburn	State	
HS exempt value (ratioed)	\$91,846,850	\$7,406,367,166	from State MVR data
HS reimbursement value	\$69,803,606	\$5,628,839,046	
reimburse rate	0.76	0.76	
city mil rate	0.02288		
reimbursement dollars	\$1,597,107		
BETE exempt (ratioed)	\$231,168,548	\$6,375,030,181	
BETE reimbursement value	\$129,523,737	\$3,187,515,091	
reimburse rate	0.56	0.5	min 50% reimburse, COA 56% is enhanced
city mil rate	0.02288		
reimbursement dollars	\$2,963,503		

What are BETR and BETE?

The Business Equipment Tax Reimbursement (BETR) program was established in 1995 with the primary goal of encouraging new capital investment and reducing the cost of owning business equipment in Maine.

As implied by its name, BETR is a **reimbursement program**. Businesses first pay the local municipal property tax on eligible equipment. They then apply to Maine Revenue Services (MRS) for a refund of a portion of the tax paid.

Eligible Property:

The program was primarily intended for qualified business personal property that was first placed in service in Maine after April 1, 1995, and on or before April 1, 2007.

BETR also includes qualified retail property placed in service after April 1, 2007. Assessors have a saying to help us keep that straight, “If it’s eligible for BETE, it is not eligible for BETR”

- Exclusions include public utilities, certain communication businesses, land and buildings, and most office furniture.

Reimbursement Rate - The reimbursement rate is 100% of the property tax paid on the eligible equipment for the most recent twelve years.

The rate gradually decreases after the twelfth year, falling incrementally from 75% down to 50% in subsequent years for as long as the property remains taxable.

Rationale for eliminating BETR

Some may argue that the original BETR program is effectively being phased out on its own. Not true, it lingers 17 years after its successor, BETE, was introduced because assets at retail locations became eligible. This includes assets placed in service **after** 2007. BETR is alive and well.

Many commercial and industrial taxpayers retain older assets because they are integral to their operations. Arguably the continued BETR reimbursement on these older assets disincentivize their replacement. So, the program originally meant to encourage “new capital investment” is actually discouraging it. I think it’s time to pull that band-aid off.

An evaluation by the Maine Office of Program Evaluation & Government Accountability (OPEGA) in February 2020 seems to agree. It found that while BETR and its heir apparent BETE successfully reduced the cost of owning equipment, their impact on *encouraging* significant new capital investment decisions was likely marginal. Tax incentives are often found to have a limited effect on major investment choices, suggesting the State's resources could be better allocated elsewhere. (Report No. TE-BETR_BETE-17. Augusta, ME: Maine State Legislature.)

BETR is cumbersome to administer for all involved. This includes the taxpayer, local assessor, and the State.

As an assessor, I have reason to believe that BETR is ripe for errors and abuse resulting in overpayment of reimbursements.

BETR is an aging program that applied to a specific window of time for capital investment (1995–2007). I argue that the BETR program should have been retired years ago because it no longer serves its original purpose.

It is time to shift to a single tax relief program, namely the BETE exemption program (or another alternative), which is more efficient, less cumbersome, and provides the relief immediately rather than months after payment.

This brings us to BETE.

The Business Equipment Tax Exemption (BETE) program was the intended successor to the BETR program. Instead, it exists concurrently with BETR. The BETE program is Maine's current primary method of providing property tax relief for business investment. It was enacted to “incentivize business investment”, and to simplify the process and improve business cash flow compared to the older reimbursement model.

Key Features of BETE:

1. BETE is an **exemption**. Businesses are relieved of the tax burden upfront by not being taxed on eligible equipment. This is a 100% exemption on the municipal property tax for the qualified equipment. It’s a common misperception that exempt property is not assessed. It must be assessed because municipalities depend on reimbursement from lost revenue due to the exemption.
2. Under BETE, the local municipality exempts the property from its tax rolls, and the State later provides a partial reimbursement to the municipality for the tax revenue that was not collected. This reimbursement is at a minimum 50%, more if personal property exceeds a certain threshold to become “enhanced BETE”.
3. Eligible Property: The exemption applies to qualified business personal property that was first subject to assessment in Maine on or after April 1, 2008 (i.e., equipment placed in service after April 1, 2007).
 - Qualified property generally includes machinery, equipment, computers, and certain fixtures used for a business purpose.
 - Key Exclusion: For many years, equipment at facilities primarily used for retail sales activity (like restaurants, barber shops, hotels, etc.) was excluded from BETE and instead had to use the older BETR reimbursement program.

While some of the restrictions have been lessened, the distinction often remains a source of confusion.

4. To receive the exemption, businesses must file an application for exemption, along with a “true and perfect” asset list with their local assessor by May 1st of each year.

Rationale for Including BETE in a Tax Reform Discussion

While BETE is an improvement over the complexity of the BETR reimbursement model, it still raises significant questions relevant to tax reform:

1. The Cost to the State Treasury

- Growing Expenditure: BETE is a major statutory commitment, representing a substantial, growing expenditure from the State's General Fund to reimburse municipalities. As more business equipment is placed in service, the annual state cost continues to rise, potentially crowding out funding for other critical state priorities like education or infrastructure.

2. Disconnect Between Cost and Benefit (The "Incentive Question")

- Limited Efficacy as an Incentive: Like its predecessor, studies have suggested that BETE's primary effect is reducing the cost of ownership, not necessarily driving significant new capital investment in Maine. If a program is intended to spur economic growth but primarily acts as an operational subsidy, its massive cost may not be justified compared to alternative growth-oriented tax reforms.

3. Administrative Complexity and Inequity

- The Retail Exception: The distinction between exempt (non-retail) and non-exempt (retail) equipment creates administrative burdens and perceived unfairness. Maine's economy is highly dependent on small service and retail businesses, many of which must navigate the rules separating BETE and BETR. True tax reform should aim for consistency and simplicity across all sectors.
- Property Reporting Requirement: All businesses must still annually report their personal property to the municipality, even if it is fully exempt, which remains an administrative compliance cost.

In summary, BETE modernized business equipment tax relief with the goal of replacing a reimbursement with an exemption. However, its increasing cost, questionable effectiveness as a capital investment driver, and remaining complexity due to sector-

specific exclusions make it a prime candidate for review in any comprehensive Maine tax reform discussion.

Recommendations - So considering all that I have discussed so far, I have some recommendations to reform personal property tax relief:

Retire BETR

- It's time to retire BETR. It's cumbersome, costly, and not serving its original purpose.
- Savings come in the form of eliminating administration costs as well as the actual reimbursements. These savings may be passed on and used to fund other tax relief programs.
- BETR is fertile ground for abuses and errors (801a v 801b, 2-year lookback, assessor inexperience).
- Optimizing Resources. Every tax relief program consumes time and resources. In Auburn, personal property represents 10% of our total value. We spend about 30% of our time on it. By freeing up this vital staff time we have more time to be accurate in our valuations (potentially increasing the tax base, creating more equitable assessment, and even lowering the mil rate).

Reform BETE

On one hand, we need to make it easier and more accessible:

- Eliminate an annual application, instead require a "finding of eligibility". Insist on accurate (true and perfect) filings as a condition.
- Increase eligibility to those who lose out if BETR is eliminated, namely retail establishments.
- Ultimately, the legislature could decide what percentages of equipment should be exempt to advance the goal of incentivizing investment.

On the other hand, we should **decrease the exemption benefit** that commercial owners enjoy. In turn this would lessen the tax burden on residential property owners.

- Since its inception an adverse consequence of the BETE exemption was to shift the tax burden away from qualified businesses and toward residential property owners. This has only escalated in the current market environment. Instead of complicated split tax rates, we can correct imbalances in the property tax burden by reforming tax relief programs like this one.
- BETE does not need to be eliminated and can serve its purpose of incentivizing investment. However, a 100% exemption may be excessive as residential property owners shoulder more of the overall tax burden.

Here is an example of how lessening the BETE exemption, and shifting those savings to the homestead exemption could serve to make the residential/commercial more equitable:

City of Auburn				
	at 100% BETE	if 50% BETE (reallocation)	if 70% BETE (reallocation)	
Value of Homestead (100%)	\$108,055,118	\$244,036,616	\$189,644,017	calibrated from 85% ratio to 100%
Value of BETE (100%)	\$271,962,998	\$135,981,499	\$190,374,098	calibrated from 85% ratio to 100%
#of full value homestead	4,322	4,322	4,322	calibrated to full \$25,000 HS
individual homestead value	\$25,000	~\$56,000	~\$44,000	

In this scenario, you are leveraging the reduction in BETE value to increase the homestead exemption. There would be no increase in the State budget. It serves to moderate an unbalanced tax burden.

State of Maine				
	at 100% BETE	if 50% BETE (reallocation)	if 70% BETE (reallocation)	
Value of Homestead	\$7,406,367,166	\$10,593,882,257	\$9,318,876,220	
Value of BETE	\$6,375,030,181	\$3,187,515,091	\$4,462,521,127	
<i>actual number of homestead</i>	321,366	321,366	321,366	
#of full value homestead	296,255	296,255	296,255	calibrated to full \$25,000 HS
individual homestead value	\$25,000	\$35,759	\$31,456	

Scenario Notes:

- In these hypothetical scenarios, the increase to the State budget is \$0.
- Homestead owners get critical tax relief in the form of a higher homestead.
- You have also corrected an imbalance in the tax burden between commercial and residential.
- Would have to blend homestead reimbursement rate to achieve zero budget increase (State), but even with a lower rate on HS reimbursement municipalities are still ahead.
- The now taxable business personal property is assessed at 100% rather than reimbursed around 50% further reducing the overall tax rate.
- BETR savings is not included in this scenario.

Closing

Today, my goal was to provide an overview of the two personal property tax relief programs that exist in the State of Maine today. I hoped to show figures that illustrate the high cost of these programs and their contribution to a property tax burden that favors commercial and industrial taxpayers. I hoped to entertain the idea that reforming these programs are possible and not limited to the suggestions I presented.

Thank you for considering my remarks, I am happy to answer questions or expand on my ideas at your pleasure.

Exemptions

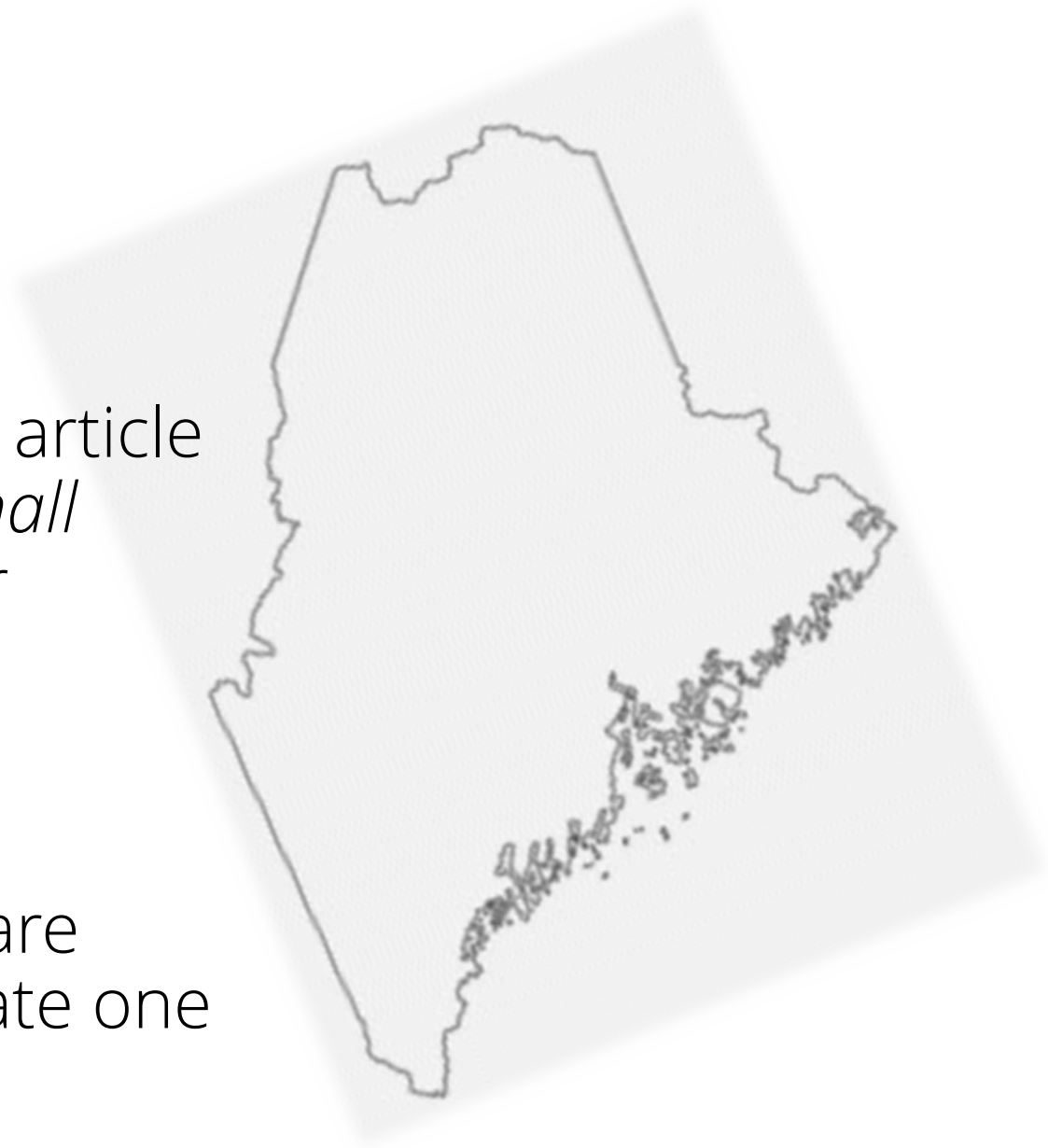
- Fundamental Concepts
- All real/personal property subject to tax
- Taxation is the rule, exemption is the exception
- Exemptions are strictly construed
- At least 50% reimbursement for statutory property tax exemptions enacted after April 1, 1978.

-Constitution of Maine, Article IV, Part 3, Section 23.



Exemptions

- Fundamental Concepts
- Remember Maine Constitution, article IX, section 9—*“The Legislature shall never, in any manner, suspend or surrender the power of taxation.”*
- Only state/federal exemptions are valid. Municipalities cannot create one on their own.



Exemptions

- Statutory exemptions
- U.S. Government
- State of Maine (Massachusetts)
- Quasi-state
 - **FAME**
 - **Maine Health and Higher Education Facilities Authority**
 - **MTA**
 - **Military property**
 - **NH water division (if used for recreation)**



Exemptions

- Statutory exemptions
- Quasi-municipal
 - **Soil and water conservation districts**
 - **Municipalities (but only in the municipality)**
 - Exceptions for utility districts airports/landing fields
 - **Refuse disposal districts**
 - **Transportation districts**
 - **Certain revenue-producing municipal facilities**
 - **Property leased by school administrative units**



Exemptions

- Statutory exemptions
- Benevolent and Charitable
 - **Mean the same thing**
 - **Cannot be denied because of source of funds**
- *The real estate and personal property owned and occupied or used solely for their own purposes by incorporated benevolent and charitable institutions are exempt from taxation.*



Exemptions

- Statutory exemptions
- Benevolent and Charitable
- *Owned* – organization must own the property in question
- *Occupied or used*—must be actually used by the organization for the charitable purpose
- *Quid pro quo* analysis



Exemptions

- Statutory exemptions
- Benevolent and Charitable
- *Solely* ≠ solely
 - **Occasional use for noncharitable purposes or by others is okay as long as its de minimis and incidental.**
- Officers and employees cannot receive any profit from the organization



Exemptions

- Statutory exemptions
- Benevolent and Charitable
- Must apply by April 1 of first year
- Assessor review
 - **Property deed**
 - **Organization bylaws**
 - **Financial reports**
 - **Description of property use**



Exemptions

- Statutory exemptions
- Literary and Scientific Institutions
- Owned and occupied/used solely for their own purposes
- Schools, universities, and others



Exemptions

- Statutory exemptions
 - Residential care facilities
 - Nonprofit hospital medical service orgs
 - Federally subsidized housing
 - Hospital service corporations
 - Agricultural fair associations
 - Veterans organizations
 - Chambers of commerce
 - Fraternal organizations
 - Religious societies and churches
 - Property leased between exempt orgs



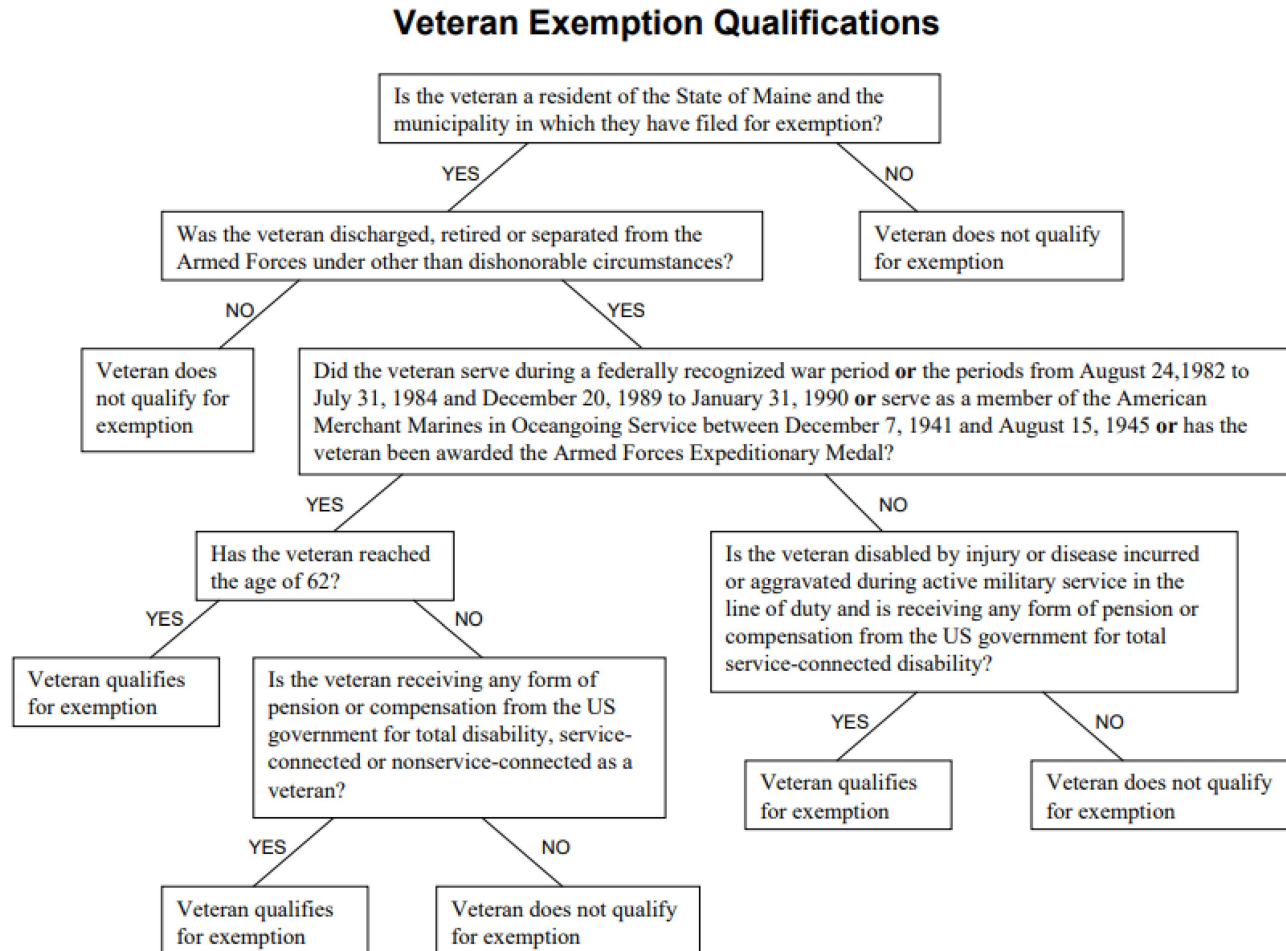
Homestead Exemption

- **REFERENCE: 36 M.R.S. §§ 681-689**
- Reduction up to \$25,000 in just value
 - Taxpayer must apply with town assessor before April 1 for first year they claim exemption.
- Must have owned a home in Maine for 12 months prior to applying.
- Must be a permanent resident and homestead must be your permanent residence.
- Reimbursed at 76%

Veterans Exemption

- **REFERENCE: 36 M.R.S. § 653**
- Reduction up to \$6,000 in value for qualifying veteran
 - \$7,000 for WWI veteran.
 - \$50,000 for veteran who receives VA adaptive housing grant.
- Must be 62 or be receiving a pension for total disability.
- Must have served during recognized service period or receiving pension for total, service-connected disability.
- Partial reimbursement at 50%

Veterans Exemption



Blind Exemption

- **REFERENCE: 36 M.R.S. § 654-A**
- Reduction up to \$4,000 in value for legally blind individual
- Must be determined blind by M.D., D.O., or O.D.
- No reimbursement

Miscellaneous Exemptions

- Animal waste storage facility (36 M.R.S. § 656(1)(J)). *
- Urban renewal authority property (30-A M.R.S. § 5114(2)).
- Municipal water supply (36 M.R.S. § 656(1)(A)).
- Reservations (25 U.S. Code § 5108).
- Unextracted minerals (36 M.R.S. § 656(1)(I-1)).
- Privately owned airports (36 M.R.S. § 656(1)(C)).
- Pollution control facilities (36 M.R.S. § 656(1)(E)).
- Renewable energy equipment (36 M.R.S. § 656(1)(K))

- *Reimbursed at 50%

Miscellaneous Personal Property Exemptions

- Long list in 36 M.R.S. § 655.
- Many duplicates of the 656 exemptions, e.g., pollution control, renewable energy.
- Railroad companies
 - Only on land/fixtures inside the right of way.

Miscellaneous Personal Property Exemptions

- General rule, if subject to excise tax, not subject to personal property tax
- Aircraft, boats, motor vehicles, mining equipment, telecommunications equipment, etc.

*Most relevant one—individually owned personal property
\$1,000 or less.*

No reimbursement

Municipality	County	Total Taxable Municipal Valuation	Total All Exemptions	Percent Exempt
LIMESTONE	AROOSTOOK COUNTY	\$72,118,183	\$300,585,292	80.6%
CUTLER	WASHINGTON COUNTY	\$76,308,184	\$86,654,910	53.2%
GARFIELD PLT	AROOSTOOK COUNTY	\$7,338,952	\$6,257,114	46.0%
THORNDIKE	WALDO COUNTY	\$61,227,250	\$46,091,020	42.9%
ORONO	PENOBSCOT COUNTY	\$605,635,895	\$453,126,300	42.8%
BAR HARBOR	HANCOCK COUNTY	\$2,550,418,700	\$1,760,765,600	40.8%
CHARLESTON	PENOBSCOT COUNTY	\$76,318,498	\$50,782,892	40.0%
GRAND ISLE	AROOSTOOK COUNTY	\$24,036,378	\$15,957,500	39.9%
FRENCHBORO	HANCOCK COUNTY	\$16,658,300	\$10,985,800	39.7%
WARREN	KNOX COUNTY	\$516,905,200	\$304,949,900	37.1%
BARING PLT	WASHINGTON COUNTY	\$16,204,700	\$9,395,900	36.7%
BANGOR	PENOBSCOT COUNTY	\$3,410,005,600	\$1,748,956,800	33.9%
EASTPORT	WASHINGTON COUNTY	\$124,058,569	\$63,264,342	33.8%
FORT KENT	AROOSTOOK COUNTY	\$261,038,672	\$132,949,630	33.7%
VAN BUREN	AROOSTOOK COUNTY	\$68,321,384	\$33,497,259	32.9%
BRIDGEWATER	AROOSTOOK COUNTY	\$35,020,312	\$17,116,890	32.8%
WATERVILLE	KENNEBEC COUNTY	\$1,150,366,500	\$551,896,800	32.4%
MACHIAS	WASHINGTON COUNTY	\$149,246,640	\$71,151,060	32.3%
DYER BROOK	AROOSTOOK COUNTY	\$17,301,948	\$7,504,720	30.3%
HOULTON	AROOSTOOK COUNTY	\$385,428,900	\$161,914,700	29.6%
HAMLIN	AROOSTOOK COUNTY	\$19,481,158	\$7,591,300	28.0%
AUGUSTA	KENNEBEC COUNTY	\$1,879,339,100	\$653,310,400	25.8%
CALAIS	WASHINGTON COUNTY	\$219,491,500	\$74,090,200	25.2%
WINTER HARBOR	HANCOCK COUNTY	\$169,157,150	\$54,734,900	24.4%
ROCKLAND	KNOX COUNTY	\$908,743,799	\$291,603,644	24.3%
HARRINGTON	WASHINGTON COUNTY	\$119,807,551	\$38,410,804	24.3%
CASTINE	HANCOCK COUNTY	\$295,901,100	\$94,171,300	24.1%
LEWISTON	ANDROSCOGGIN COUNTY	\$2,158,792,635	\$651,732,997	23.2%
JACKMAN	SOMERSET COUNTY	\$84,838,620	\$25,389,880	23.0%
MEDFORD	PISCATAQUIS COUNTY	\$24,194,899	\$7,027,374	22.5%
SEARSPORT	WALDO COUNTY	\$284,526,640	\$76,337,820	21.2%
PROSPECT	WALDO COUNTY	\$63,409,720	\$15,985,520	20.1%
PATTEN	PENOBSCOT COUNTY	\$54,816,845	\$13,624,200	19.9%
GUILFORD	PISCATAQUIS COUNTY	\$107,840,300	\$26,424,900	19.7%
FARMINGTON	FRANKLIN COUNTY	\$544,255,621	\$133,270,374	19.7%
CORINTH	PENOBSCOT COUNTY	\$183,011,300	\$44,458,900	19.5%
UNITY	WALDO COUNTY	\$168,850,900	\$40,689,400	19.4%
CARIBOU	AROOSTOOK COUNTY	\$470,220,059	\$109,466,705	18.9%
MACHIASPORT	WASHINGTON COUNTY	\$136,951,994	\$31,629,950	18.8%
OLD TOWN	PENOBSCOT COUNTY	\$643,499,199	\$148,498,201	18.7%
PRESQUE ISLE	AROOSTOOK COUNTY	\$590,412,600	\$129,814,365	18.0%
PORTLAND	CUMBERLAND COUNTY	\$14,872,866,446	\$3,243,082,100	17.9%
BRUNSWICK	CUMBERLAND COUNTY	\$2,607,222,560	\$567,565,740	17.9%
MILO	PISCATAQUIS COUNTY	\$96,464,550	\$20,701,980	17.7%
LIVERMORE FALLS	ANDROSCOGGIN COUNTY	\$158,931,320	\$33,052,000	17.2%
HARMONY	SOMERSET COUNTY	\$54,024,690	\$11,083,450	17.0%
ALFRED	YORK COUNTY	\$285,601,256	\$58,541,270	17.0%
FORT FAIRFIELD	AROOSTOOK COUNTY	\$187,794,348	\$38,034,220	16.8%
PARIS	OXFORD COUNTY	\$423,340,600	\$85,274,100	16.8%
RUMFORD	OXFORD COUNTY	\$619,381,012	\$123,988,871	16.7%
NEWCASTLE	LINCOLN COUNTY	\$335,200,300	\$64,788,800	16.2%
GARDINER	KENNEBEC COUNTY	\$382,269,340	\$70,983,100	15.7%
BELFAST	WALDO COUNTY	\$888,759,029	\$163,605,080	15.5%
WINTERVILLE PLT	AROOSTOOK COUNTY	\$36,579,900	\$6,627,000	15.3%
CORINNA	PENOBSCOT COUNTY	\$101,291,355	\$18,162,015	15.2%
FRYEBURG	OXFORD COUNTY	\$430,727,760	\$76,243,674	15.0%
DEXTER	PENOBSCOT COUNTY	\$235,661,500	\$41,234,000	14.9%
NORRIDGEWOCK	SOMERSET COUNTY	\$241,575,210	\$40,162,100	14.3%
MILLINOCKET	PENOBSCOT COUNTY	\$200,669,490	\$33,177,200	14.2%
DAMARISCOTTA	LINCOLN COUNTY	\$407,579,100	\$67,319,300	14.2%
EAST MILLINOCKET	PENOBSCOT COUNTY	\$75,743,819	\$12,431,350	14.1%
LEE	PENOBSCOT COUNTY	\$90,811,000	\$14,887,000	14.1%

SULLIVAN	HANCOCK COUNTY	\$201,503,581	\$32,858,520	14.0%
DOVER-FOXCROFT	PISCATAQUIS COUNTY	\$363,964,400	\$58,684,101	13.9%
HARTLAND	SOMERSET COUNTY	\$144,999,590	\$23,261,210	13.8%
HEBRON	OXFORD COUNTY	\$157,597,622	\$25,150,712	13.8%
BEAVER COVE	PISCATAQUIS COUNTY	\$129,739,400	\$20,582,400	13.7%
WISCASSET	LINCOLN COUNTY	\$643,210,668	\$100,581,280	13.5%
THOMASTON	KNOX COUNTY	\$501,152,218	\$77,642,643	13.4%
HODGDON	AROOSTOOK COUNTY	\$40,420,917	\$6,233,880	13.4%
AUBURN	ANDROSCOGGIN COUNTY	\$2,253,171,176	\$345,360,557	13.3%
WALDO	WALDO COUNTY	\$75,636,664	\$11,358,963	13.1%
PHILLIPS	FRANKLIN COUNTY	\$82,160,900	\$12,101,492	12.8%
SAINT AGATHA	AROOSTOOK COUNTY	\$48,539,122	\$7,077,396	12.7%
BATH	SAGadahoc COUNTY	\$1,487,966,903	\$216,091,222	12.7%
UPTON	OXFORD COUNTY	\$27,273,440	\$3,948,150	12.6%
NASHVILLE PLT	AROOSTOOK COUNTY	\$16,820,860	\$2,391,500	12.4%
ASHLAND	AROOSTOOK COUNTY	\$78,438,370	\$11,138,500	12.4%
FAIRFIELD	SOMERSET COUNTY	\$382,958,180	\$52,339,420	12.0%
LINCOLN PLT	OXFORD COUNTY	\$51,587,625	\$6,995,400	11.9%
CASTLE HILL	AROOSTOOK COUNTY	\$27,277,586	\$3,688,600	11.9%
CHAPMAN	AROOSTOOK COUNTY	\$30,604,009	\$4,122,100	11.9%
SOLON	SOMERSET COUNTY	\$101,790,810	\$13,632,370	11.8%
VASSALBORO	KENNEBEC COUNTY	\$413,650,100	\$53,220,800	11.4%
VANCEBORO	WASHINGTON COUNTY	\$8,199,494	\$1,054,800	11.4%
STOCKHOLM	AROOSTOOK COUNTY	\$15,805,374	\$2,029,880	11.4%
LINCOLN	PENOBSCOT COUNTY	\$422,357,331	\$53,695,500	11.3%
MADAWASKA	AROOSTOOK COUNTY	\$320,744,078	\$40,653,120	11.2%
WASHBURN	AROOSTOOK COUNTY	\$125,485,164	\$15,716,400	11.1%
SKOWHEGAN	SOMERSET COUNTY	\$1,048,590,600	\$130,593,100	11.1%
TRENTON	HANCOCK COUNTY	\$309,275,880	\$37,674,120	10.9%
GREAT POND	HANCOCK COUNTY	\$34,824,200	\$4,217,900	10.8%
BIDDEFORD	YORK COUNTY	\$4,212,419,733	\$505,696,100	10.7%
LUBEC	WASHINGTON COUNTY	\$222,975,466	\$26,050,715	10.5%
LONG ISLAND	CUMBERLAND COUNTY	\$160,742,180	\$18,570,189	10.4%
ROCKPORT	KNOX COUNTY	\$1,499,560,507	\$172,494,000	10.3%
WINTHROP	KENNEBEC COUNTY	\$615,452,433	\$69,832,900	10.2%
BOOTHBAY HARBOR	LINCOLN COUNTY	\$975,102,500	\$110,329,800	10.2%
PEMBROKE	WASHINGTON COUNTY	\$63,523,800	\$7,164,280	10.1%
WASHINGTON	KNOX COUNTY	\$164,967,711	\$18,433,410	10.1%
GOULDSBORO	HANCOCK COUNTY	\$431,574,680	\$47,996,080	10.0%
PITTSFIELD	SOMERSET COUNTY	\$242,889,608	\$26,573,400	9.9%
HAMPDEN	PENOBSCOT COUNTY	\$829,300,391	\$90,106,609	9.8%
GORHAM	CUMBERLAND COUNTY	\$2,819,038,000	\$298,865,200	9.6%
STATE		\$222,601,414,516	\$23,617,464,618	9.6%
SOMERVILLE	LINCOLN COUNTY	\$54,275,502	\$5,728,800	9.5%
NORTH BERWICK	YORK COUNTY	\$838,997,200	\$88,029,600	9.5%
WALDOBORO	LINCOLN COUNTY	\$685,046,800	\$71,640,000	9.5%
NORTH HAVEN	KNOX COUNTY	\$340,253,700	\$35,575,700	9.5%
ISLESBORO	WALDO COUNTY	\$626,485,500	\$65,297,000	9.4%
ATHENS	SOMERSET COUNTY	\$63,445,815	\$6,605,140	9.4%
AVON	FRANKLIN COUNTY	\$42,720,136	\$4,408,250	9.4%
NORWAY	OXFORD COUNTY	\$546,022,995	\$56,186,955	9.3%
FRANKLIN	HANCOCK COUNTY	\$199,628,300	\$20,384,190	9.3%
ALTON	PENOBSCOT COUNTY	\$49,834,218	\$5,023,834	9.2%
BOOTHBAY	LINCOLN COUNTY	\$1,058,697,805	\$105,839,734	9.1%
PRINCETON	WASHINGTON COUNTY	\$66,117,091	\$6,552,170	9.0%
ELLSWORTH	HANCOCK COUNTY	\$1,428,388,186	\$141,448,350	9.0%
MILFORD	PENOBSCOT COUNTY	\$179,746,255	\$17,627,195	8.9%
SOUTH BERWICK	YORK COUNTY	\$1,120,546,000	\$109,811,900	8.9%
BINGHAM	SOMERSET COUNTY	\$131,612,881	\$12,801,453	8.9%
CHARLOTTE	WASHINGTON COUNTY	\$28,954,900	\$2,800,200	8.8%
CHINA	KENNEBEC COUNTY	\$595,137,700	\$56,118,700	8.6%
MOUNT DESERT	HANCOCK COUNTY	\$2,367,862,711	\$219,660,679	8.5%
ISLAND FALLS	AROOSTOOK COUNTY	\$80,834,090	\$7,428,500	8.4%

CHELSEA	KENNEBEC COUNTY	\$203,034,732	\$18,643,551	8.4%
OWLS HEAD	KNOX COUNTY	\$365,954,980	\$33,441,503	8.4%
BREWER	PENOBSCOT COUNTY	\$993,507,888	\$89,999,742	8.3%
EUSTIS	FRANKLIN COUNTY	\$245,041,302	\$22,118,698	8.3%
STONEHAM	OXFORD COUNTY	\$90,690,364	\$8,177,430	8.3%
MADISON	SOMERSET COUNTY	\$422,847,900	\$37,911,600	8.2%
BETHEL	OXFORD COUNTY	\$599,615,700	\$53,485,900	8.2%
MASARDIS	AROOSTOOK COUNTY	\$26,591,018	\$2,349,780	8.1%
ISLE AU HAUT	KNOX COUNTY	\$80,937,029	\$7,109,332	8.1%
EASTON	AROOSTOOK COUNTY	\$216,535,466	\$18,932,200	8.0%
DANFORTH	WASHINGTON COUNTY	\$45,853,793	\$4,005,490	8.0%
KNOX	WALDO COUNTY	\$61,895,800	\$5,335,000	7.9%
WELD	FRANKLIN COUNTY	\$118,278,998	\$10,105,616	7.9%
YARMOUTH	CUMBERLAND COUNTY	\$1,734,789,560	\$148,163,540	7.9%
BUCKFIELD	OXFORD COUNTY	\$109,663,713	\$9,268,310	7.8%
WILTON	FRANKLIN COUNTY	\$269,248,323	\$22,720,052	7.8%
STOCKTON SPRINGS	WALDO COUNTY	\$182,934,733	\$15,350,710	7.7%
STONINGTON	HANCOCK COUNTY	\$217,364,060	\$18,174,040	7.7%
WINDHAM	CUMBERLAND COUNTY	\$3,788,400,000	\$314,431,400	7.7%
JONESPORT	WASHINGTON COUNTY	\$159,662,813	\$13,154,100	7.6%
HIGHLAND PLT	SOMERSET COUNTY	\$13,674,704	\$1,124,000	7.6%
CAMDEN	KNOX COUNTY	\$1,673,960,985	\$134,620,440	7.4%
BALDWIN	CUMBERLAND COUNTY	\$181,050,340	\$14,538,200	7.4%
MOOSE RIVER	SOMERSET COUNTY	\$39,040,730	\$3,133,400	7.4%
RICHMOND	SAGADAHOC COUNTY	\$288,701,947	\$23,145,610	7.4%
SUMNER	OXFORD COUNTY	\$72,815,252	\$5,826,096	7.4%
AURORA	HANCOCK COUNTY	\$15,813,300	\$1,262,600	7.4%
BEALS	WASHINGTON COUNTY	\$77,494,965	\$6,104,013	7.3%
MEXICO	OXFORD COUNTY	\$114,675,946	\$9,027,500	7.3%
OTIS	HANCOCK COUNTY	\$152,486,740	\$11,960,700	7.3%
BLUE HILL	HANCOCK COUNTY	\$658,703,670	\$51,598,780	7.3%
CHERRYFIELD	WASHINGTON COUNTY	\$84,518,570	\$6,540,300	7.2%
LINCOLNVILLE	WALDO COUNTY	\$449,813,000	\$34,722,000	7.2%
READFIELD	KENNEBEC COUNTY	\$360,195,726	\$27,625,251	7.1%
SABATTUS	ANDROSCOGGIN COUNTY	\$347,287,966	\$26,345,480	7.1%
ADDISON	WASHINGTON COUNTY	\$140,394,270	\$10,613,700	7.0%
SCARBOROUGH	CUMBERLAND COUNTY	\$5,142,583,176	\$387,010,924	7.0%
MEDDYBEMPS	WASHINGTON COUNTY	\$26,975,250	\$2,021,350	7.0%
JONESBORO	WASHINGTON COUNTY	\$57,156,050	\$4,281,500	7.0%
MILBRIDGE	WASHINGTON COUNTY	\$168,797,165	\$12,634,280	7.0%
WOOLWICH	SAGADAHOC COUNTY	\$390,048,700	\$29,054,400	6.9%
MEDWAY	PENOBSCOT COUNTY	\$69,091,600	\$5,104,600	6.9%
KENNEBUNK	YORK COUNTY	\$2,912,806,500	\$210,658,660	6.7%
DIXFIELD	OXFORD COUNTY	\$153,672,983	\$11,076,100	6.7%
JEFFERSON	LINCOLN COUNTY	\$350,452,380	\$25,165,880	6.7%
SOUTH PORTLAND	CUMBERLAND COUNTY	\$5,483,750,150	\$390,024,130	6.6%
WALES	ANDROSCOGGIN COUNTY	\$121,361,557	\$8,587,539	6.6%
PERRY	WASHINGTON COUNTY	\$97,371,400	\$6,883,000	6.6%
BRADLEY	PENOBSCOT COUNTY	\$121,499,400	\$8,423,100	6.5%
WADE	AROOSTOOK COUNTY	\$20,181,600	\$1,397,200	6.5%
EDDINGTON	PENOBSCOT COUNTY	\$188,255,008	\$12,969,296	6.4%
WINN	PENOBSCOT COUNTY	\$39,284,760	\$2,696,640	6.4%
GREENVILLE	PISCATAQUIS COUNTY	\$308,679,250	\$20,949,600	6.4%
PLYMOUTH	PENOBSCOT COUNTY	\$100,607,983	\$6,718,350	6.3%
HOWLAND	PENOBSCOT COUNTY	\$79,620,519	\$5,278,610	6.2%
MATTAWAMKEAG	PENOBSCOT COUNTY	\$67,053,098	\$4,415,080	6.2%
STEUBEN	WASHINGTON COUNTY	\$200,349,550	\$13,163,600	6.2%
STOW	OXFORD COUNTY	\$64,965,233	\$4,242,136	6.1%
SOUTH BRISTOL	LINCOLN COUNTY	\$769,749,513	\$49,697,400	6.1%
BRIDGTON	CUMBERLAND COUNTY	\$1,084,429,931	\$69,952,458	6.1%
JAY	FRANKLIN COUNTY	\$277,902,233	\$17,895,220	6.0%
CAMBRIDGE	SOMERSET COUNTY	\$29,453,240	\$1,886,600	6.0%
TOPSHAM	SAGADAHOC COUNTY	\$1,611,028,360	\$102,470,257	6.0%

DALLAS PLT	FRANKLIN COUNTY	\$146,545,230	\$9,303,100	6.0%
BUXTON	YORK COUNTY	\$1,406,028,400	\$88,638,707	5.9%
STANDISH	CUMBERLAND COUNTY	\$1,381,951,039	\$86,979,400	5.9%
FREEPORT	CUMBERLAND COUNTY	\$2,290,269,973	\$143,809,500	5.9%
BROWNVILLE	PISCATAQUIS COUNTY	\$64,344,689	\$4,038,524	5.9%
MARS HILL	AROOSTOOK COUNTY	\$139,779,471	\$8,756,900	5.9%
CAPE ELIZABETH	CUMBERLAND COUNTY	\$1,804,429,700	\$112,244,500	5.9%
GILEAD	OXFORD COUNTY	\$38,271,358	\$2,370,504	5.8%
TURNER	ANDROSCOGGIN COUNTY	\$664,024,666	\$41,079,800	5.8%
BROOKS	WALDO COUNTY	\$78,934,543	\$4,873,646	5.8%
WHITNEYVILLE	WASHINGTON COUNTY	\$12,629,880	\$775,820	5.8%
STRONG	FRANKLIN COUNTY	\$82,850,655	\$5,034,420	5.7%
CASWELL	AROOSTOOK COUNTY	\$17,333,776	\$1,051,500	5.7%
SANGERVILLE	PISCATAQUIS COUNTY	\$77,578,830	\$4,657,010	5.7%
FRENCHVILLE	AROOSTOOK COUNTY	\$41,440,413	\$2,485,429	5.7%
UNION	KNOX COUNTY	\$356,987,640	\$21,199,000	5.6%
LISBON	ANDROSCOGGIN COUNTY	\$701,016,300	\$41,332,000	5.6%
DENNISTOWN PLT	SOMERSET COUNTY	\$12,188,883	\$705,960	5.5%
VEAZIE	PENOBSCOT COUNTY	\$376,855,000	\$21,506,800	5.4%
SHIRLEY	PISCATAQUIS COUNTY	\$38,499,042	\$2,194,700	5.4%
SANFORD	YORK COUNTY	\$2,447,732,567	\$139,476,200	5.4%
NEWPORT	PENOBSCOT COUNTY	\$371,699,000	\$21,160,500	5.4%
EDGECOMB	LINCOLN COUNTY	\$221,754,276	\$12,583,681	5.4%
PORTAGE LAKE	AROOSTOOK COUNTY	\$73,521,919	\$4,161,189	5.4%
SAINT JOHN PLT	AROOSTOOK COUNTY	\$20,167,863	\$1,140,600	5.4%
WALLAGRASS	AROOSTOOK COUNTY	\$61,813,469	\$3,446,262	5.3%
CUMBERLAND	CUMBERLAND COUNTY	\$1,504,874,980	\$82,588,420	5.2%
FARMINGDALE	KENNEBEC COUNTY	\$220,542,540	\$12,096,900	5.2%
AMHERST	HANCOCK COUNTY	\$23,267,800	\$1,271,300	5.2%
WATERBORO	YORK COUNTY	\$1,087,966,700	\$58,965,200	5.1%
MARIAVILLE	HANCOCK COUNTY	\$76,474,800	\$4,120,600	5.1%
NEW CANADA	AROOSTOOK COUNTY	\$21,012,243	\$1,127,333	5.1%
MAPLETON	AROOSTOOK COUNTY	\$140,234,931	\$7,523,200	5.1%
CORNISH	YORK COUNTY	\$157,522,364	\$8,355,240	5.0%
WESTBROOK	CUMBERLAND COUNTY	\$2,872,008,100	\$150,091,700	5.0%
SPRINGFIELD	PENOBSCOT COUNTY	\$15,357,528	\$790,860	4.9%
OXFORD	OXFORD COUNTY	\$811,823,819	\$41,572,857	4.9%
ARROWSIC	SAGADAHOC COUNTY	\$101,185,955	\$5,166,995	4.9%
DEER ISLE	HANCOCK COUNTY	\$610,351,500	\$31,125,300	4.9%
BAILEYVILLE	WASHINGTON COUNTY	\$301,247,000	\$15,345,800	4.8%
ROBBINSON	WASHINGTON COUNTY	\$37,381,149	\$1,892,000	4.8%
GARLAND	PENOBSCOT COUNTY	\$87,214,224	\$4,396,530	4.8%
ORRINGTON	PENOBSCOT COUNTY	\$554,735,860	\$27,281,700	4.7%
PERHAM	AROOSTOOK COUNTY	\$23,089,026	\$1,134,060	4.7%
WESLEY	WASHINGTON COUNTY	\$25,596,046	\$1,254,400	4.7%
GRAND LAKE STREAM PLT	WASHINGTON COUNTY	\$40,678,986	\$1,990,950	4.7%
MECHANIC FALLS	ANDROSCOGGIN COUNTY	\$270,098,872	\$13,075,633	4.6%
PHIPPSBURG	SAGADAHOC COUNTY	\$665,068,300	\$32,141,600	4.6%
WINSLOW	KENNEBEC COUNTY	\$1,018,020,200	\$49,180,300	4.6%
BOWDOIN	SAGADAHOC COUNTY	\$222,768,020	\$10,735,600	4.6%
LEEDS	ANDROSCOGGIN COUNTY	\$313,073,600	\$15,041,600	4.6%
APPLETON	KNOX COUNTY	\$126,663,650	\$6,083,150	4.6%
PARSONSFIELD	YORK COUNTY	\$211,240,602	\$10,137,053	4.6%
SOUTHWEST HARBOR	HANCOCK COUNTY	\$572,033,358	\$27,342,792	4.6%
SWANVILLE	WALDO COUNTY	\$124,316,266	\$5,894,630	4.5%
GREENBUSH	PENOBSCOT COUNTY	\$85,850,430	\$4,070,000	4.5%
WEST PARIS	OXFORD COUNTY	\$141,570,700	\$6,703,300	4.5%
HARRISON	CUMBERLAND COUNTY	\$612,856,800	\$28,982,900	4.5%
CYR PLT	AROOSTOOK COUNTY	\$10,631,737	\$501,383	4.5%
SACO	YORK COUNTY	\$3,861,514,991	\$180,234,087	4.5%
CANTON	OXFORD COUNTY	\$93,255,737	\$4,348,812	4.5%
SAINT GEORGE	KNOX COUNTY	\$886,334,770	\$41,292,480	4.5%
NEW GLOUCESTER	CUMBERLAND COUNTY	\$633,316,294	\$29,393,514	4.4%

TREMONT	HANCOCK COUNTY	\$514,249,800	\$23,649,800	4.4%
FALMOUTH	CUMBERLAND COUNTY	\$4,142,414,100	\$189,788,700	4.4%
CARRABASSETT VALLEY	FRANKLIN COUNTY	\$877,407,300	\$40,079,000	4.4%
MONTVILLE	WALDO COUNTY	\$108,768,460	\$4,949,720	4.4%
WESTON	AROOSTOOK COUNTY	\$53,164,300	\$2,403,900	4.3%
VINALHAVEN	KNOX COUNTY	\$609,731,630	\$27,177,700	4.3%
WELLINGTON	PISCATAQUIS COUNTY	\$21,381,070	\$938,510	4.2%
ORIENT	AROOSTOOK COUNTY	\$49,764,054	\$2,177,900	4.2%
CASCO	CUMBERLAND COUNTY	\$638,822,680	\$27,941,360	4.2%
WINDSOR	KENNEBEC COUNTY	\$318,278,450	\$13,918,950	4.2%
CRYSTAL	AROOSTOOK COUNTY	\$17,328,987	\$748,800	4.1%
PASSADUMKEAG	PENOBSCOT COUNTY	\$25,977,045	\$1,111,915	4.1%
COLUMBIA	WASHINGTON COUNTY	\$59,783,600	\$2,552,500	4.1%
WILLIMANTIC	PISCATAQUIS COUNTY	\$54,796,850	\$2,333,120	4.1%
ROME	KENNEBEC COUNTY	\$302,861,880	\$12,889,820	4.1%
LIVERMORE	ANDROSCOGGIN COUNTY	\$213,292,089	\$9,059,020	4.1%
NOBLEBORO	LINCOLN COUNTY	\$334,469,900	\$14,091,700	4.0%
SEDGWICK	HANCOCK COUNTY	\$212,442,850	\$8,857,800	4.0%
WOODVILLE	PENOBSCOT COUNTY	\$45,995,100	\$1,914,300	4.0%
EMBDEN	SOMERSET COUNTY	\$289,334,471	\$11,984,500	4.0%
RANGELEY	FRANKLIN COUNTY	\$728,942,800	\$29,740,600	3.9%
SAINT FRANCIS	AROOSTOOK COUNTY	\$25,767,591	\$1,033,710	3.9%
MONSON	PISCATAQUIS COUNTY	\$78,689,151	\$3,153,620	3.9%
GEORGETOWN	SAGADAHOC COUNTY	\$500,450,640	\$19,983,160	3.8%
CHEBEAGUE ISLAND	CUMBERLAND COUNTY	\$329,787,239	\$13,112,586	3.8%
ANDOVER	OXFORD COUNTY	\$90,030,181	\$3,572,408	3.8%
ROQUE BLUFFS	WASHINGTON COUNTY	\$72,144,280	\$2,839,820	3.8%
MOUNT VERNON	KENNEBEC COUNTY	\$250,036,007	\$9,764,800	3.8%
MONTICELLO	AROOSTOOK COUNTY	\$46,143,571	\$1,782,200	3.7%
WHITING	WASHINGTON COUNTY	\$68,576,150	\$2,644,500	3.7%
AMITY	AROOSTOOK COUNTY	\$12,855,360	\$493,540	3.7%
DENNYSVILLE	WASHINGTON COUNTY	\$16,996,500	\$641,437	3.6%
MERRILL	AROOSTOOK COUNTY	\$14,901,833	\$552,000	3.6%
PALERMO	WALDO COUNTY	\$261,874,600	\$9,541,600	3.5%
OAKLAND	KENNEBEC COUNTY	\$702,510,000	\$25,454,800	3.5%
CANAAN	SOMERSET COUNTY	\$109,053,500	\$3,938,540	3.5%
CRANBERRY ISLES	HANCOCK COUNTY	\$197,232,744	\$7,112,456	3.5%
CLIFTON	PENOBSCOT COUNTY	\$126,446,000	\$4,525,000	3.5%
MORRILL	WALDO COUNTY	\$92,143,900	\$3,291,400	3.4%
BROOKSVILLE	HANCOCK COUNTY	\$433,774,600	\$15,266,400	3.4%
BENTON	KENNEBEC COUNTY	\$249,938,676	\$8,762,870	3.4%
ALEXANDER	WASHINGTON COUNTY	\$55,890,368	\$1,949,678	3.4%
NEWFIELD	YORK COUNTY	\$334,014,091	\$11,629,032	3.4%
BRISTOL	LINCOLN COUNTY	\$1,089,285,765	\$37,918,835	3.4%
LINNEUS	AROOSTOOK COUNTY	\$93,176,000	\$3,241,600	3.4%
HOPE	KNOX COUNTY	\$205,797,670	\$7,152,880	3.4%
MERCER	SOMERSET COUNTY	\$64,743,935	\$2,243,140	3.3%
WEST GARDINER	KENNEBEC COUNTY	\$511,115,990	\$17,497,000	3.3%
TROY	WALDO COUNTY	\$96,374,830	\$3,280,394	3.3%
MANCHESTER	KENNEBEC COUNTY	\$326,632,450	\$11,097,350	3.3%
BLAINE	AROOSTOOK COUNTY	\$43,832,981	\$1,476,725	3.3%
DEDHAM	HANCOCK COUNTY	\$265,116,646	\$8,861,460	3.2%
POLAND	ANDROSCOGGIN COUNTY	\$887,409,400	\$29,560,180	3.2%
WESTMANLAND	AROOSTOOK COUNTY	\$18,171,412	\$604,400	3.2%
PITTSTON	KENNEBEC COUNTY	\$352,527,200	\$11,631,200	3.2%
WOODSTOCK	OXFORD COUNTY	\$202,101,618	\$6,627,290	3.2%
NORTH YARMOUTH	CUMBERLAND COUNTY	\$614,457,010	\$20,004,640	3.2%
BOWDOINHAM	SAGADAHOC COUNTY	\$369,660,400	\$12,014,000	3.1%
FRIENDSHIP	KNOX COUNTY	\$374,888,800	\$12,160,000	3.1%
ELIOT	YORK COUNTY	\$1,339,853,007	\$43,394,800	3.1%
OTISFIELD	OXFORD COUNTY	\$300,672,229	\$9,720,587	3.1%
NEW PORTLAND	SOMERSET COUNTY	\$106,747,700	\$3,445,200	3.1%
MONHEGAN PLT	LINCOLN COUNTY	\$86,477,926	\$2,771,200	3.1%

EASTBROOK	HANCOCK COUNTY	\$116,432,500	\$3,726,900	3.1%
VIENNA	KENNEBEC COUNTY	\$63,970,847	\$2,018,875	3.1%
LOVELL	OXFORD COUNTY	\$449,203,990	\$14,164,200	3.1%
ORLAND	HANCOCK COUNTY	\$339,878,982	\$10,676,380	3.0%
NAPLES	CUMBERLAND COUNTY	\$1,357,894,381	\$42,395,853	3.0%
CLINTON	KENNEBEC COUNTY	\$250,458,069	\$7,763,070	3.0%
FREEDOM	WALDO COUNTY	\$63,824,380	\$1,972,925	3.0%
OGUNQUIT	YORK COUNTY	\$2,038,646,270	\$62,916,100	3.0%
LIMINGTON	YORK COUNTY	\$669,914,319	\$20,534,088	3.0%
MATINICUS ISLE PLT	KNOX COUNTY	\$34,725,497	\$1,063,250	3.0%
COLUMBIA FALLS	WASHINGTON COUNTY	\$45,843,500	\$1,396,100	3.0%
RANDOLPH	KENNEBEC COUNTY	\$97,620,670	\$2,946,780	2.9%
COOPER	WASHINGTON COUNTY	\$29,196,800	\$879,300	2.9%
FAYETTE	KENNEBEC COUNTY	\$234,640,900	\$7,037,700	2.9%
SEBOEIS PLT	PENOBSCOT COUNTY	\$12,669,866	\$377,453	2.9%
LEVANT	PENOBSCOT COUNTY	\$243,991,900	\$7,161,700	2.9%
WEST BATH	SAGADAHOC COUNTY	\$710,846,620	\$20,679,580	2.8%
WOODLAND	AROOSTOOK COUNTY	\$72,145,337	\$2,054,960	2.8%
BROWNFIELD	OXFORD COUNTY	\$204,623,383	\$5,820,122	2.8%
BREMEN	LINCOLN COUNTY	\$201,379,650	\$5,677,973	2.7%
RAYMOND	CUMBERLAND COUNTY	\$1,072,037,240	\$30,203,660	2.7%
ALNA	LINCOLN COUNTY	\$96,654,250	\$2,708,400	2.7%
PORTER	OXFORD COUNTY	\$118,606,366	\$3,202,473	2.6%
GRAY	CUMBERLAND COUNTY	\$1,270,088,200	\$33,527,700	2.6%
PALMYRA	SOMERSET COUNTY	\$200,337,750	\$5,284,040	2.6%
WELLS	YORK COUNTY	\$6,454,168,901	\$170,072,170	2.6%
SOUTH THOMASTON	KNOX COUNTY	\$316,354,952	\$8,239,800	2.5%
ABBOT	PISCATAQUIS COUNTY	\$77,492,640	\$2,013,100	2.5%
DETROIT	SOMERSET COUNTY	\$90,566,144	\$2,349,900	2.5%
YORK	YORK COUNTY	\$6,974,868,042	\$180,576,956	2.5%
GLENBURN	PENOBSCOT COUNTY	\$384,645,390	\$9,946,750	2.5%
HAMMOND	AROOSTOOK COUNTY	\$6,901,381	\$178,034	2.5%
KENNEBUNKPORT	YORK COUNTY	\$3,511,483,480	\$90,278,800	2.5%
BROOKLIN	HANCOCK COUNTY	\$396,750,500	\$10,173,800	2.5%
HIRAM	OXFORD COUNTY	\$210,790,190	\$5,391,770	2.5%
WESTFIELD	AROOSTOOK COUNTY	\$35,686,516	\$903,000	2.5%
HARPSWELL	CUMBERLAND COUNTY	\$2,429,500,700	\$61,227,600	2.5%
BUCKSPORT	HANCOCK COUNTY	\$630,569,181	\$15,851,203	2.5%
LAMOINE	HANCOCK COUNTY	\$413,315,800	\$10,145,200	2.4%
MORO PLT	AROOSTOOK COUNTY	\$8,904,150	\$218,300	2.4%
ARUNDEL	YORK COUNTY	\$554,584,802	\$13,570,840	2.4%
HALLOWELL	KENNEBEC COUNTY	\$252,507,364	\$6,175,010	2.4%
WAYNE	KENNEBEC COUNTY	\$184,552,880	\$4,465,820	2.4%
EXETER	PENOBSCOT COUNTY	\$78,723,345	\$1,879,155	2.3%
LIBERTY	WALDO COUNTY	\$167,792,041	\$3,991,090	2.3%
FRANKFORT	WALDO COUNTY	\$118,058,461	\$2,772,643	2.3%
WHITEFIELD	LINCOLN COUNTY	\$216,659,010	\$5,073,609	2.3%
CORNVILLE	SOMERSET COUNTY	\$99,425,150	\$2,323,090	2.3%
MAXFIELD	PENOBSCOT COUNTY	\$8,737,987	\$202,505	2.3%
LAKEVILLE	PENOBSCOT COUNTY	\$78,288,556	\$1,791,440	2.2%
MINOT	ANDROSCOGGIN COUNTY	\$336,699,441	\$7,663,855	2.2%
MACWAHOC PLT	AROOSTOOK COUNTY	\$15,244,532	\$345,062	2.2%
DEBLOIS	WASHINGTON COUNTY	\$39,886,400	\$894,900	2.2%
LITCHFIELD	KENNEBEC COUNTY	\$452,772,600	\$10,022,400	2.2%
BEDDINGTON	WASHINGTON COUNTY	\$53,019,520	\$1,164,280	2.1%
MONMOUTH	KENNEBEC COUNTY	\$481,181,110	\$10,485,010	2.1%
OLD ORCHARD BEACH	YORK COUNTY	\$2,960,387,975	\$64,325,682	2.1%
DENMARK	OXFORD COUNTY	\$310,528,293	\$6,738,915	2.1%
BOWERBANK	PISCATAQUIS COUNTY	\$99,275,880	\$2,145,420	2.1%
ENFIELD	PENOBSCOT COUNTY	\$182,086,301	\$3,932,800	2.1%
HOLDEN	PENOBSCOT COUNTY	\$310,007,240	\$6,668,150	2.1%
SEBAGO	CUMBERLAND COUNTY	\$567,622,323	\$12,148,719	2.1%
STETSON	PENOBSCOT COUNTY	\$99,958,900	\$2,132,500	2.1%

FRYE ISLAND	CUMBERLAND COUNTY	\$126,042,520	\$2,684,180	2.1%
SORRENTO	HANCOCK COUNTY	\$111,583,800	\$2,359,000	2.1%
HAYNESVILLE	AROOSTOOK COUNTY	\$12,986,375	\$273,990	2.1%
ALBION	KENNEBEC COUNTY	\$157,825,916	\$3,310,100	2.1%
SEARSMONT	WALDO COUNTY	\$247,421,600	\$5,182,000	2.1%
NEW LIMERICK	AROOSTOOK COUNTY	\$116,366,722	\$2,434,200	2.0%
LYMAN	YORK COUNTY	\$648,929,120	\$13,494,780	2.0%
COPLIN PLT	FRANKLIN COUNTY	\$44,782,400	\$930,600	2.0%
MOSCOW	SOMERSET COUNTY	\$169,197,046	\$3,506,588	2.0%
NEW SHARON	FRANKLIN COUNTY	\$104,423,355	\$2,161,860	2.0%
ETNA	PENOBSCOT COUNTY	\$72,203,010	\$1,487,690	2.0%
GREENE	ANDROSCOGGIN COUNTY	\$372,295,590	\$7,598,940	2.0%
HOLLIS	YORK COUNTY	\$583,034,933	\$11,879,110	2.0%
RIPLEY	SOMERSET COUNTY	\$36,807,702	\$741,368	2.0%
KITTERY	YORK COUNTY	\$2,164,486,335	\$43,340,900	2.0%
HANCOCK	HANCOCK COUNTY	\$388,295,660	\$7,769,130	2.0%
VERONA	HANCOCK COUNTY	\$54,100,140	\$1,067,420	1.9%
LEBANON	YORK COUNTY	\$966,939,773	\$19,072,811	1.9%
LIMERICK	YORK COUNTY	\$396,776,308	\$7,803,621	1.9%
POWNA	CUMBERLAND COUNTY	\$256,353,390	\$4,971,200	1.9%
SIDNEY	KENNEBEC COUNTY	\$632,304,500	\$12,175,500	1.9%
WESTPORT ISLAND	LINCOLN COUNTY	\$286,920,786	\$5,458,924	1.9%
NEW SWEDEN	AROOSTOOK COUNTY	\$38,791,882	\$731,283	1.9%
CRAWFORD	WASHINGTON COUNTY	\$20,422,075	\$378,000	1.8%
REED PLT	AROOSTOOK COUNTY	\$17,069,353	\$314,918	1.8%
MOUNT CHASE	PENOBSCOT COUNTY	\$35,589,600	\$649,620	1.8%
ANSON	SOMERSET COUNTY	\$160,036,660	\$2,918,040	1.8%
SHAPLEIGH	YORK COUNTY	\$601,388,839	\$10,763,286	1.8%
NORTHPORT	WALDO COUNTY	\$301,727,410	\$5,381,220	1.8%
NEWBURGH	PENOBSCOT COUNTY	\$166,439,431	\$2,960,001	1.7%
BELGRADE	KENNEBEC COUNTY	\$1,047,530,700	\$18,535,800	1.7%
GREENWOOD	OXFORD COUNTY	\$179,331,689	\$3,162,766	1.7%
DIXMONT	PENOBSCOT COUNTY	\$109,769,989	\$1,915,320	1.7%
HUDSON	PENOBSCOT COUNTY	\$101,827,900	\$1,768,300	1.7%
ACTON	YORK COUNTY	\$1,177,063,022	\$20,414,268	1.7%
LAGRANGE	PENOBSCOT COUNTY	\$40,568,785	\$694,616	1.7%
WINTERPORT	WALDO COUNTY	\$409,765,600	\$7,005,900	1.7%
SANDY RIVER PLT	FRANKLIN COUNTY	\$133,130,800	\$2,245,800	1.7%
DAYTON	YORK COUNTY	\$302,658,600	\$5,088,100	1.7%
SAINT ALBANS	SOMERSET COUNTY	\$166,869,980	\$2,603,910	1.5%
PARKMAN	PISCATAQUIS COUNTY	\$101,737,698	\$1,576,290	1.5%
MARSHFIELD	WASHINGTON COUNTY	\$34,218,500	\$521,600	1.5%
BRIGHTON PLT	SOMERSET COUNTY	\$12,481,430	\$190,140	1.5%
CARTHAGE	FRANKLIN COUNTY	\$67,267,517	\$1,005,092	1.5%
CARMEL	PENOBSCOT COUNTY	\$241,451,700	\$3,582,600	1.5%
TEMPLE	FRANKLIN COUNTY	\$42,514,194	\$630,132	1.5%
KENDUSKEAG	PENOBSCOT COUNTY	\$79,160,540	\$1,161,500	1.4%
DURHAM	ANDROSCOGGIN COUNTY	\$376,000,600	\$5,083,940	1.3%
SWEDEN	OXFORD COUNTY	\$101,187,382	\$1,357,737	1.3%
KINGFIELD	FRANKLIN COUNTY	\$183,060,052	\$2,428,667	1.3%
SURRY	HANCOCK COUNTY	\$441,586,500	\$5,733,700	1.3%
NORTHFIELD	WASHINGTON COUNTY	\$45,622,280	\$585,520	1.3%
CUSHING	KNOX COUNTY	\$297,116,139	\$3,803,140	1.3%
WALTHAM	HANCOCK COUNTY	\$50,820,035	\$616,750	1.2%
HANOVER	OXFORD COUNTY	\$50,508,030	\$601,935	1.2%
RANGELEY PLT	FRANKLIN COUNTY	\$349,404,919	\$4,096,000	1.2%
SMITHFIELD	SOMERSET COUNTY	\$115,451,420	\$1,307,880	1.1%
SHERMAN	AROOSTOOK COUNTY	\$41,261,155	\$465,100	1.1%
CARATUNK	SOMERSET COUNTY	\$47,818,282	\$515,636	1.1%
BERWICK	YORK COUNTY	\$765,449,984	\$8,187,200	1.1%
SEBEC	PISCATAQUIS COUNTY	\$83,686,105	\$893,470	1.1%
THE FORKS PLT	SOMERSET COUNTY	\$70,880,972	\$733,600	1.0%
OAKFIELD	AROOSTOOK COUNTY	\$230,111,576	\$2,337,000	1.0%

ALLAGASH	AROOSTOOK COUNTY	\$24,795,614	\$250,498	1.0%
BYRON	OXFORD COUNTY	\$43,374,518	\$431,200	1.0%
SMYRNA	AROOSTOOK COUNTY	\$22,829,420	\$226,800	1.0%
TALMADGE	WASHINGTON COUNTY	\$6,220,684	\$60,640	1.0%
INDUSTRY	FRANKLIN COUNTY	\$98,481,539	\$892,411	0.9%
EDINBURG	PENOBSCOT COUNTY	\$12,463,568	\$111,970	0.9%
EAST MACHIAS	WASHINGTON COUNTY	\$121,456,678	\$1,091,034	0.9%
PENOBSCOT	HANCOCK COUNTY	\$221,064,400	\$1,942,100	0.9%
CARROLL PLT	PENOBSCOT COUNTY	\$26,374,424	\$226,040	0.8%
OSBORN	HANCOCK COUNTY	\$80,788,700	\$691,100	0.8%
BURNHAM	WALDO COUNTY	\$124,976,400	\$1,053,200	0.8%
HARTFORD	OXFORD COUNTY	\$119,753,785	\$1,007,897	0.8%
STACYVILLE	PENOBSCOT COUNTY	\$20,289,800	\$156,000	0.8%
STARKS	SOMERSET COUNTY	\$74,067,910	\$550,900	0.7%
NEWRY	OXFORD COUNTY	\$634,845,300	\$4,538,840	0.7%
LAKE VIEW PLT	PISCATAQUIS COUNTY	\$153,833,200	\$1,079,700	0.7%
JACKSON	WALDO COUNTY	\$56,647,784	\$366,787	0.6%
WEST FORKS PLT	SOMERSET COUNTY	\$33,042,506	\$207,080	0.6%
HERSEY	AROOSTOOK COUNTY	\$7,425,700	\$46,360	0.6%
NEW VINEYARD	FRANKLIN COUNTY	\$81,032,683	\$437,094	0.5%
KINGSBURY PLT	PISCATAQUIS COUNTY	\$92,843,516	\$497,390	0.5%
CHESTER	PENOBSCOT COUNTY	\$138,789,960	\$698,420	0.5%
ROXBURY	OXFORD COUNTY	\$167,277,603	\$821,420	0.5%
LUDLOW	AROOSTOOK COUNTY	\$28,122,493	\$129,252	0.5%
LOWELL	PENOBSCOT COUNTY	\$64,424,866	\$234,452	0.4%
WAITE	WASHINGTON COUNTY	\$8,728,286	\$31,200	0.4%
GLENWOOD PLT	AROOSTOOK COUNTY	\$15,802,576	\$52,680	0.3%
PERU	OXFORD COUNTY	\$127,779,939	\$418,368	0.3%
TOPSFIELD	WASHINGTON COUNTY	\$19,755,087	\$63,360	0.3%
BELMONT	WALDO COUNTY	\$79,716,252	\$250,800	0.3%
LITTLETON	AROOSTOOK COUNTY	\$51,994,409	\$161,980	0.3%
MONROE	WALDO COUNTY	\$123,054,602	\$351,856	0.3%
EAGLE LAKE	AROOSTOOK COUNTY	\$84,083,228	\$192,200	0.2%
DRESDEN	LINCOLN COUNTY	\$190,696,420	\$432,000	0.2%
CHESTERVILLE	FRANKLIN COUNTY	\$123,133,500	\$276,000	0.2%
SOUTHPORT	LINCOLN COUNTY	\$673,509,321	\$1,403,360	0.2%
WEBSTER PLT	PENOBSCOT COUNTY	\$6,825,100	\$11,400	0.2%
BURLINGTON	PENOBSCOT COUNTY	\$87,341,646	\$129,000	0.1%
WATERFORD	OXFORD COUNTY	\$210,963,287	\$289,800	0.1%
SWANS ISLAND	HANCOCK COUNTY	\$155,964,100	\$96,000	0.1%
PLEASANT RIDGE PLT	SOMERSET COUNTY	\$122,641,616	\$10,640	0.0%
HERMON	PENOBSCOT COUNTY	\$759,418,250	\$0	0.0%
BRADFORD	PENOBSCOT COUNTY	\$70,462,000	\$0	0.0%

§651. Public property

The following public property is exempt from taxation:

1. Public property.

A. The property of the United States so far as the taxation of such property is prohibited under the Constitution and laws of the United States; [RR 2013, c. 1, §51 (COR).]

B. The property of the State of Maine; [RR 2013, c. 1, §51 (COR).]

B-1. Real estate owned by the Water Resources Board of the State of New Hampshire and used for the preservation of recreational facilities in this State; [RR 2013, c. 1, §51 (COR).]

C. All property which by the Articles of Separation is exempt from taxation; [RR 2013, c. 1, §51 (COR).]

D. The property of any public municipal corporation of this State appropriated to public uses, if located within the corporate limits and confines of such public municipal corporation; [RR 2013, c. 1, §51 (COR).]

E. The pipes, fixtures, hydrants, conduits, gatehouses, pumping stations, reservoirs and dams, used only for reservoir purposes, of public municipal corporations engaged in supplying water, power or light, if located outside of the limits of such public municipal corporation; [RR 2013, c. 1, §51 (COR).]

F. All airports and landing fields and the structures erected thereon or contained therein of public municipal corporations whether located within or without the limits of such public municipal corporations. Any structures or land contained within such airport not used for airport or aeronautical purposes shall not be entitled to this exemption. Any public municipal corporation which is required to pay taxes to another such corporation under this paragraph with respect to any airport or landing field shall be reimbursed by the county wherein the airport is situated; and [RR 2013, c. 1, §51 (COR).]

G. The pipes, fixtures, conduits, buildings, pumping stations and other facilities of a public municipal corporation used for sewage disposal, if located outside the limits of such public municipal corporation. [PL 1967, c. 115 (NEW).]

[RR 2013, c. 1, §51 (COR).]

SECTION HISTORY

PL 1965, c. 125 (AMD). PL 1967, c. 115 (AMD). PL 1981, c. 492, §D6 (AMD). PL 1981, c. 595, §4 (AMD). RR 2013, c. 1, §51 (COR).

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§652. Property of institutions and organizations

1. Property of institutions and organizations. The property of institutions and organizations is exempt from taxation as provided in this subsection.

A. The real estate and personal property owned and occupied or used solely for their own purposes by incorporated benevolent and charitable institutions are exempt from taxation. Such an institution may not be deprived of the right of exemption by reason of the source from which its funds are derived or by reason of limitation in the classes of persons for whose benefit the funds are applied.

For the purposes of this paragraph, "benevolent and charitable institutions" includes, but is not limited to, nonprofit nursing homes licensed by the Department of Health and Human Services pursuant to Title 22, chapter 405, nonprofit residential care facilities licensed by the Department of Health and Human Services pursuant to Title 22, chapter 1663, nonprofit community mental health service facilities licensed by the Commissioner of Health and Human Services in accordance with rules adopted pursuant to Title 34-B, chapter 3 and nonprofit child care centers. For the purposes of this paragraph, "nonprofit" refers to an institution that has been determined by the United States Internal Revenue Service to be exempt from taxation under Section 501(c)(3) of the Code. [PL 2021, c. 630, Pt. B, §2 (AMD).]

B. The real estate and personal property owned and occupied or used solely for their own purposes by literary and scientific institutions are exempt from taxation. If any building or part of a building is used primarily for employee housing, that building, or that part of the building used for employee housing, is not exempt from taxation. [PL 2007, c. 627, §20 (AMD).]

C. Further conditions to the right of exemption under paragraphs A and B are that:

- (1) Any corporation claiming exemption under paragraph A must be organized and conducted exclusively for benevolent and charitable purposes;
- (2) A director, trustee, officer or employee of an organization claiming exemption may not receive directly or indirectly any pecuniary profit from the operation of that organization, except as reasonable compensation for services in effecting its purposes or as a proper beneficiary of its strictly benevolent or charitable purposes;
- (3) All profits derived from the operation of an organization claiming exemption and the proceeds from the sale of its property must be devoted exclusively to the purposes for which it is organized;
- (4) The institution, organization or corporation claiming exemption under this section must file with the assessors upon their request a report for its preceding fiscal year in such detail as the assessors may reasonably require;
- (5) An exemption may not be allowed under this section in favor of an agricultural fair association holding pari-mutuel racing meets unless it has qualified the next preceding year as a recipient of a stipend from the Stipend Fund provided in Title 7, section 86;
- (6) An exemption allowed under paragraph A or B for real or personal property owned and occupied or used to provide federally subsidized residential rental housing is limited as follows: Federally subsidized residential rental housing placed in service prior to September 1, 1993 by other than a nonprofit housing corporation that is acquired on or after September 1, 1993 by a nonprofit housing corporation and the operation of which is not an unrelated trade or business to that nonprofit housing corporation is eligible for an exemption limited to 50% of the municipal assessed value of that property.

An exemption granted under this subparagraph must be revoked for any year in which the owner of the property is no longer a nonprofit housing corporation or the operation of the residential rental housing is an unrelated trade or business to that nonprofit housing corporation.

(a) For the purposes of this subparagraph, the following terms have the following meanings.

(i) "Federally subsidized residential rental housing" means residential rental housing that is subsidized through project-based rental assistance, operating assistance or interest rate subsidies paid or provided by or on behalf of an agency or department of the Federal Government.

(ii) "Nonprofit housing corporation" means a nonprofit corporation organized in the State that is exempt from tax under Section 501(c)(3) of the Code and has among its corporate purposes the provision of services to people of low income or the construction, rehabilitation, ownership or operation of housing.

(iii) "Residential rental housing" means one or more buildings, together with any facilities functionally related and subordinate to the building or buildings, located on one parcel of land and held in common ownership prior to the conversion to nonprofit status and containing 9 or more similarly constructed residential units offered for rental to the general public for use on other than a transient basis, each of which contains separate and complete facilities for living, sleeping, eating, cooking and sanitation.

(iv) "Unrelated trade or business" means any trade or business whose conduct is not substantially related to the exercise or performance by a nonprofit corporation of the purposes or functions constituting the basis for exemption under Section 501(c)(3) of the Code.

(b) Eligibility of the following property for exemption is not affected by the provisions of this subparagraph:

(i) Property used as a nonprofit nursing home, residential care facility licensed by the Department of Health and Human Services pursuant to Title 22, chapter 1663 or a community living arrangement as defined in Title 30-A, section 4357-A or any property owned by a nonprofit organization licensed or funded by the Department of Health and Human Services to provide services to or for the benefit of persons with mental illness or intellectual disabilities;

(ii) Property used for student housing;

(iii) Property used for parsonages;

(iv) Property that was owned and occupied or used to provide residential rental housing that qualified for exemption under paragraph A or B prior to September 1, 1993; or

(v) Property exempt from taxation under other provisions of law; and

(7) In addition to the requirements of subparagraphs (1) to (4), an exemption is not allowed under paragraph A or B for real or personal property owned and occupied or used to provide residential rental housing that is transferred or placed in service on or after September 1, 1993, unless the property is owned by a nonprofit housing corporation and the operation of the residential rental housing is not an unrelated trade or business to the nonprofit housing corporation.

For the purposes of this subparagraph, the following terms have the following meanings.

(a) "Nonprofit housing corporation" means a nonprofit corporation organized in the State that is exempt from tax under Section 501(c)(3) of the Code and has among its corporate purposes the provision of services to people of low income or the construction, rehabilitation, ownership or operation of housing.

(b) "Residential rental housing" means one or more buildings, together with any facilities functionally related and subordinate to the building or buildings, containing one or more similarly constructed residential units offered for rental to the general public for use on other than a transient basis, each of which contains separate and complete facilities for living, sleeping, eating, cooking and sanitation.

(c) "Unrelated trade or business" means any trade or business whose conduct is not substantially related to the exercise or performance by a nonprofit organization of the purposes constituting the basis for exemption under Section 501(c)(3) of the Code. [PL 2019, c. 501, §19 (AMD).]

D. [PL 1979, c. 467, §3 (RP).]

E. The real estate and personal property owned, occupied and used for their own purposes by posts of the American Legion, Veterans of Foreign Wars, American Veterans, Sons of Union Veterans of the Civil War, Disabled American Veterans and Navy Clubs of the U.S.A. that are used solely by those organizations for meetings, ceremonials or instruction or to further the charitable activities of the organization, including all facilities that are appurtenant to that property and used in connection with those purposes, are exempt from taxation. If an organization is not the sole occupant of the property, the exemption granted under this paragraph applies only to that portion of the property owned, occupied and used by the organization for its purposes.

Further conditions to the right of exemption are that:

- (1) A director, trustee, officer or employee of any organization claiming exemption may not receive directly or indirectly any pecuniary profit from the operation of that organization, except as reasonable compensation for services in effecting its purposes or as a proper beneficiary of its purposes;
- (2) All profits derived from the operation of the organization and the proceeds from the sale of its property must be devoted exclusively to the purposes for which it is organized; and
- (3) The institution, organization or corporation claiming exemption under this paragraph must file with the assessors upon their request a report for its preceding fiscal year in such detail as the assessors may reasonably require. [PL 2007, c. 627, §20 (AMD).]

F. The real estate and personal property owned and occupied or used solely for their own purposes by central labor councils, chambers of commerce or boards of trade in this State are exempt from taxation. For the purposes of this paragraph, "central labor council" means an association or network of labor unions designed to promote and protect the interests of their members.

Further conditions to the right of exemption are that:

- (1) A director, trustee, officer or employee of any organization claiming exemption may not receive directly or indirectly any pecuniary profit from the operation of that organization, except as reasonable compensation for services in effecting its purposes or as a proper beneficiary of its purposes;
- (2) All profits derived from the operation of the organization and the proceeds from the sale of its property must be devoted exclusively to the purposes for which it is organized; and
- (3) The institution, organization or corporation claiming exemption under this paragraph must file with the assessors upon their request a report for its preceding fiscal year in such detail as the assessors may reasonably require. [PL 2021, c. 410, §1 (AMD).]

G. Houses of religious worship, including vestries, and the pews and furniture within them; tombs and rights of burial; and property owned and used by a religious society as a parsonage up to the just value of \$20,000, and personal property not exceeding \$6,000 in just value are exempt from taxation, except that any portion of a parsonage that is rented is subject to taxation. For purposes of this paragraph, "parsonage" means the principal residence provided by a religious society for its cleric whether or not the principal residence is located within the same municipality as the house of religious worship where the cleric regularly conducts religious services. [PL 2023, c. 360, Pt. A, §6 (AMD).]

H. Real estate and personal property owned by or held in trust for fraternal organizations, except college fraternities, operating under the lodge system that are used solely by those fraternal organizations for meetings, ceremonies or religious or moral instruction, including all facilities that are appurtenant to that property and used in connection with those purposes are exempt from taxation. If a building is used in part for those purposes and in part for any other purpose, only the part used for those purposes is exempt.

Further conditions to the right of exemption under this paragraph are that:

- (1) A director, trustee, officer or employee of any organization claiming exemption may not receive directly or indirectly any pecuniary profit from the operation of that organization, except as reasonable compensation for services in effecting its purposes or as a proper beneficiary of its purposes;
- (2) All profits derived from the operation of the organization and the proceeds from the sale of its property must be devoted exclusively to the purposes for which it is organized; and
- (3) The institution, organization or corporation claiming exemption under this paragraph must file with the assessors upon their request a report for its preceding fiscal year in such detail as the assessors may reasonably require. [PL 2007, c. 627, §20 (AMD).]

I. [PL 1979, c. 467, §7 (RP).]

J. The real and personal property owned by one or more of the organizations in paragraphs A and B and E to H and occupied or used solely for their own purposes by one or more other such organizations are exempt from taxation. [PL 2007, c. 627, §20 (AMD).]

K. Except as otherwise provided in this subsection, the real and personal property leased by and occupied or used solely for its own purposes by an incorporated benevolent and charitable organization that is exempt from taxation under section 501 of the Code and the primary purpose of which is the operation of a hospital licensed by the Department of Health and Human Services, a health maintenance organization or a blood bank are exempt from taxation. For property tax years beginning on or after April 1, 2012, the exemption provided by this paragraph does not include real property. [PL 2009, c. 425, §1 (AMD).]

L. [PL 2007, c. 627, §20 (RP).]

[PL 2023, c. 360, Pt. A, §6 (AMD).]

An organization or institution that desires exemption under this section must file a written application accompanied by written proof of entitlement for each parcel on or before the first day of April in the year in which the exemption is first requested with the assessors of the municipality in which the property would otherwise be taxable. If granted, the exemption continues in effect until the assessors determine that the organization or institution is no longer qualified. Proof of entitlement must indicate the specific basis upon which exemption is claimed. [PL 2007, c. 627, §20 (AMD).]

SECTION HISTORY

PL 1965, c. 13 (AMD). PL 1967, c. 64 (AMD). PL 1967, c. 372 (AMD). PL 1971, c. 111 (AMD). PL 1971, c. 475 (AMD). PL 1973, c. 719 (AMD). PL 1975, c. 771, §402 (AMD). PL 1977, c.

487 (AMD). PL 1979, c. 467, §§2-7 (AMD). PL 1991, c. 420 (AMD). PL 1993, c. 286, §1 (AMD). PL 1993, c. 286, §2 (AFF). PL 1993, c. 422, §§4,5 (AMD). PL 1993, c. 572, §1 (AMD). RR 1995, c. 2, §93 (COR). PL 1995, c. 366, §1 (AMD). PL 1995, c. 560, §K82 (AMD). PL 1995, c. 560, §K83 (AFF). PL 1997, c. 442, §3 (AMD). PL 1997, c. 668, §20 (AMD). PL 2001, c. 354, §3 (AMD). PL 2001, c. 596, §§B23,24 (AMD). PL 2001, c. 596, §B25 (AFF). PL 2003, c. 689, §§B6,7 (REV). PL 2005, c. 563, §16 (AMD). PL 2005, c. 645, §1 (AMD). PL 2007, c. 438, §19 (AMD). PL 2007, c. 627, §20 (AMD). PL 2009, c. 425, §1 (AMD). PL 2019, c. 501, §19 (AMD). PL 2021, c. 410, §1 (AMD). PL 2021, c. 630, Pt. B, §2 (AMD). PL 2023, c. 360, Pt. A, §6 (AMD).

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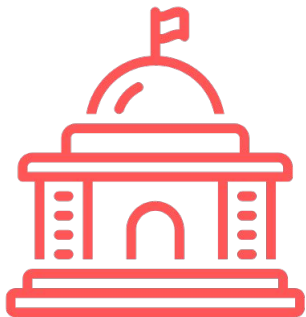


The mission of Maine Association of Nonprofits (MANP) is to strengthen the **leadership**, **voice** + **organizational effectiveness** of Maine nonprofits.



Organizational Structures

In general, there are three major types of organizational structure in the USA. Each type/category is governed by a specific set of laws, policies and regulations.



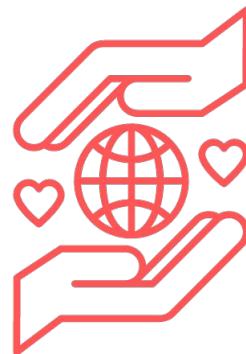
GOVERNMENT

Examples: State, County,
City or Town



PRIVATE SECTOR

Examples: bookstore,
grocery store



NONPROFIT

Examples: animal shelter,
food pantry, library,
after-school program

What is a Nonprofit?



There are many types of nonprofit, but the most common type is a “public charity” – a 501(c)(3). All nonprofits:

- Have a “mission” - provide programs and services to meet a public need in the community
- “Owned” by the community, not individuals or investors
- Governed by a board of directors

Exempt Property in Maine Includes:

- US, State & Municipal Corporations
- Water Supply Outside Municipal Corp.
- Airport & Private Landing Field
- Sewage Facility
- Animal Waste Facilities
- Charitable & Benevolent Organizations
 - 501(c)(3)
- Literary & Scientific Organizations
 - Very likely 501(c)(3)
- Veterans Organizations
 - 501(c)(3), 501(c)(19), 501(c)(23)
- Churches & Parsonages
 - 501(c)(3) but don't always register
- Chambers of Commerce/Boards of Trade
 - Typically 501(c)(6)
- Fraternal Organizations
 - 501(c)(8) or 501(c)(10)
- Property Leased by Hospitals
- Public Water Supply
- Pollution Control Facilities
- Snow Grooming Equipment
- Renewable Energy



Maine Nonprofits

Powering the Common Good

Maine Nonprofits by the Numbers



Learn more at www.NonprofitMaine.org

Nonprofits in Maine

1 in 6



Maine workers is employed by a Maine nonprofit

That's ~**100,000** employees!

Nonprofits Show Up In Tough Times

“Kelli Casey, a program coordinator at Aroostook County Action, oversees heating aid for three counties, including Berry’s location. **Her office has been getting more than 700 calls a day.** One recent caller was 94 years old; another was a young single mother with a 2-week-old baby who was going into her car to warm up.” (emphasis added)

- Portland Press Herald, “Federal shutdown creates uncertainty for Maine cancer patient struggling to stay warm,” November 12, 2025

Government shutdown curtails nonprofit funding, putting vital services in jeopardy

PUBLISHED SUN, OCT 26 2025 8:00 AM EDT



Jessica Dickler
@JDICKLER

SHARE



‘People will freeze to death’ in Maine if federal heating aid doesn’t come soon



by Sawyer Loftus

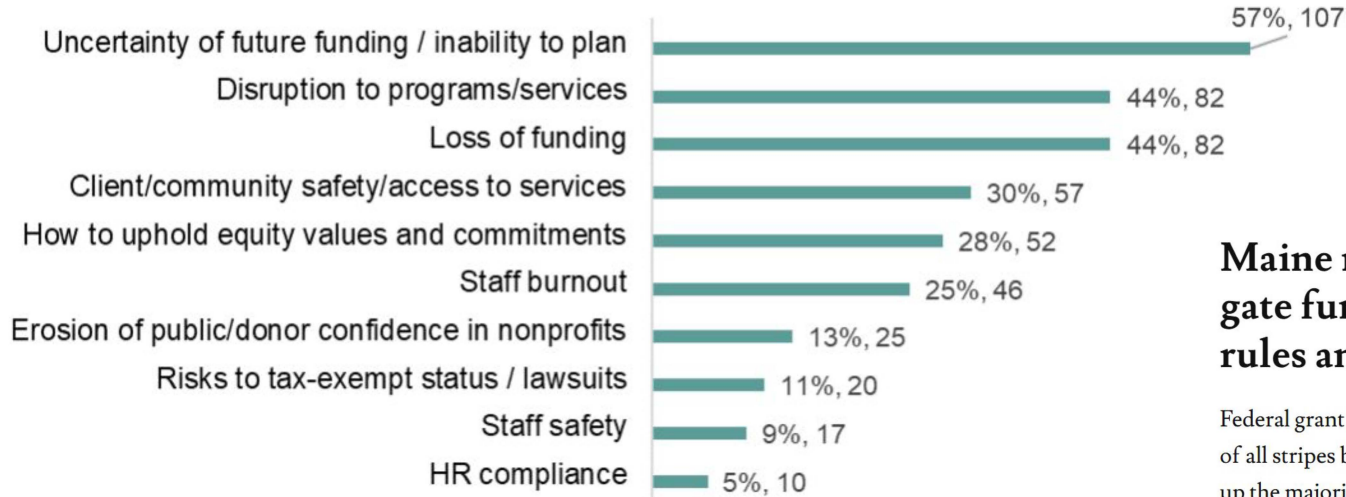
October 29, 2025

66

Meeting the Moment in 2025

What are your top two concerns right now?

(% respondents, # respondents)



Maine nonprofits try to navigate funding cuts, unclear rules and an uncertain future

Federal grant cancellations have challenged nonprofits of all stripes but especially small groups, which make up the majority and don't have deep pockets.

Communities: **Portland, Blue Hill, New Gloucester**

Posted April 29

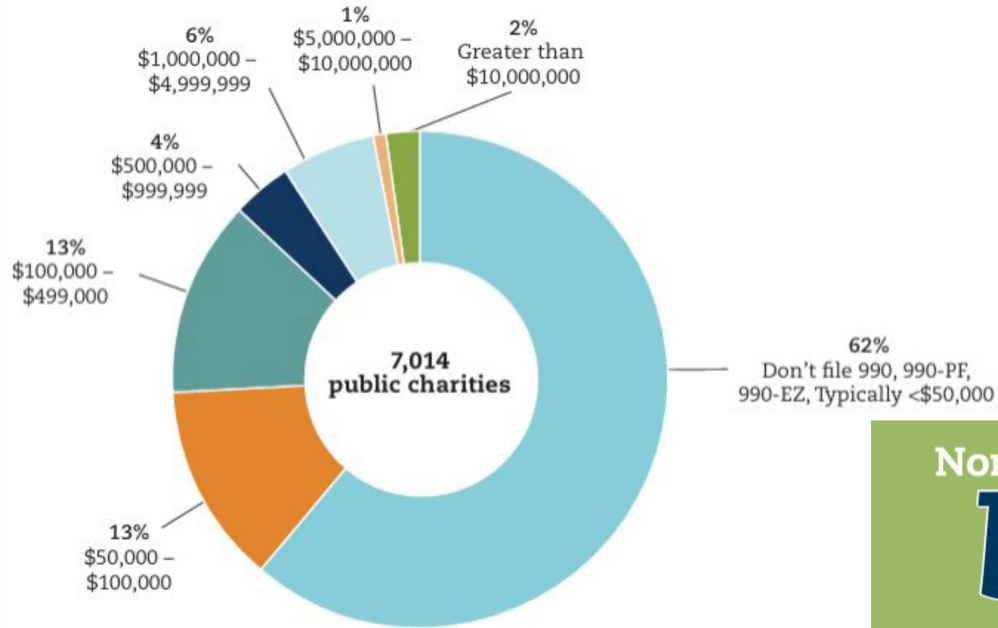


Gillian Graham

Staff Writer

Most Nonprofits Are Very Small

Maine Public Charities by Expenditure Level, 2022



Nonprofits are a

big part

of Maine's small business community

88%
have budgets
under \$500K

Nonprofits earn their tax exemptions by:

Forgoing:

Private Benefit
Profits
Politics
Privacy

Promoting:

Public Good

Reducing:

The Cost of
Government

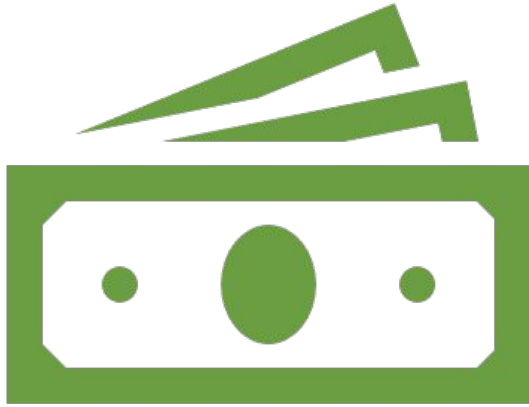
Reinvesting Dollars in Community
Programs and Services

Nonprofit Oversight



- Board of Directors:
 - Oversees the work of the organization - strategy, finances, staying true to the mission
 - At least three officers
 - Must follow Maine Nonprofit Corporation Act
 - Must have bylaws
- Annual IRS Reporting
- Charitable Solicitation Registration
- Grant and Contract Reporting
- Audits (exact requirements vary)

Nonprofits and Tax Exemption



- State: *Incorporating as a nonprofit does not guarantee property tax exemptions*
- Federal (IRS) Tax exemption: Separate application
 - Exemption *from business taxes*
 - If a 501c3, your donors can deduct donations from *their* taxes
- “Tax-exempt” organizations still **pay some taxes!**
 - Payroll taxes (all nonprofits with employees)
 - Property tax (some nonprofits)

2023 Municipal Valuation Return - Highlights

Property Classification	Value	% of Total
*Taxable Property	\$216,441,889,228	90.2%
Tax-Exempt Property	\$23,485,292,257	9.8%

*Taxable property includes a percentage of nonprofits who pay property taxes



Property Classification	Value	% of Tax-Exempt	% of Total
Tax Exempt Government and Utilities	\$14,559,051,663	62.0%	6.1%
Nonprofits	\$8,734,566,312	37.2%	3.6%
All Other Tax Exempt	\$191,674,282	0.8%	0.1%

100%
of Maine people
benefit
from the work of
Maine nonprofits



We help nonprofits help Maine.





Thank you!

MANP
Maine Association
of Nonprofits

Real Estate Property Tax Relief Task Force
DRAFT Preliminary Findings and Recommendations
From Task Force Members and Individuals/Entities Presenting to the Task Force

DRAFT PRELIMINARY FINDINGS OF TASK FORCE MEMBERS

1. Property taxes are the means municipalities use to generate revenue to pay for services mandated by the Federal and State with additional services towns desire. It is a budget that is fixed based on the cost of delivering these services. Property tax calculation of valuations creates the mil rate applied to all properties. Various programs exist to provide “fairness” or desired uses of land. (V. Caliendo)
2. Property taxes are an effective way to raise taxes for locally provided services since the properties impacted directly pay for those services. (M. Peters)
3. Property taxes roughly align with the benefits that property owners receive from local services and are approved locally (via budget votes), though they are affected by state policy. (N. Grohoski)
4. Property taxes are generally progressive taxes, a type of wealth tax. This progressivity can be amplified through exemptions. (M. Peters)
5. The state is providing a significant amount of property tax relief (both direct and indirect) and has many programs designed to help different property taxpayer types. (N. Grohoski)
6. However, many taxpayers are struggling to pay property taxes, especially when there is a steep year-over-year increase. For many, property values are increasing faster than wage growth. (N. Grohoski)
7. Some elderly are struggling to keep their longtime homes as property taxes have risen much more than they had budgeted. This phenomena are forcing homeowners to sell their homes against their will or face foreclosure, in some cases. (E. Gardner)
8. The way property taxes are assessed, may not be fair for all citizens. For instance, a blanket approach for assessing the value of waterfront property for elderly that have lived in their home for decades are taxed the same way as a property owner that purchased a home to renovate and flip. This incident creates new values that are then used on the elderly who just want to maintain home ownership for the rest of their lives. (E. Gardner)
9. I see property tax systems and process are fine. Property taxes in general are extremely high, I believe because of overspending in municipalities. Specifically, the service center communities are hit the hardest due to all of the services expected. (B. Bickford)
10. According to the Lincoln Institute, "Maine relies heavily on the property tax to fund locally provided services. Local property taxes account for the majority of operating revenue for Maine's municipalities and K-12 schools". (N. Cloutier)
11. Property taxes are just one avenue that the state uses to raise money to pay for services. (M. Peters)
12. In 2021, Maine had the highest property tax burden in the nation as measured by percentage of state personal income. Property taxes accounted for nearly 23 percent of all state and local revenue, which ranked third highest in the nation (table ME-1). (N. Cloutier)
13. Tax Foundation: Maine is ranked 20th in property taxes paid as a percentage of owner-occupied housing value (total real taxes paid/total home value). (N. Grohoski)
14. Maine has the highest percentage of total housing units that are vacant for seasonal, recreational, or occasional use of any state (14.4%). (N. Grohoski)

DRAFT PRELIMINARY RECOMMENDATIONS FOR DISCUSSION¹**Work of the Task Force**

- Given the overwhelming scope of our mandate, one recommendation would be to focus on one small part at a time. It would prove beneficial to try and reach consensus on 10-20 preliminary recommendations for property tax reform, to include a mix of strategies (i.e., amendments to existing programs and unique preliminary recommendations), rather than come up with a broad list of options for the full Legislature to consider. (N. Cloutier)
- The Task Force will need to be authorized for additional meetings in 2026 to review the contractor's data analysis and assess different solution scenarios. (N. Grohoski)
- Ensure any new legislation does not exclude UT (Recommended by Chip Jones, Fiscal Administrator of the Unorganized Territory)

I. Property Tax Municipal Administration and Process**a. Monthly Property Tax Payments**

(N. Grohoski) (N. Cloutier) (Also recommended by Ron Rakow, Lincoln Institute of Land Policy)

- Question from N. Grohoski: could this be implemented with existing municipal software and cash flow needs?

Actions to not take / proposals that do not warrant additional investigation:

- Eliminate property taxes altogether (N. Cloutier) (N. Grohoski)

b. Increased Information and Communications About Existing Property Tax Relief Programs
(M. Peters) (N. Grohoski) (N. Cloutier)**c. More Consistent and Frequent (mandated frequency?) Property Tax Assessments & Revaluations**

(N. Grohoski) (M. Peters) (V. Caliendo) (Also recommended by Ron Rakow, Lincoln Institute of Land Policy)

- This could include the state funding software upgrades, regional consolidation, training/certification of assessors. Determine the best practices (e.g., time intervals for revaluations and statistical updates) and design an incentive system to get us there, statewide. Funding source could be "rainy day fund" interest. (N. Grohoski)

d. Tiered Mill Rates for Different Classes of Property

(N. Cloutier)

e. Transparency: Create a standard that requires municipalities to always provide a trailing 5-year budget on the voting ballots that details the components of the budget that provide a recap of their \$ and % increase year over year. Separate by service type and further separation of the school budgets into departments. Including costs mandated Federally, by the State and then requested by the town. (V. Caliendo)

¹ Includes suggestions from individuals and entities that provided presentations to the Task Force.

II. Changes to Existing Property Tax/Relief Programs

- a. **Expand Property Tax Deferral Program** - increase income limit and index to median income changes. (M. Peters) (N. Cloutier)
- b. **Expand/Reform Homestead Exemption** (N. Cloutier) (M. Peters) (V. Caliendo)
 - Allow municipalities the option to use all of the exemption or as much as they want since one amount might work for one municipality and not another since the proportion of the exemption as compared to median property value will differ. Index the amount so that it can be updated every 3 – 5 years, either to changes in median income or median sales price. (M. Peters)
 - Step up the homestead exemption for homeowners and businesses. 1 – 10 years x% reduction, then step up the exemption 11 – 20 years, 21 – 30 years and perhaps cap it at 30 years (V. Caliendo)
 - Expand homestead exemption for individuals who have been at the location for 10 years, subject to means test, with a 100% reimbursement to municipalities (Recommendation source: Lewis Cousins, City Assessor Presque Isle)
- c. **Expand Property Tax Fairness Credit** (f/k/a “Circuit Breaker”) (N. Cloutier)
- d. **Revise BETE and BETR** to more effectively encourage new capital investment in Maine (N. Cloutier)
- e. **Restrict Tree Growth Program** – limit to outside of 500’ of waterfront (source: Lewis Cousins)

III. Municipal Funding/Support

- a. Increase fees/payments in statute for municipally-provided state services; work with MMA to determine approximate cost to a municipality to administer each task type, and then index to inflation. (N. Grohoski)
- b. Improve required state level training for councils and other volunteer positions. (M. Peters)
- c. Increase revenue sharing or percentage of education or county expenses paid by State (N. Cloutier)
- d. State to ensure adequate funding before imposing new mandates (N. Cloutier)
- e. Provide more State support to municipalities so they continue to provide the highest quality service at the lowest cost to residents. (M. Peters)
- f. Encourage continued regional (County or Council of Governments) or state-wide partnerships to reduce municipal costs. (M. Peters)
- g. Improve citizen involvement and engagement at the municipal level so that residents are confident that their municipal tax dollars are being spent wisely. Could consider supporting alternative programs like participatory budgeting. (M. Peters)

IV. Property and Other Taxes/Fees

a. Payments for tax exempt property

- Service charges in-lieu of property taxes on tax-exempt entities (N. Cloutier)
- State should pay PILOTs for state properties (N. Grohoski)
- Any non-profit or land-use exemptions should have a formula that balances the economic benefit (paychecks created) to justify why the non-profit is exempt from property taxes. (V. Caliendo)

b. Establish new surcharges/taxes

- Seasonal residential property surcharge (N. Cloutier)
- Non-owner-occupied property surcharge (dubbed “Taylor Swift Tax” in RI) (N. Cloutier)
- Identify real estate investment groups buying homes for rentals as they should pay more taxes and not pass it to the renters; if primary residence; but can pass on to short term renters. (V. Caliendo)
- To offset the fiscal note at the state level produced by increasing the homestead exemption, consider a “Taylor Swift” tax on homes over a certain amount. Index this amount as a multiple of median income that resets ever 3-5 years. (M. Peters)

V. Establish/Reform Other Taxes/Fees

- a. Residential vacancy impact fee (N. Cloutier)
- b. Establish tourism resilience fee (N. Cloutier)
- c. Higher income taxes on top earners | Phase out lower income tax brackets as earnings increase (N. Cloutier)
- d. Raise real estate transfer tax on higher priced homes (dubbed the “Mansion Tax”) – takes effect 11/1/25 (N. Cloutier)
- e. Allow municipalities to impose local Option Sales Tax (N. Cloutier)
- f. Close business tax loopholes | Clamp down on tax avoidance (N. Cloutier)

Actions to not take / proposals that do not warrant additional investigation:

- Caps on assessments or tax growth (e.g. the repealed senior property tax freeze) (N. Grohoski) (source: Ron Rakow, Lincoln Institute of Land Policy)

VI. Population or Location-specific Recommendations/Considerations

a. Seniors

- Encourage/Incentivize local senior income-based property tax assistance programs (i.e., percentage reimbursement or allowable use of TIF funds) (N. Cloutier)
- Perhaps restructure the tax on older adults. Should they continue to participate in paying the same tax for school budgets as the younger population? (E. Gardner)
- Freezing property tax burden on elderly as a % of their income. (V. Caliendo)

Actions to not take / proposals that do not warrant additional investigation:

- Senior Citizen Tax Work Off Program (N. Cloutier)
- Property Tax Stabilization Program (N. Cloutier)
- Elimination of Property Taxes for Seniors (N. Cloutier)

b. Long-time homeowners

- Look at the assessment process. Property owners that have owned their home for a long time should maybe be given a break. They have invested in their communities by way of taxes, say for twenty-five years or so but do they benefit now from their investment? (E. Gardner)

c. Service Centers

- So-called “service centers” tend to have a disproportionate portion of their property tax base listed in the non-taxable category due to ownership by charitable entities, schools, hospitals, other government entities. Is there a better way to share the burden of hosting non-taxable property while at the same time continuing to support our important charitable and non-profit entities? (C. Lear)

d. Landlords

- Do not allow a town to implement rent control (Portland) and then increase their property taxes more than rent control. The best option is to let the free market decide prices. But if towns are allowed to vote on rent control options, then the same cap should be on the owner’s property tax. (V. Caliendo)

e. Miscellaneous

- Modify the corporate annual report filing to include names of shareholders or members who are not “natural persons”. (V. Caliendo)

VII. Additional Areas of Study/Discussion

Current Use and Exemption Programs

- a. Review and reform to current use programs to reduce misuse or extent of negative impact on municipal tax bases (N. Cloutier)
- b. Further look into what is working and not working regarding current property tax relief efforts. Do the relief policies need adjustments and/or require more funding? How do renters fare? (N. Grohoski)
- c. Are there any existing property tax exemptions that are inefficient to administer? Those that provide minimal value as compared to the amount of time needed to spend by the State or municipality. (M. Peters)
- d. Consider exemptions and TIFs - how are these shifting the burden within and between communities? (N. Grohoski)
- e. Reexamine what is a fair balance of exemptions (or other relief) between the property classes (N. Cloutier)

Property Tax Process

- f. Learn more about how property taxpayers can review the data informing their assessments and the appeals process. (N. Grohoski)

Property Tax Payers

- g. How do we measure the property tax burden for owners and renters, i.e., who can truly not afford property taxes (the total cost and/or larger percent increases) as compared to taxpayers who find property taxes unpleasant but can afford them? (N. Grohoski)
- h. Second home owner data: who are the owners? What types of properties? Are they being used for commercial purposes? (N. Grohoski)
- i. Need more info on service centers - how does the property tax burden in these communities differ from others? (N. Grohoski)
- j. Investigate other states to see if they have solutions to the unbalance of taxes and citizens. (E. Gardner)

Property Tax Drivers - Municipal Costs & Changes in Property Values

- k. Discuss whether the constitution should be amended to allow for the taxation of those two different classes of property [residential and commercial property] differently. In which case, it may be prudent to get a better understanding of the drivers of municipal services – and whether commercial properties are disproportionately burdening municipal budgets with their demands on those services (or not) which could lead to a recommendation for a constitutional amendment. (C. Lear)
- l. Are the collected taxes used by the State, county, and local towns being used to the benefit of the actual taxpayers? (E. Gardner)
- m. We need to understand the information provided by Amanda Campbell, [Maine Municipal Association] the cause of rising municipal budgets. Break out Fire, Police, Emergency, other and Education, where education is further broken into budget components that require special needs students as recent regulatory mandates are unclear and, in some townships, may be the fastest growing part of their budget.

We should consider requesting Senator's King and Collins address the vague Federal requirements for special needs children. (V. Caliendo)

- n. School funding is the largest component of municipal budgets and therefore is a significant driver of property tax rates. The Committee should discuss whether, as a policy matter, property taxes are the best revenue stream to fund education. (C. Lear)
- o. Evaluate the required positions or other things that the State requires municipalities to do to see if those items are most effective to be administered at the municipal level or if the administration cost is higher than the public value or revenue collected. (M. Peters)
- p. Further consider the role of counties in providing regional services. (N. Grohoski)
- q. Combining municipal services should be a long-haul outlook that is mandatory. E.g., Consolidating schools, fire departments, sharing police and ambulatory services should be required based on natural attrition. (V. Caliendo)
- r. It seems like an inflection point is nearing relative to the state vs. local funding of County jail operations and the unfunded mandates that are placed on the counties relative to how those jails are operated. I think this is outside of the scope for this Task Force and likely requires a public safety and corrections focused group of stakeholders to lead. (C. Lear)
- s. Consider other revenue sources for municipalities, especially those that are utilized in other states. (N. Grohoski)
- t. Commercial and residential property tax trends - are these trends the same elsewhere, and are they shifting the farther we are from the COVID shutdown or do they appear to be the new norm? (N. Grohoski)
- u. The property tax challenge is simple: if the costs to deliver services rises faster than the economic growth (rising household paychecks), then any solution(s) will be temporary, and the problem will persist indefinitely. The real problem is creating economic growth that outpaces the inflationary costs to deliver the services and the cost management of the services. (V. Caliendo)
- v. Finding solutions in the short term that favor Maine residents and Maine businesses that provide paychecks. Whether or not the Maine business is solely operating in Maine, or Maine is just one of their locations, these businesses provide paychecks that drive the entire economy. (V. Caliendo)
- w. Attracting business to Maine that would be in balance with the natural beauty of the state is most desirable. (V. Caliendo)
- x. The quantity and quality of paychecks must increase; we need more businesses that manufacture and export and more research and science. We must attract more growth in high wage-earning sectors. Also consider enticing our colleges to provide curriculum correlated to better paying jobs and penalize those that do not. Let's partner business/industry needs with educational enrollment and curriculum. (V. Caliendo)
- y. In addition to conducting research and drafting preliminary recommendations for the legislature to consider, public hearings should be held in 2026 so we can engage with residents, businesses, and local officials to gain an understanding of the concerns and potential impacts of proposed changes. (N. Cloutier)

Real Estate Property Tax Relief Task Force
ADDITIONAL CONSIDERATIONS RELATED TO
SPECIFIC TASK FORCE QUESTIONS

ACCOUNTABILITY MEASURES FOR MUNICIPALITIES, INCLUDING BUT NOT LIMITED TO REPORTING REQUIREMENTS, FINANCIAL INCENTIVES AND DISINCENTIVES. (4.C.)

Reporting Requirements

- **Annual financial reports and audits:** Municipalities must typically complete and publish an annual financial report and an independent post-audit of their accounts. These reports, prepared in accordance with Generally Accepted Accounting Principles (GAAP), provide taxpayers and oversight bodies with a clear picture of the government's financial health. (N. Cloutier)
- **Uniform accounting systems:** Many states and provinces mandate a uniform system of accounting for all municipalities to standardize financial reporting and comparison. (N. Cloutier)
- **Performance metrics:** Increasingly, municipalities are required to report on service efforts, costs, and accomplishments. Measuring performance helps the public and government officials determine if services are delivered efficiently and effectively. (N. Cloutier)
- **Budget transparency:** Publishing timely and easy-to-understand budgets and financial statements is a key element of transparency. (N. Cloutier)
- **Regular reviews:** Higher government bodies may conduct regular performance reviews and audits of municipalities to identify inefficiencies and areas for improvement. (N. Cloutier)

Financial Incentives

- **Rewards for efficiency:** States may establish reward programs to acknowledge local governments that meet certain benchmarks for providing value to taxpayers. (N. Cloutier)
- **Performance-based grants:** Funding can be linked to specific outcomes or performance metrics. For example, a grant for a community project may have conditions that must be met to receive or keep the funding. (N. Cloutier)
- **Lower borrowing costs:** Adhering to strong financial reporting and management practices, such as GAAP, can lead to higher credit ratings from agencies like Standard & Poor's, which can result in lower interest rates on municipal bonds. (N. Cloutier)
- **Revenue sharing:** Programs where higher governments share revenue with municipalities may include conditions related to sound financial practices or meeting certain policy goals. (N. Cloutier)

Financial Disincentives

- **Withholding funds:** A state or province can withhold funds or grants from a municipality that does not comply with reporting requirements or other regulations. (N. Cloutier)
- **Clawback provisions:** Used for economic development, these are legally binding clauses that require companies receiving subsidies to repay them if they fail to meet agreed-upon obligations like job creation. This is often used to hold municipal economic development agencies accountable for the public money they spend. (N. Cloutier)
- **Fiscal oversight:** If a municipality enters into severe fiscal distress, a higher government authority can impose additional oversight, such as creating a financial control board to manage the municipality's finances. (N. Cloutier)

- **Increased reporting:** Failure to provide timely or accurate reports can result in requirements for more frequent or detailed financial reporting. (N. Cloutier)
- **Higher borrowing costs:** Weak or non-compliant financial management practices can lead to lower credit ratings, which increases the cost of borrowing for the municipality. (N. Cloutier)
- **Restrictions on spending:** As a consequence of poor financial management, a higher government body may impose restrictions on a municipality's spending authority. (N. Cloutier)

Outcome-based Eligibility for Municipalities

- **Outcome-based criteria:** Outcome-based eligibility for towns and cities involves a municipality meeting specific performance targets or conditions to qualify for funding or resources, often focusing on community-level results rather than just population size or demographics. (N. Cloutier)
- **Tiered levels:** Creating tiers of eligibility where municipalities with higher performance metrics receive additional flexibility or resources, while lower performers receive more oversight or restrictions. (N. Cloutier)
- **People-centered metrics:** Some municipalities focus on "people-centered metrics" to measure how policies affect constituents' needs and interests. This can include measuring the change in parkland area accessible to people with disabilities or those living below the poverty line. (N. Cloutier)

WHETHER A DEDICATED REVENUE STREAM SHOULD BE CREATED FOR THIS PURPOSE AND HOW IT COULD BE STRUCTURED. (7.C.)

- Any dedicated revenue stream ideas are still premature to contemplate. We must have budgetary reviews of municipal budgets that rise faster than economic activity and have strategies to grow the economic paycheck. Any other solutions will be a temporary and simply shift burden. (V.Caliendo)

Alternative tax and fee sources:

- **Local income or wage tax:** A city can implement a local income tax, with approval from the city council and voters. (N. Cloutier)
- **Local sales and excise taxes:** Diversifying beyond property taxes can include levying local option general sales taxes or excise taxes on specific goods and services. (N. Cloutier)
- **User fees:** Increasing reliance on user fees for services can provide a steady stream of revenue. (N. Cloutier)

Dedicated revenue stream sources:

- **Housing trust funds (HTFs):** These funds are the most common tool for collecting dedicated revenue streams. HTFs can be capitalized by a variety of taxes and fees, with the funds allocated to support housing affordability. (N. Cloutier)
- **Unclaimed funds:** Interest from unclaimed property funds or unclaimed lottery winnings can be redirected to housing trust funds. (N. Cloutier)
- **Real estate transfer taxes:** A tax on the transfer or sale of real estate can be dedicated to an affordable housing fund. This approach ties housing investment directly to activity in the real estate market. (N. Cloutier)
- **Document recording fees:** A surcharge on recording real estate documents, such as property deeds, can provide another stream of revenue for housing initiatives. (N. Cloutier)

- **Developer fees and linkage fees:** These are fees or requirements imposed on developers for new market-rate construction. A linkage fee requires developers to contribute to affordable housing funds, while inclusionary zoning mandates that a certain percentage of new units be affordable. (N. Cloutier)
- **Tax Increment Financing (TIF):** This tool captures the increase in property tax revenue from new development in a designated area and directs it back into that area for specified purposes, such as affordable housing. (N. Cloutier)
- **Sales and hotel taxes:** In some jurisdictions, a small portion of sales taxes or hotel/motel taxes can be allocated to fund housing programs. (N. Cloutier)

Laxon, Lindsay

From: listserv-request@lists.legislature.maine.gov on behalf of Julian Payne
<japmrp@gmail.com>
Sent: Tuesday, October 28, 2025 10:41 AM
To: real.estate.prop.tax-ip-request@lists.legislature.maine.gov
Subject: Julian Payne

This message originates from outside the Maine Legislature.

Thoughts on property tax discussion.

I have heard discussion on shifting property taxes to income based.

The unique situation Maine is in is the population is about 1.6 million and has the oldest population of residents in the country.

They are retired typically low income. If you remove the retired, people under the age of 18, those unable to work, homemakers and caregivers, students etc etc

Basing it on income would cripple the middle class.

It would also take renters out of the payment pool.

Property taxes are also terrible as values go up but that is not related to income and a home is not a luxury item.

I think the solution is a combination of three things, a hybrid combo.

It should be based on three factors, property taxes, income and Increase the sales tax on everything but vehicles (They are essential and a big up front cost)

Maine is vacation land and has one of the lowest sales taxes in the nation so capitalize on it. It also feathers out costs to locals and on purchases) We are missing the vacation land tourist opportunity.

While political it might subside when residents are not priced out of their homes. The influx of Americans after COVID has driven values higher than Maine income.

I am from the UK and travel there, sales tax is 17% and it never stops me from going. I am only there for 2 weeks so just pay it.

Property value 25% of formula

Income 25%

Sales tax and Maine covering balance 50%

Julian Payne

October 28, 2025

Hon. Senator Nicole Grohoski, Chair
Hon. Representative Ann Matlack, Chair
Hon. Senator Bruce Bickford
Hon. Representative Robert Nutting
Dick Woodbury
Peace Mutesi
Phil Saucier
Matt Peters
Vinnie Caliendo
Nick Cloutier
Carollyn Lear
Kathleen Billings
Ed Gardner
Peter Lacy
Michael Allen, Ph.D.

Re: Real Estate Property Tax Relief Force

Dear Chairs Grohoski and Matlack, and
Members of the Real Estate Property Tax Relief Force (“REPTRF”);

I write to you in capacity as members of the REPTRF, first to thank you for your willingness to participate in such an effort and hopefully, to provide you with some thoughts that you may find helpful. I will not dwell unduly on the importance of the subject because it seems so self-evident given the profound housing challenge in Maine and the fundamental role of property taxes in funding Maine’s public education through 12th grade (In my town, Cumberland, 68% of the property tax bill is for the school system). The challenge of adequately educating the next generations is just so complex, and while money will not solve everything, the need for additional funding for education should not be questioned.

Distilled, the riddle to solve is generating more taxable income while (A) finding a less regressive (and archaic) tax mechanism, and (b) reducing the property tax burden in a transparent and equitable manner – a daunting task.

1. Finding more money: the exemption for benevolent and charitable institutions should be revisited.

Subject to specific limitations, benevolent and charitable institutions are exempt from property taxation. **Title 36 MRS §652(A) - Property of institutions and organizations.** An overlooked (actually forgotten) statutory restriction on these institutions is:

A director, trustee, officer or employee of an organization claiming exemption may not receive directly or indirectly any pecuniary profit from the operation of that organization,

except as reasonable compensation for services in effecting its purposes or as a proper beneficiary of its strictly benevolent or charitable purposes;

36 MRS §652(C)(2) (my emphasis). Compensation matters and unreasonable compensation is a disqualifying circumstance for the exemption.

I humbly suggest that a great many of the “not for profit” entities in Maine are not truly charitable or benevolent institutions but have instead morphed into entities that provide shocking levels of compensation for the directors, officers, and employees without paying property (and usually income tax). I encourage you to examine the attached IRS 990s at of Bates, Bowdoin, Colby, Jackson Labs, etc. to gain some insight into how extravagant the compensation arrangements have become. (The 990s may be found at <https://projects.propublica.org/nonprofits/> and they are very informative). These entities are unregulated – there are no shareholders requiring accountability – and the compensation is often set, directly or indirectly by the compensated officer (the director of every entity is at the mercy of the information he or she receives from the entity’s officers).

This extravagance is particularly true with Maine’s version of the Italian “city states” – the I 95 hospitals: Maine Health, Northern Light, Maine General Health, and Central Maine Health Care. Without any meaningful competition and no regulatory or really any other oversight (Anthem and the other carriers like matters to be increasingly expensive; when they gripe about cost, it’s really about the pace of the increase in costs), these organizations have salary structures really without peer in Maine.

The current statute included the policy goal of “reasonable compensation” as a qualifying condition to obtain an exemption from property taxes. As a former trial lawyer, I understand the enormous difficulty and expense associated with trying to prove that a salary is reasonable or unreasonable; it is terribly vague and will usually require a lot of expert witness work and testimony.

I suggest that the same policy goal could be achieved – and actually mean something – if the statute provided a concrete number for the compensation. Personally, for me, the number should be \$200,000. I do not understand how an entity in Maine dedicated to **benevolent** and or **charitable** purposes pays someone or has a compensation package that exceeds \$200,000. If the entity wants to pay compensation in excess of \$200,000, fine – but the tax paying public should not be subsidizing that decision. In Maine, if an entity can pay someone \$200,000; it’s not a charity – it’s a business and should pay property taxes like the rest of us.

I have no doubt that the suggestion of taxing the hospitals has produced seismic eye rolls, which I respect and understand having dealt once with the hospital lobby. Its political lobby is formidable. That noted, I do think it time for some real candor about the parent entities of the hospitals (which are quite different from the rural hospitals).

Between 2015 and 2025, the Cumberland County population is believed to have grown 7.2% from 292,000 to 313,000 people. Here is a financial snapshot of Maine Health during a comparable time.

Year	Program Services Rev	% Increase	Salaries	% Increase	CPI
2016 (9/30)	\$1,118,173,174		\$655,990, 620		
2024 (9/30)	\$3,593,508,908	250%	\$2,341,274, 701	221%	31.4%

The purpose of this letter is not to fix health costs care in Maine, a crisis that needs its own task force. Rather, I wish simply to show that the revenue growth of the corporate hospital entities **and** its compensation arrangements are out of control and not **reasonable** as required by the current legislation. This compensation growth can be slowed down – at least a bit with these entities stepping up and paying property taxes which would make the lives of others and municipalities better.

2. Seniors

As a 71-year old retiree (almost) with three kids, I would like to think that no one will have the temerity to suggest that there should be more property tax breaks for seniors to enhance the supposed goal of seniors aging in place or for any other reason. I have attached a 2018 Op-ed of mine that the Press Herald published when I, naively, thought the federal debt of \$21.6 trillion was suitably shocking that something in Washington would change. While mindful of the additional funds needed for the pandemic, seven years later the total debt is now \$37 trillion with an annual deficit of about \$1.9 trillion. Things have only gotten worse for our kids.

The focus must change from what's good for us seniors to what is good for the future and absent genuine financial hardship, more breaks for seniors cannot be justified. Perhaps things are not perfect, but the seniors are still living better than seniors from any prior generation by leaps and bounds.

Please, nothing more for us old folks – we've done enough taking.

Conclusion

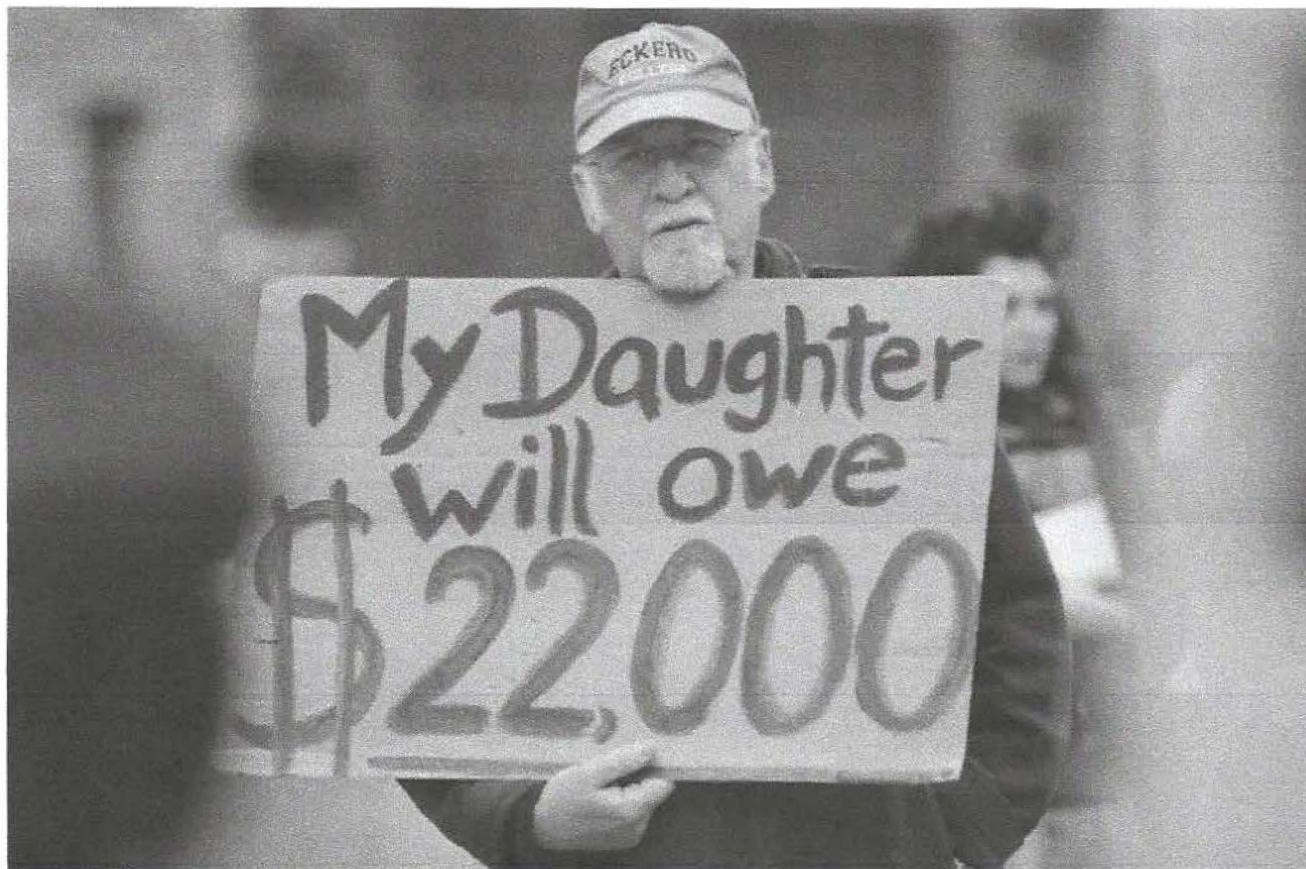
Following up on my last remark, I would like to encourage you to use this opportunity to craft solutions that are audacious and will help to restore hope for our kids that they can live as well as we have.

Again, thanks for your service and time and if I can help the Task Force in any way, I would be happy to do so.

John Lambert
7 Ocean Terrace
Cumberland, ME 04110
207 831 8225 (m)

Maine Voices: Yes, older adults shouldn't be forgotten – but what about our kids?

 [pressherald.com/2018/11/30/maine-voices-the-elderly-have-gotten-enough-what-about-our-kids](https://www.pressherald.com/2018/11/30/maine-voices-the-elderly-have-gotten-enough-what-about-our-kids/)



CUMBERLAND FORESIDE — I write to offer a somewhat different perspective from that offered by Lori Parham, state director of AARP Maine, in her Nov. 21 Maine Voices column. In the column, noting the losing vote on ballot Question 1, which proposed to provide funding for the care of the elderly, Ms. Parham argues that the Maine Legislature must address the need for such care and funding.

I write as a 64-year-old, which is seeming pretty senior. I write also as the father of three children, ages 22 to 29, and I look at the world we are leaving them.

Our gross national federal debt is \$21.6 trillion, state and local debt is \$3 trillion and unfunded state and local pension liability is estimated to be \$1.4 trillion, for a total of roughly \$26 trillion of public debt. It is certain that our national debt will increase by another trillion a year, with no end in sight.

Health care spending accounts for roughly 22 percent of the Maine economy, and the field employs more than 100,000 individuals. Our nation pays more than twice what other nations pay for health care – for really mediocre results. The rate of inflation in health care is astonishing, with no reason to think it will subside. Nationally, 34 percent of health care expenditures, through either private or public payer systems, go toward medical attention for seniors, though they account for only 14 percent of the population.

Education costs have also soared at a rate substantially beyond the general inflation rate. Despite these increases, as a society, we have continually imposed more and more of the cost for education, especially post-secondary education, on to the next generation, resulting in shocking levels of debt for our kids.

And then there's housing for the next generation, many of whom will never be able to purchase a home because the pricing is also rising so rapidly.

Shortly after I became a town councilor in 1994, I was sitting in a meeting discussing funding for a town library and a constituent said, "We didn't have a library when I was growing up, and if that was good enough for me, it's good enough for this generation." Many years later, I still remember my surprise at the comment, wondering, "Who thinks like that? Who doesn't want to do better by their kids?"

Well, it turns out that all of us don't want to. We are leaving our children an incredible financial mess, and, more disturbing, we seem to be resigning ourselves to the notion that the future of our children is not what we had, that things will not be better for the next generation. And that doesn't even take into account the huge cost of the environmental issues we have created and done little to solve.

I do not doubt the need for the care of the elderly. I think it is also appropriate to note that no generation of seniors in the history of mankind has lived as well as our current seniors (a generation that now includes me). Are there shortcomings? Yes. Are there needs? Yes. But still, things have never been better for seniors.

I do not advocate decreasing any expenditures for our seniors. That said, the time has come for seniors to stop seeking more public subsidies at the expense of the younger generations. Breaks on property taxes, more money for health and elder care, etc., need to end. If we are going to give up on leaving a better world for our kids, we can at least try to leave them something comparable to what we inherited – and to do that, we need to substantially refocus our public spending and policy decisions.

Rather than trying to figure out what more can be done for the elderly, let's start to figure out what we can do to provide our kids something like what we got. The starting point for that effort is to collectively agree – the elderly have gotten enough.

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)–(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC and/or 1099-NEC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)–(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1	K. NILES BRYANT SVP/CHIEF INVESTMENTS OFFICER	(i) 633,736	1,200,000	1,890	43,453	18,983	1,898,062	0
	(ii)	0	0	0	0	0	0	0
2	STEPHANIE FROST SVP FOR DEVELOPMENT & AR	(i) 192,337	100,000	372,619	359,413	14,808	1,039,177	0
	(ii)	0	0	0	0	0	0	0
3	BORIS RAYKIN DIRECTOR OF INVESTMENTS	(i) 478,547	490,219	1,890	43,453	3,913	1,018,022	0
	(ii)	0	0	0	0	0	0	0
4	PAGE MACHLIN DIRECTOR OF INVESTMENTS	(i) 461,250	472,500	1,314	43,453	3,150	981,667	0
	(ii)	0	0	0	0	0	0	0
5	SAFA ZAKI PRESIDENT BEGINNING 7/1/23	(i) 447,277	70,000	85,121	18,000	30,734	651,132	0
	(ii)	0	0	0	0	0	0	0
6	SCOTT MEIKLEJOHN SVP FOR DEVELOPMENT & AR	(i) 222,731	0	245,756	81,451	1,269	551,207	150,000
	(ii)	0	0	0	0	0	0	0
7	MATTHEW ORLANDO SVP FINANCE & ADMIN/TREASURER	(i) 405,908	0	2,575	97,621	34,455	540,559	0
	(ii)	0	0	0	0	0	0	0
8	ASHLEY LABRECK ENDOWMENT CHIEF OF OFFICER	(i) 266,304	184,275	1,023	42,880	32,794	527,276	0
	(ii)	0	0	0	0	0	0	0
9	JENNIFER SCANLON SVP/DEAN FOR ACADEMIC AFFAIRS	(i) 358,966	0	16,676	97,621	37,372	510,635	0
	(ii)	0	0	0	0	0	0	0
10	MICHAEL CATO SVP/CHIEF INFORMATION OFFICER	(i) 336,975	0	3,154	97,375	29,765	467,269	0
	(ii)	0	0	0	0	0	0	0
11	CLAYTON ROSE FORMER PRESIDENT UNTIL 6/30/23	(i) 298,271	0	104,641	822	28,225	431,959	0
	(ii)	0	0	0	0	0	0	0
12	JANET LOHMANN SVP/DEAN FOR STUDENT AFFAIRS	(i) 301,240	0	3,327	96,389	24,169	425,125	0
	(ii)	0	0	0	0	0	0	0
13	SCOTT HOOD SVP FOR COMM & PUBLIC AFFAIRS	(i) 271,174	0	5,038	78,180	14,104	368,496	0
	(ii)	0	0	0	0	0	0	0
14	TAMA SPOERRI VP FOR HUMAN RESOURCES	(i) 252,025	0	6,527	76,373	32,717	367,642	0
	(ii)	0	0	0	0	0	0	0
15	ELIZABETH ORLIC SVP/SPECIAL ASST TO THE PRES	(i) 248,510	0	3,025	75,181	31,085	357,801	0
	(ii)	0	0	0	0	0	0	0
16	(SEE STATEMENT)	(i)						
	(ii)							

Part II
Officers, Directors, Trustees, Key Employees and Highest Compensated Employees (continued)

(a) Name		(b) Breakdown of W-2 and/or 1099-MISC compensation			(c) Retirement and other deferred compensation	(d) Nontaxable benefits	(e) Total of columns (b)(i)-(d)	(f) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & Incentive compensation	(iii) Other reportable compensation				
(16) CLAUDIA MARROQUIN SVP/DEAN ADMISSIONS & ST. AID	(i)	261,303	0	1,206	71,941	18,555	353,005	0
	(ii)	0	0	0	0	0	0	0
(17) MICHAEL ARCHIBALD VP FOR DEVELOPMENT & AR	(i)	248,696	0	2,528	37,352	25,675	314,251	0
	(ii)	0	0	0	0	0	0	0
(18) BENJE DOUGLAS SVP FOR INCLUSION & DIVERSITY	(i)	229,250	0	1,307	42,254	27,180	299,991	0
	(ii)	0	0	0	0	0	0	0
(19) ELIZABETH MCCORMACK FRMR SVP FOR ACADEMIC AFFAIRS	(i)	217,591	0	3,489	32,270	26,182	279,532	0
	(ii)	0	0	0	0	0	0	0
(20) CHRISTINA FINNERAN SVP/INSTITUTIONAL RESEARCH	(i)	164,791	0	1,108	49,097	27,238	242,234	0
	(ii)	0	0	0	0	0	0	0

efile Public Visual Render	ObjectID: 202403189349311210 - Submission: 2024-11-13	TIN: 01-0211513
Schedule J (Form 990)	Compensation Information For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23. ▶ Attach to Form 990. ▶ Go to www.irs.gov/Form990 for instructions and the latest information.	OMB No. 1545-0047 2023 Open to Public Inspection
Department of the Treasury Internal Revenue Service	Name of the organization The Jackson Laboratory	Employer identification number 01-0211513

Jackson
Labs

Part I Questions Regarding Compensation		Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.			
☐ First-class or charter travel	☒ Housing allowance or residence for personal use		
☐ Travel for companions	☐ Payments for business use of personal residence		
☒ Tax idemnification and gross-up payments	☐ Health or social club dues or initiation fees		
☐ Discretionary spending account	☐ Personal services (e.g., maid, chauffeur, chef)		
b If any of the boxes on Line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b Yes		
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked on Line 1a?	2 Yes		
3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.			
☒ Compensation committee	☐ Written employment contract		
☒ Independent compensation consultant	☒ Compensation survey or study		
☒ Form 990 of other organizations	☒ Approval by the board or compensation committee		
4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:			
a Receive a severance payment or change-of-control payment?	4a Yes		
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b Yes		
c Participate in, or receive payment from, an equity-based compensation arrangement?	4c No		
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.			
Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.			
5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:			
a The organization?	5a No		
b Any related organization?	5b No		
If "Yes," on line 5a or 5b, describe in Part III.			
6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:			
a The organization?	6a No		
b Any related organization?	6b No		
If "Yes," on line 6a or 6b, describe in Part III.			
7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7 Yes		
8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8 No		
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9		

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Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title	(B) Breakdown of W-2, 1099-MISC compensation, and/or 1099-NEC			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 Lon Cardon PhD FMEDSCI President & CEO	(i) 1,113,219	440,000	319,202	201,808	34,049	2,108,278	0
	(ii) 0	0	0	0	0	0	0
2 S Catherine Longley Executive Vice President & COO	(i) 599,440	218,934	484,396	102,671	13,685	1,419,126	456,786
	(ii) 0	0	0	0	0	0	0
3 Douglas Abbott Senior Vice President and CFO	(i) 433,601	107,500	1,935	83,000	31,066	657,102	0
	(ii) 0	0	0	0	0	0	0
4 Daniel Hoag General Counsel & Secretary	(i) 431,478	98,550	16,972	63,686	31,315	642,001	0
	(ii) 0	0	0	0	0	0	0
5 Mitchell Kennedy Executive VP & President, JMCRS	(i) 623,077	0	101,608	65,769	286	790,740	0
	(ii) 0	0	0	0	0	0	0

6 Charles Lee MD SCIENTIFIC DIRECTOR, JAX GM	(i)	458,407	79,844	4,621	33,000	33,916	609,788	0
	(ii)	0	0	0	0	0	0	0
7 Nadia A Rosenthal SCIENTIFIC DIRECTOR	(i)	467,866	69,477	7,939	33,000	291	578,573	0
	(ii)	0	0	0	0	0	0	0
8 Andy Greene Senior Vice President for Research	(i)	430,654	0	58,158	45,025	44,549	578,386	0
	(ii)	0	0	0	0	0	0	0
9 Edison T Liu MD FORMER PRESIDENT & CEO	(i)	345,064	0	98,695	31,980	22,874	498,614	0
	(ii)	0	0	0	0	0	0	0
10 David Grass VP, JMCRS MICE & SERVICE OPS (UNTIL 10/23)	(i)	362,988	97,744	271,763	29,541	26,045	788,081	0
	(ii)	0	0	0	0	0	0	0
11 MaryEllen Joseph VP, JMCRS Global Sales, Marketing, & Customer Support (UNTIL 10/23)	(i)	433,356	54,960	117,814	26,500	8,058	640,688	0
	(ii)	0	0	0	0	0	0	0
12 Jens Rueter Chief Medical Officer	(i)	426,440	79,948	2,542	33,000	31,977	573,907	0
	(ii)	0	0	0	0	0	0	0
13 Brian Bannerman Vice President, JMCRS Finance	(i)	319,562	95,020	82,912	31,879	28,984	558,357	0
	(ii)	0	0	0	0	0	0	0
14 James Keck Senior Director, Innovation and Product Development	(i)	304,133	86,370	106,330	27,151	23,544	547,528	0
	(ii)	0	0	0	0	0	0	0

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Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Return Reference	Explanation
Schedule J, Part I, Line 1a Tax indemnification and gross-up payments	THE JACKSON LABORATORY GROSSES UP THE AMOUNT ADDED TO WAGES FOR IMPUTED INSURANCE PREMIUMS FOR LIFE, DISABILITY, AND LONG TERM CARE BENEFITS FOR THE SENIOR MANAGEMENT GROUP TO COVER TAXES. THE LABORATORY ALSO GROSSES UP WAGES TO COVER THE TAX IMPACT OF GIFT CARDS AND OTHER AWARDS OR PRIZES TO EMPLOYEES SO THAT RECIPIENTS RECEIVE THE FULL VALUE OF THE GIFT OR AWARD.
Schedule J, Part I, Line 1a Housing allowance or residence for personal use	THE LABORATORY PROVIDES A HOUSING ALLOWANCE TO THE PRESIDENT. THE AMOUNT IS INCLUDED IN SCHEDULE J, PART II, COLUMN (B)(III).
Schedule J, Part I, Line 4a Severance or change-of-control payment	DAVID GRASS RECEIVED A SEVERANCE PAYMENT OF \$120,114. MARYELLEN JOSEPH RECEIVED A SEVERANCE PAYMENT OF \$116,027.
Schedule J, Part I, Line 4b Supplemental nonqualified retirement plan	THE LABORATORY MAINTAINS A DEFERRED COMPENSATION PLAN UNDER SECTION 457(F): CONTRIBUTIONS MADE: PRESIDENT/CEO \$168,808 EXECUTIVE VICE PRESIDENT/COO \$70,000 EXECUTIVE VICE PRESIDENT & PRESIDENT, JMCRS \$58,846 SR VP & CHIEF FINANCIAL OFFICER \$50,000 GENERAL COUNSEL \$30,686 SR VP PRESIDENT FOR RESEARCH \$14,252 DISTRIBUTIONS MADE: EXECUTIVE VICE PRESIDENT/COO \$456,786
Schedule J, Part I, Line 7 Non-fixed payments	THE TOTAL COMPENSATION PACKAGE OF CERTAIN OFFICERS, KEY EMPLOYEES, AND OTHER EMPLOYEES INCLUDES VARIABLE COMPENSATION AWARDED BASED ON PERFORMANCE.

Schedule J (Form 990) 2023

Additional Data

Return to Form

Software ID: 23017437
Software Version: 2023v5.1

efile Public Visual Render	ObjectID: 202403189349311210 - Submission: 2024-11-13	TIN: 01-0211513
Schedule J (Form 990)	Compensation Information For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23. ▶ Attach to Form 990. ▶ Go to www.irs.gov/Form990 for instructions and the latest information.	OMB No. 1545-0047 2023 Open to Public Inspection
Department of the Treasury Internal Revenue Service	Name of the organization The Jackson Laboratory	Employer identification number 01-0211513

Jackson
Labs

Part I Questions Regarding Compensation		Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.			
☐ First-class or charter travel	☒ Housing allowance or residence for personal use		
☐ Travel for companions	☐ Payments for business use of personal residence		
☒ Tax idemnification and gross-up payments	☐ Health or social club dues or initiation fees		
☐ Discretionary spending account	☐ Personal services (e.g., maid, chauffeur, chef)		
b If any of the boxes on Line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b Yes		
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked on Line 1a?	2 Yes		
3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.			
☒ Compensation committee	☐ Written employment contract		
☒ Independent compensation consultant	☒ Compensation survey or study		
☒ Form 990 of other organizations	☒ Approval by the board or compensation committee		
4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:			
a Receive a severance payment or change-of-control payment?	4a Yes		
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b Yes		
c Participate in, or receive payment from, an equity-based compensation arrangement?	4c No		
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.			
Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.			
5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:			
a The organization?	5a No		
b Any related organization?	5b No		
If "Yes," on line 5a or 5b, describe in Part III.			
6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:			
a The organization?	6a No		
b Any related organization?	6b No		
If "Yes," on line 6a or 6b, describe in Part III.			
7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7 Yes		
8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8 No		
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9		

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Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title	(B) Breakdown of W-2, 1099-MISC compensation, and/or 1099-NEC			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 Lon Cardon PhD FMEDSCI President & CEO	(i) 1,113,219	440,000	319,202	201,808	34,049	2,108,278	0
	(ii) 0	0	0	0	0	0	0
2 S Catherine Longley Executive Vice President & COO	(i) 599,440	218,934	484,396	102,671	13,685	1,419,126	456,786
	(ii) 0	0	0	0	0	0	0
3 Douglas Abbott Senior Vice President and CFO	(i) 433,601	107,500	1,935	83,000	31,066	657,102	0
	(ii) 0	0	0	0	0	0	0
4 Daniel Hoag General Counsel & Secretary	(i) 431,478	98,550	16,972	63,686	31,315	642,001	0
	(ii) 0	0	0	0	0	0	0
5 Mitchell Kennedy Executive VP & President, JMCRS	(i) 623,077	0	101,608	65,769	286	790,740	0
	(ii) 0	0	0	0	0	0	0

6 Charles Lee MD SCIENTIFIC DIRECTOR, JAX GM	(i)	458,407	79,844	4,621	33,000	33,916	609,788	0
	(ii)	0	0	0	0	0	0	0
7 Nadia A Rosenthal SCIENTIFIC DIRECTOR	(i)	467,866	69,477	7,939	33,000	291	578,573	0
	(ii)	0	0	0	0	0	0	0
8 Andy Greene Senior Vice President for Research	(i)	430,654	0	58,158	45,025	44,549	578,386	0
	(ii)	0	0	0	0	0	0	0
9 Edison T Liu MD FORMER PRESIDENT & CEO	(i)	345,064	0	98,695	31,980	22,874	498,614	0
	(ii)	0	0	0	0	0	0	0
10 David Grass VP, JMCRS MICE & SERVICE OPS (UNTIL 10/23)	(i)	362,988	97,744	271,763	29,541	26,045	788,081	0
	(ii)	0	0	0	0	0	0	0
11 MaryEllen Joseph VP, JMCRS Global Sales, Marketing, & Customer Support (UNTIL 10/23)	(i)	433,356	54,960	117,814	26,500	8,058	640,688	0
	(ii)	0	0	0	0	0	0	0
12 Jens Rueter Chief Medical Officer	(i)	426,440	79,948	2,542	33,000	31,977	573,907	0
	(ii)	0	0	0	0	0	0	0
13 Brian Bannerman Vice President, JMCRS Finance	(i)	319,562	95,020	82,912	31,879	28,984	558,357	0
	(ii)	0	0	0	0	0	0	0
14 James Keck Senior Director, Innovation and Product Development	(i)	304,133	86,370	106,330	27,151	23,544	547,528	0
	(ii)	0	0	0	0	0	0	0

Schedule J (Form 990) 2023

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Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Return Reference	Explanation
Schedule J, Part I, Line 1a Tax indemnification and gross-up payments	THE JACKSON LABORATORY GROSSES UP THE AMOUNT ADDED TO WAGES FOR IMPUTED INSURANCE PREMIUMS FOR LIFE, DISABILITY, AND LONG TERM CARE BENEFITS FOR THE SENIOR MANAGEMENT GROUP TO COVER TAXES. THE LABORATORY ALSO GROSSES UP WAGES TO COVER THE TAX IMPACT OF GIFT CARDS AND OTHER AWARDS OR PRIZES TO EMPLOYEES SO THAT RECIPIENTS RECEIVE THE FULL VALUE OF THE GIFT OR AWARD.
Schedule J, Part I, Line 1a Housing allowance or residence for personal use	THE LABORATORY PROVIDES A HOUSING ALLOWANCE TO THE PRESIDENT. THE AMOUNT IS INCLUDED IN SCHEDULE J, PART II, COLUMN (B)(III).
Schedule J, Part I, Line 4a Severance or change-of-control payment	DAVID GRASS RECEIVED A SEVERANCE PAYMENT OF \$120,114. MARYELLEN JOSEPH RECEIVED A SEVERANCE PAYMENT OF \$116,027.
Schedule J, Part I, Line 4b Supplemental nonqualified retirement plan	THE LABORATORY MAINTAINS A DEFERRED COMPENSATION PLAN UNDER SECTION 457(F): CONTRIBUTIONS MADE: PRESIDENT/CEO \$168,808 EXECUTIVE VICE PRESIDENT/COO \$70,000 EXECUTIVE VICE PRESIDENT & PRESIDENT, JMCRS \$58,846 SR VP & CHIEF FINANCIAL OFFICER \$50,000 GENERAL COUNSEL \$30,686 SR VP PRESIDENT FOR RESEARCH \$14,252 DISTRIBUTIONS MADE: EXECUTIVE VICE PRESIDENT/COO \$456,786
Schedule J, Part I, Line 7 Non-fixed payments	THE TOTAL COMPENSATION PACKAGE OF CERTAIN OFFICERS, KEY EMPLOYEES, AND OTHER EMPLOYEES INCLUDES VARIABLE COMPENSATION AWARDED BASED ON PERFORMANCE.

Schedule J (Form 990) 2023

Additional Data

Return to Form

Software ID: 23017437
Software Version: 2023v5.1

ME Health through 9/30/24

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC and/or 1099-NEC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) Andrew Mueller, MD CEO and President	(i)	1,371,192.	670,196.	180,661.	13,200.	42,068.	2,277,317.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) Robert Ecker, MD Chief - Neurosciences	(i)	1,438,321.	0.	23,742.	61,435.	35,473.	1,558,971.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) Matthew R Sanborn, MD Physician	(i)	1,435,145.	0.	44,574.	16,500.	45,194.	1,541,413.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(4) Adam J. Rana, MD Physician	(i)	1,109,642.	209,934.	23,310.	42,501.	43,404.	1,428,791.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(5) Joseph T Alexander, MD Physician	(i)	1,203,700.	0.	108,075.	78,061.	37,646.	1,427,482.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) Dougald MacGillivray, MD Physician	(i)	1,171,714.	93,494.	29,812.	66,124.	44,689.	1,405,833.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(7) Albert G Swallow III CFO, Board Treasurer	(i)	738,708.	246,696.	290,112.	92,666.	36,023.	1,404,205.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(8) Jeffrey Sanders Former MMC President	(i)	440,098.	116,351.	807,993.	6,600.	27,550.	1,398,592.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(9) Eugene Inzana Former Officer/MH Associate CFO	(i)	498,280.	113,815.	275,428.	20,234.	41,242.	948,999.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(10) Joel Botler, MD Former Officer/Reg. CMO-So. Region	(i)	568,101.	159,150.	128,222.	60,273.	32,574.	948,320.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(11) Beth Kelsch General Counsel, Board Secretary	(i)	520,986.	141,750.	89,840.	55,677.	40,338.	848,591.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(12) Lisa Beaule, MD VP Phyc & APP Svcs - So. Region	(i)	497,331.	0.	97,122.	61,926.	39,909.	696,288.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(13) Brett Loffredo, MD Physician	(i)	391,776.	0.	8,104.	60,240.	32,890.	493,010.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(14) Thomas J Ryan, Jr. MD, FACC Physician	(i)	307,308.	0.	20,730.	57,295.	39,851.	425,184.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(15) Peter Manning, MD Physician	(i)	357,468.	0.	38,279.	16,500.	3,278.	415,525.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(16) Kate Herlihy, MD, MHP Physician	(i)	210,664.	6,089.	49,021.	24,221.	32,205.	322,200.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.

efile Public Visual Render	ObjectID: 202512169349301336 - Submission: 2025-08-04	TIN: 01-0527066
Schedule J (Form 990)	Compensation Information For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23. ▶ Attach to Form 990. ▶ Go to www.irs.gov/Form990 for instructions and the latest information.	
	OMB No. 1545-0047	
	2023 Open to Public Inspection	
Name of the organization EASTERN MAINE HEALTHCARE SYSTEMS NORTHERN LIGHT HEALTH		Employer identification number 01-0527066

Northern Light
9/30/24

Part I Questions Regarding Compensation		Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.			
☐ First-class or charter travel ☐ Travel for companions ☒ Tax idemnification and gross-up payments ☐ Discretionary spending account	☐ Housing allowance or residence for personal use ☐ Payments for business use of personal residence ☐ Health or social club dues or initiation fees ☐ Personal services (e.g., maid, chauffeur, chef)		
b If any of the boxes on Line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain.		1b	Yes
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked on Line 1a?		2	Yes
3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.			
☒ Compensation committee ☒ Independent compensation consultant ☐ Form 990 of other organizations	☒ Written employment contract ☒ Compensation survey or study ☒ Approval by the board or compensation committee		
4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:			
a Receive a severance payment or change-of-control payment?		4a	Yes
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?		4b	Yes
c Participate in, or receive payment from, an equity-based compensation arrangement?		4c	No
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.			
Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.			
5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:			
a The organization?		5a	No
b Any related organization?		5b	No
If "Yes," on line 5a or 5b, describe in Part III.			
6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:			
a The organization?		6a	No
b Any related organization?		6b	No
If "Yes," on line 6a or 6b, describe in Part III.			
7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described in lines 5 and 6? If "Yes," describe in Part III.			
7			No
8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.			
8			No
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?			
9			

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Cat. No. 50053T

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Schedule J (Form 990) 2023

Page 2

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.							
For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.							
Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.							
(A) Name and Title	(i)	(B) Breakdown of W-2, 1099-MISC compensation, and/or 1099-NEC	(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990	
1 Alison Worster VP-HR,EMMC&PatE	(i)	259,500	9,819	1,396	16,676	32,077	319,468
	(ii)	-	-	-	-	-	-
2 Anthony J Filer SVP & Treasurer	(i)	648,351	122,349	15,353	29,700	38,150	853,903
	(ii)	-	-	-	-	-	-
3 April Giard Former SVP-Chief Digital & Inno Off	(i)	103,039	21,383	9,520	9,326	8,743	152,011
	(ii)	-	-	-	-	-	-
4 Bethany McKnight VP Med Grp Int	(i)	189,793	-	1,943	-	33,018	224,754
	(ii)	-	-	-	-	-	-
5 Bette Neville VP, CNO	(i)	321,330	11,639	10,752	24,851	25,416	393,988
	(ii)	-	-	-	-	-	-
6 Carrie Lee Arseneault SVP,ChValueOff	(i)	346,448	16,864	6,457	82,294	25,403	477,466
	(ii)	-	-	-	-	-	-

	(ii)	-	-	-	-	-	-
7 Catherine MacLaren VP HR, Talent & Div	(i)	213,840	9,018	24,510	22,198	16,030	285,596
	(ii)	-	-	-	-	-	-
8 Charles Therrien SVP Mercy	(i)	394,794	21,549	99,118	87,249	24,245	626,955
	(ii)	-	-	-	-	-	63,566
9 Chris Frauenhofer VP, FinMedGrp	(i)	276,292	10,310	12,782	24,557	28,048	351,989
	(ii)	-	-	-	-	-	-
10 Christina Polley Former VP-Chief Info Security Off	(i)	57,146	8,294	46,152	2,246	5,316	119,154
	(ii)	-	-	-	-	-	-
11 Colleen Hilton SVP, HC&H	(i)	266,497	52,070	15,547	28,059	16,463	378,636
	(ii)	-	-	-	-	-	-
12 Darmita Wilson VP, Medical Educa	(i)	338,373	12,720	7,589	26,400	14,545	399,627
	(ii)	-	-	-	-	-	-
13 David Stratton VP, Payer Strat	(i)	296,623	11,229	12,190	24,870	25,065	369,977
	(ii)	-	-	-	-	-	-
14 David Valcik Former VP-Information Systems	(i)	41,905	11,284	76,445	1,432	3,478	134,544
	(ii)	-	-	-	-	-	-
15 Donna Boehm VP Oncology	(i)	137,701	3,923	1,604	14,729	10,493	168,450
	(ii)	-	-	-	-	-	-
16 Edward Gilkey VP SrPhyEx	(i)	279,021	13,544	9,251	27,407	26,632	355,855
	(ii)	-	-	-	-	-	-
17 Eric R Hafener VP Comp/Privac	(i)	194,339	7,594	2,665	16,267	2,231	223,096
	(ii)	-	-	-	-	-	-
18 Gavin Ducker Former SVP & Co-President-Med Group	(i)	162,344	19,911	284,653	3,935	14,503	485,346
	(ii)	-	-	-	-	-	-
19 George Eaton Chief Legal Off SVP & Secretary	(i)	457,660	22,965	35,528	29,127	25,531	570,811
	(ii)	-	-	-	-	-	-
20 Glenda Dwyer SVP, Clinic Opera	(i)	387,466	19,589	6,781	78,374	16,809	509,019
	(ii)	-	-	-	-	-	-
21 Glenn Martin Former SVP-Chief Legal Officer	(i)	-	17,666	405,387	3,600	369	427,022
	(ii)	-	-	-	-	-	351,335
22 Greg LaFrancois SVP, EMMC	(i)	444,352	17,796	64,972	77,683	4,164	608,967
	(ii)	-	-	-	-	-	7,703
23 Heather Mullen VP, ValBaseCareI	(i)	195,067	8,013	2,469	14,612	32,112	252,493
	(ii)	-	-	-	-	-	-
24 Howard Jones Med Dir, Occ Hlth	(i)	334,185	8,642	7,361	29,700	36,161	416,049
	(ii)	-	-	-	-	-	-
25 Hugh Jones SVP, Ch Strategy	(i)	443,443	11,908	27,409	11,391	13,995	508,146
	(ii)	-	-	-	-	-	-
26 Jaime Audet VP HR Oper/Rewa	(i)	240,547	9,057	24,729	18,177	34,350	326,860
	(ii)	-	-	-	-	-	-
27 James Fullwood DPM Board Member	(i)	-	-	-	-	-	-
	(ii)	340,438	37,029	28,639	11,250	33,192	450,548
28 Jason Tankel VP, Ch ComplIDff	(i)	239,892	9,970	2,299	19,076	37,665	308,902
	(ii)	-	-	-	-	-	-
29 Jay Reynolds MD SVP, ARG	(i)	132,274	-	3,644	2,069	11,350	149,337
	(ii)	214,570	12,122	22,484	13,888	21,321	284,395
30 Jean Mellett VP, Planning & S	(i)	250,082	10,850	30,366	29,319	33,687	354,304
	(ii)	-	-	-	-	-	-
31 Jeff Sanford VP Finance	(i)	263,981	10,364	4,716	27,134	13,570	319,765
	(ii)	-	-	-	-	-	-
32 Jennifer Goodrich VP, FinPhyPracO	(i)	224,068	9,883	24,981	20,657	21,397	301,086
	(ii)	-	-	-	-	-	-
33 Jennifer Hutchins VP HR Mercy HCH	(i)	160,791	4,320	7,181	12,264	13,917	198,473
	(ii)	-	-	-	-	-	-

	(ii)	-	-	-	-	-	-	-
34 Jesse Renaud AVP Fac & Sup Srv	(i)	163,536	5,089	7,506	10,430	22,822	209,383	-
	(ii)	-	-	-	-	-	-	-
35 Joel Andrew Farley AVP Facilities Mng	(i)	195,027	6,489	19,907	20,591	34,575	276,589	-
	(ii)	-	-	-	-	-	-	-
36 John J Doyle VP Finance	(i)	363,884	15,454	66,593	84,868	28,700	579,499	60,182
	(ii)	-	-	-	-	-	-	-
37 John Ronan SVP BHH & MCH	(i)	338,880	19,094	88,548	82,688	12,658	541,868	59,298
	(ii)	-	-	-	-	-	-	-
38 Karen Hawkes VP, Operations	(i)	204,826	6,946	1,790	14,936	4,521	233,019	-
	(ii)	-	-	-	-	-	-	-
39 Karl-Heinz Spittler MD SVP,ChiefPhyExe	(i)	551,311	20,530	25,647	164,106	15,093	776,687	-
	(ii)	-	-	-	-	-	-	-
40 Lisa Harvey-McPhersonRN VP Govnment Rel	(i)	235,736	11,439	71,653	65,895	25,664	410,387	41,318
	(ii)	-	-	-	-	-	-	-
41 Marie Vienneau SVP CAD & Mayo	(i)	319,825	17,703	3,940	73,672	34,379	449,519	-
	(ii)	-	-	-	-	-	-	-
42 Mark Lukens SVP, Acadia	(i)	160,159	97	40,808	-	10,160	211,224	-
	(ii)	-	-	-	-	-	-	-
43 Matthew Jay Marston VP,ChPharmacyOf	(i)	260,273	9,883	1,162	15,879	23,397	310,594	-
	(ii)	-	-	-	-	-	-	-
44 Matthew Weed Former SVP-Chief Strategy Off	(i)	-	-	330,646	-	-	330,646	330,186
	(ii)	-	-	-	-	-	-	-
45 Megan Randlett VP,DepGenCounse	(i)	265,295	-	2,546	15,356	21,872	305,069	-
	(ii)	-	-	-	-	-	-	-
46 Melissa Vail VP, IntCareMgmt	(i)	163,480	3,109	5,309	12,190	24,175	208,263	-
	(ii)	-	-	-	-	-	-	-
47 Michael Smith VP, NLH Foundat	(i)	260,817	11,598	5,496	22,973	37,766	338,650	-
	(ii)	-	-	-	-	-	-	-
48 Michael Whelan Former VP-Facilities & Supply Chain	(i)	75,289	13,605	147,901	2,416	6,273	245,484	-
	(ii)	-	-	-	-	-	-	-
49 Navneet Marwaha MD VP, CQ&SafetyOf	(i)	487,116	21,706	3,333	23,100	35,609	570,864	-
	(ii)	-	-	-	-	-	-	-
50 Noah Galen Lundy VP, HR East	(i)	199,444	7,401	25,310	14,952	19,657	266,764	-
	(ii)	-	-	-	-	-	-	-
51 Paul Bolin EVP, CPO	(i)	430,401	21,499	83,344	84,008	28,834	648,086	51,820
	(ii)	-	-	-	-	-	-	-
52 Rand O'Leary Former SVP & President-EMMC	(i)	156,474	30,084	8,462	87,681	6,192	288,893	-
	(ii)	-	-	-	-	-	-	-
53 Randall Clark SVP, SVH	(i)	279,887	13,569	6,410	21,653	36,781	358,300	-
	(ii)	-	-	-	-	-	-	-
54 Scott Oxley Former SVP & President-Acadia	(i)	120,115	17,411	51,348	52,616	8,590	250,080	49,731
	(ii)	-	-	-	-	-	-	-
55 Suzanne Spruce SVP,Mktng&Comm	(i)	303,932	15,170	12,170	29,201	14,497	374,970	-
	(ii)	-	-	-	-	-	-	-
56 Thad Zmistowski Former VP-Sr. Litigator	(i)	100,415	9,169	3,115	2,305	12,729	127,733	-
	(ii)	-	-	-	-	-	-	-
57 Tim Doak VP CapPin&FacOp	(i)	287,899	10,473	6,407	23,593	24,995	353,367	-
	(ii)	-	-	-	-	-	-	-
58 Timothy Dentry NLH President Ex-officio	(i)	1,274,400	592,846	24,428	29,700	36,150	1,957,524	-
	(ii)	-	-	-	-	-	-	-
59 Tracy Jean Roberts VP-Compl&Privac	(i)	197,067	7,010	4,503	14,776	14,185	237,541	-
	(ii)	-	-	-	-	-	-	-
60 Tricia Costigan SVP, Inland/LW	(i)	322,277	16,238	2,104	22,128	24,817	387,564	-
	(ii)	-	-	-	-	-	-	-

	(ii)	-	-	-	-	-	-
61 William Chesley Seavey AVP-Pop Hlth/Phar	(i)	177,842	4,635	1,404	12,353	21,787	218,021
	(ii)	-	-	-	-	-	-
62 William Ford AVP-Reimbursement	(i)	191,565	5,506	1,482	13,772	32,276	244,601
	(ii)	-	-	-	-	-	-
63 William Robert Mossler VP OpAssur&ERM	(i)	181,375	4,332	8,771	13,117	1,446	209,041
	(ii)	-	-	-	-	-	-
64 Yousuf Joe Siddiqui VP,HR-ARG&EmpEx	(i)	181,990	6,654	2,691	14,210	36,651	242,196
	(ii)	-	-	-	-	-	-

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Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Return Reference	Explanation
Part I, Line 1a: Relevant information in regards to selections on 1a.	The following received a gift card: Tricia Costigan, officer 50 Jennifer Goodrich, officer 25 Colleen Hilton, officer 50 Jesse Renaud, highest compensated employee 15 Jay Reynolds, officer 15 Yousuf Siddiqui, officer 15 Marie Vienneau, officer 25

Schedule J (Form 990) 2023

Additional Data

Return to Form

Software ID: 23017517
Software Version: 2023v6.0

Property Tax Relief Task Force Ideas

Presented by Josh Houde

Windham Assessor

Dear Members of the Property Tax Relief Task Force,

I attended the September 12 meeting of the Property Tax Relief Task Force in person, and viewed the and September 30 and October 24 meetings online. I found them very informative and highly anticipate seeing what proposals emerge from this task force. Listening carefully to the ideas presented, and reflecting on my own firsthand experience as the Windham Assessor, I present several observations and ideas to the Task Force for consideration.

Property Tax Pie

Much discussion has been devoted to understanding the impact of government spending, assessments, and revaluations on the mill rate and property tax. To properly explain these relationships to property owners in my town, I find it helpful to imagine the property tax burden as a huge pie that no one wants to eat, but which must be eaten in order to fund local services. In this analogy...

- **Pie Size** – The SIZE of the pie is the total property tax to be raised in a municipality and is the direct result of the county, school, and municipal budgets. The assessments and property values do not determine the size of the pie – only the budgets do. It does not matter if all the assessments in town double during a revaluation or are cut in half – the size of the pie remains the same.
- **Pie Slices** – The proportional size of each SLICE of the pie is determined by assessments. Some slices are proportionally larger (due to higher market value), while other slices are smaller (due to lower market value). So yes, if your property has twice the value of your neighbor's property, you will pay twice as much in taxes; however, whether that means you pay \$2000 while your neighbor pays \$1000, or whether you pay \$200 while your neighbor pays \$100 – that is determined by the budgets, not the assessments.
- **Exemptions** – EXEMPTIONS are like removing a slice from the pie so that one person or group doesn't have to eat it, but that slice must then be evenly sprinkled over the rest of the pie for others to eat. If you create an exemption for seniors, for example, you pile the extra pie to be eaten on young families and others struggling to afford their first home. If the state reimburses, say, 50% of the exemption, then half of the slice gets thrown out, but half of the slice must still be sprinkled over the rest and must still be eaten.

Key Takeaways – Several key takeaways from this analogy:

- **Revaluations** – *Assessments and revaluations do not create higher taxes.* I cannot emphasize this enough. Revaluations do not create higher taxes. County, school, and municipal spending creates a larger pie, and thus, higher taxes – not revaluations. A revaluation simply ensures that the slices of the pie are fairly apportioned according to market value.
- **Solutions** – To truly reduce property taxes, one must either:
 - **Reduce Expenses** – Make the property tax pie smaller by reining in the year-over-year growth in county, school, and municipal budgets.
 - **Increase Other Revenue** – Identify and develop additional revenue streams to help offset budget spending (such as impact fees, registration fees, etc).
 - **Increase Growth** – Invite more people to help eat the pie, thus expanding the taxable base and reducing the amount each individual has to eat.

With that analogy as the backdrop, here are several concrete ideas for consideration:

1) Homestead Exemption – If the goal (or a goal) is to simply shift some of the tax burden from resident homeowners to owners of vacation homes, investment properties, and commercial parcels, then I agree with Lewis Cousins (who presented September 30) that expanding the Homestead Exemption would be an efficient way to accomplish that.

- **Opportunity** – The existing exemption already creates a clear distinction between resident-homeowners versus non-resident property owners; expanding it would add little to no administrative work to the state or municipalities as it is already tracked and implemented.
- **Challenge** – The biggest issue to tackle would be how to fund any Homestead expansion so that municipalities do not lose out on reimbursement from the state; otherwise, the exempt slice just gets sprinkled back over the rest of the pie and drives up the mill rate.

2) Property Tax Fairness Credit – The Property Tax Fairness Credit (PTFC) was recently expanded to provide targeted relief to homeowners who need it, and, per Michael Allen's presentation on September 12, the state invests more in this program than it does even in the Homestead exemption (\$110M vs \$85M for FY 25). However, as task force member Dick Woodbury noted on September 30 and October 24, many residents do not link the credit they receive to the property tax bill they have to pay, even if the PTFC is providing genuine relief.

- **Questions** – Are there ways to better help property owners make that connection? Is there any way to link the PTFC relief to the actual payment of property taxes?
- **Consideration** – Any solution in this regard would have to be carefully thought through so that it does not create an undue administrative burden on municipalities.

3) Business Personal Property Reform – Many municipalities rely upon business personal property as a significant component of their property tax base; thus, elimination of this tax is not feasible. However, simple, common-sense reforms could improve the administration and public perception of this tax.

- **Unduly Burdensome** – On September 30, task force member Matt Peters asked if any taxes are unduly burdensome to collect in relation to the amount they raise. For me, this tax immediately comes to mind. For many municipalities, the time and energy required to assess personal property can be monumental for relatively little payoff. In Windham, our full-time assistant assessor spends the majority of several months each year administering our 1,159 personal property accounts, which compose only about 1.2% of our property tax base.
- **Small Business Impact** – This tax can also be an unwelcome and time-consuming intrusion for small business owners. They already pay income tax for their business, they already pay sales tax on items for their business, and now they're going to be taxed for their business equipment annually? Some business owners are incredulous.
- **Thresholds** – I would propose that business personal property have a threshold or cutoff that preserves the majority of value while reducing the administrative burden. Perhaps the business personal property tax could kick in only once the property value reaches a certain dollar amount, such as \$5k, \$10k, or \$20k. Accounts or amounts below that threshold would be exempt. Alternatively, it could apply only to businesses that have employees on payroll (and thus exempt single individual or family businesses), or could kick in when a certain number of employees is reached. Or perhaps some combination of value/employee threshold could be implemented.
- **Threshold Impact** – Such thresholds would preserve the majority of the value municipalities rely on while reducing the administrative burden and improving rapport with small businesses. In Windham, for example, here are how several threshold options would impact our revenue:
 - **\$10k Threshold** – Only 38% of our accounts have \$10k or more of value, yet they compose 97% of the total personal property value in Windham (i.e. we could eliminate 62% of our accounts and only lose 3% of personal property value)
 - **\$50k Threshold** – Only 15% of our accounts have a total value of \$50k or more yet compose 87% of our personal property assessed value.
 - **\$100k Threshold** – Only 9% of our accounts have a total value of \$100k or more, yet compose 80% of our personal property assessed value.

4) Individually Owned Personal Property – I would hasten to bet that the vast majority of Mainers – perhaps even members of this Task Force – are unaware that their individually owned personal property is liable to property taxes (Title 36, para 601, 655).

- **Exempt Items** – Some items are exempt, such as household furniture and musical instruments – and there is a \$1000 per item threshold – but personal items like lawnmowers, snowblowers, valuable artwork, etc, are technically subject to property tax.
- **Current Practice** – Anecdotally, most municipalities do not assess personal property to individuals as the cost, time, and energy required to do is prohibitive. In addition, assessing people's lawn equipment and household items would be a public relations disaster when people are already upset about rising property taxes.
- **Recommendation** – Why not officially eliminate the individual personal property tax altogether or raise the \$1000 threshold to a figure that makes this tax irrelevant? While this may not be the most urgent proposal, the assembly of this task force makes this an opportune time to accomplish this.

Thank you for your consideration of these four, concrete proposals to improve the property tax system in Maine. I would be happy to discuss or develop any of these further and can be reached at: 207-777-1983 or jkhoude@windhammaine.us .

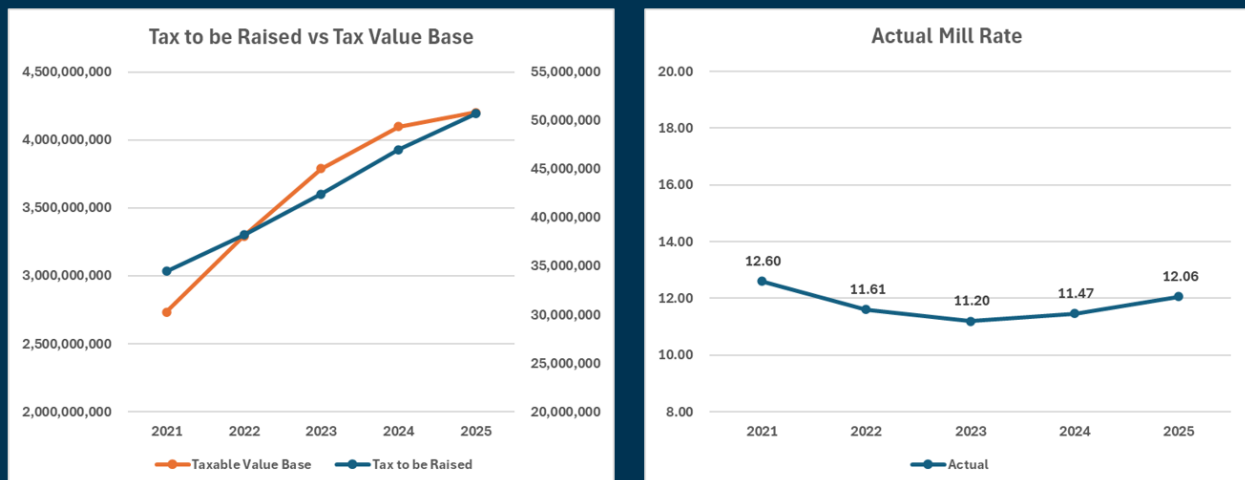
Sincerely,

Josh Houde, CMA
Assessor, Town of Windham

APPENDIX: Do Higher Assessments Lead to Higher Taxes?

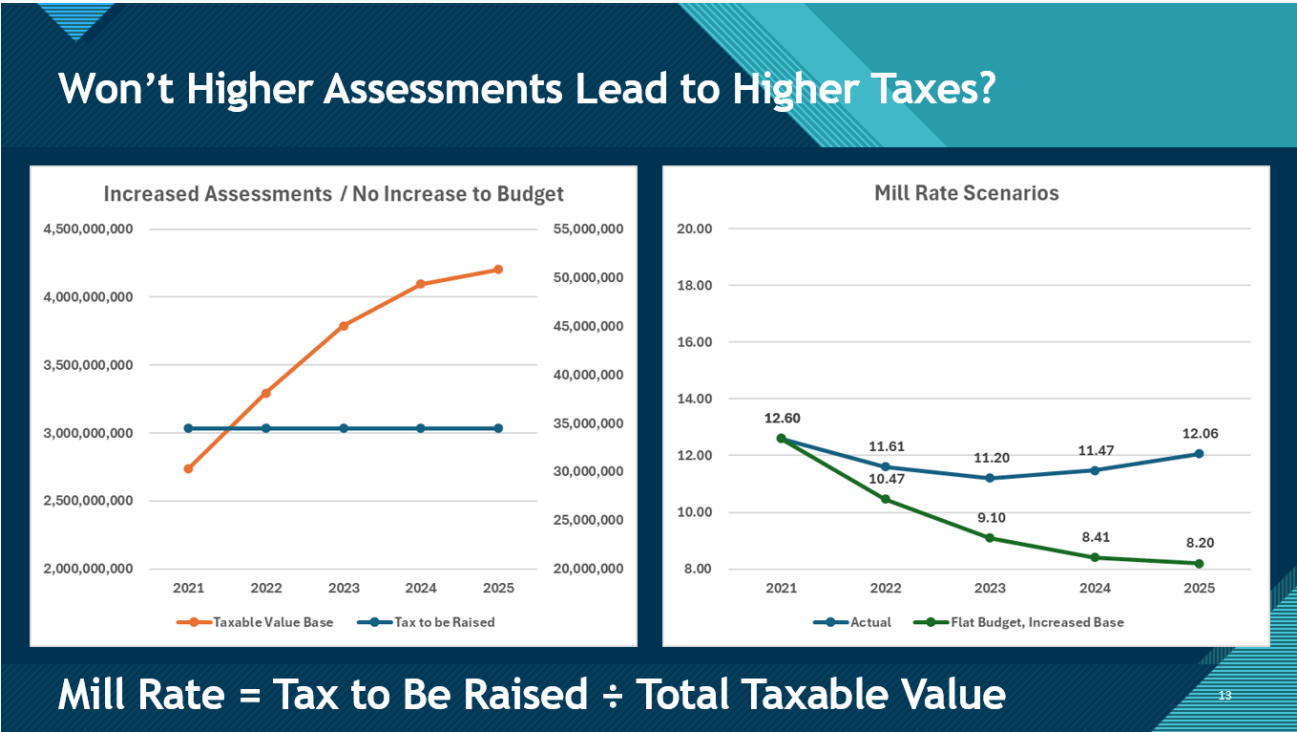
GRAPH #1 – The mill rate is simply the tax to be raised divided by the total taxable value. When townwide assessments and the budget both increase at a similar rate, as has happened in Windham over the past four years, the mill rate remains relatively stable, but taxes increase *due to the budget increases*.

Won't Higher Assessments Lead to Higher Taxes?

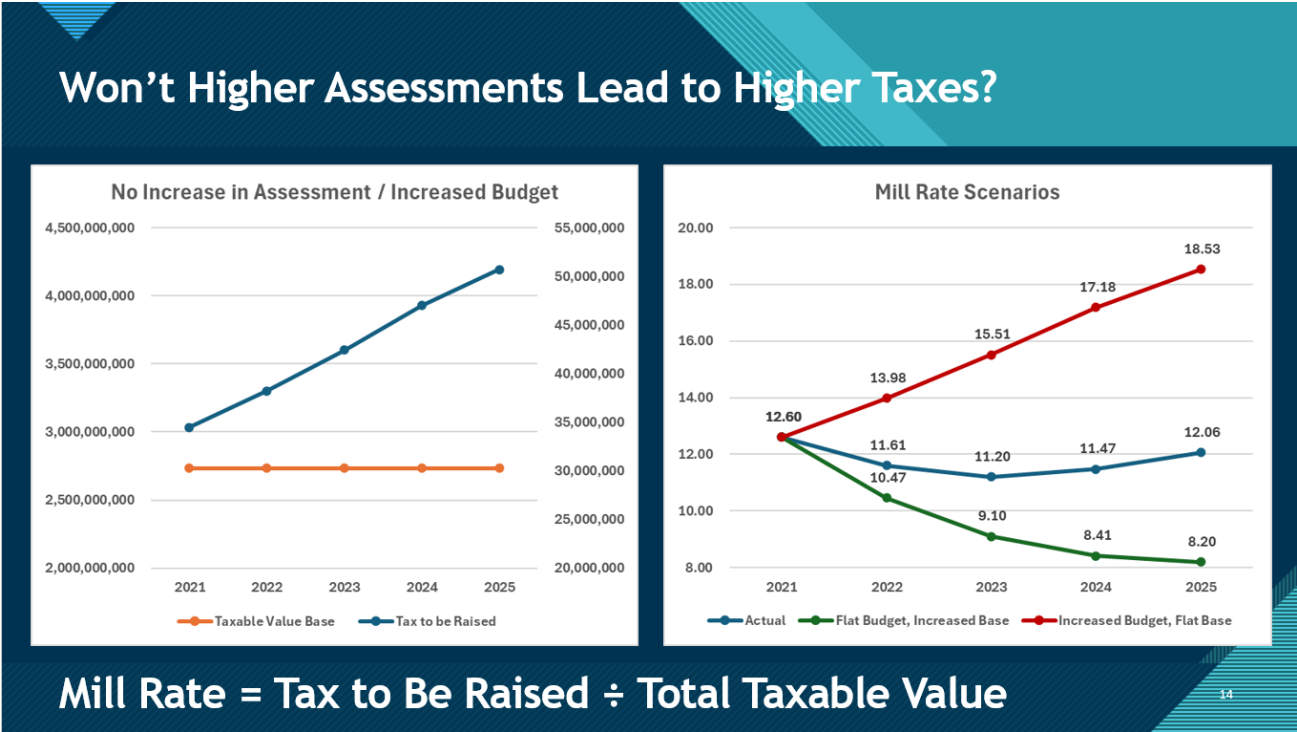


$$\text{Mill Rate} = \text{Tax to Be Raised} \div \text{Total Taxable Value}$$

GRAPH #2 – If the tax amount to be raised were flat due to no changes in the budget, *there would be no increase in taxes*, despite the assessed value (the orange line) increasing dramatically. The mill rate would simply drop way down, and most people would see a decrease in their tax bill since new growth and develop compose a portion of the increase in assessed value.



GRAPH #3 – Alternatively, if assessments were to experience no change, but the budget were to increase, the mill rate would skyrocket and people would indeed pay more in property taxes, despite seeing no change in their assessment. ***It is the county, school, and municipal budgets that drive higher taxes, not assessments.***



Laxon, Lindsay

From: Joey and Colleen Brown <joecolbrown95@hotmail.com>
Sent: Tuesday, November 11, 2025 12:15 PM
To: Laxon, Lindsay; Olson, Rachel; Sargent, James; Grohoski, Nicole
Cc: Moore, Marianne
Subject: Submission for Consideration – Rural Valuation Equity Initiative
Attachments: Land Valuation.pdf

ALERT The content of this email looks suspicious and it may be a phishing attempt. Be careful with this email unless you know it is safe. Powered by CyberSentriq.

This message originates from outside the Maine Legislature.

Dear Members of the Real Estate Property Tax Relief Task Force,

My name is Colleen L. Brown from Washington County. I'm not a legislator, but as a longtime taxpayer and former small business owner, I've been studying the valuation and income imbalance affecting rural Maine. I've identified three key issues contributing to tax inequity—one of which is the way "just value" assessments inflate property taxes in counties where incomes have not kept pace.

I've drafted the enclosed **Rural Valuation Equity Initiative**, which outlines a hybrid "Just Value + Income Sensitivity" model modeled after Vermont's proven system. I believe it directly supports the task force's mission to explore long-term, equitable property-tax solutions.

I'd appreciate the opportunity for this concept to be reviewed or included in the public comment record and would welcome any feedback or questions.

Thank you for the work you're doing on behalf of Maine taxpayers.

Respectfully,

Colleen L. Brown
Washington County

RURAL VALUATION EQUITY INITIATIVE

A Policy Framework to Restore Fairness in Maine's Property Tax System

I. Executive Summary

Maine's "just value" property tax system, which requires assessments at 100 percent of market value, has created inequitable outcomes in rural counties where property values have soared due to nonresident and seasonal demand while local incomes remain stagnant.

This proposal establishes a Hybrid Just Value + Income Sensitivity Model that protects residents from valuation-driven tax inflation without reducing municipal revenue or violating constitutional uniformity. It is modeled on Vermont's proven income-sensitivity program and tailored to Maine's unique county and valuation structure.

Key Data Snapshot

(For inclusion in briefings and fiscal notes)

- **Income vs. Valuation Gap:** According to Maine Revenue Services' 2024 Equalized Valuation Report, median household income in Washington County grew only 1.9 percent over the past five years, while equalized property valuation increased by 11.4 percent.
- **Disparity Ratio:** In Aroostook and Franklin Counties, total property valuation now exceeds median household income by a factor of 14–16, compared to a statewide average of 7.
- **Legal Precedent:** Vermont's income-sensitivity property tax model has operated for 27 years with no successful constitutional challenges, proving that valuation uniformity and income fairness can coexist.
- **Fiscal Feasibility:** Maine currently spends approximately \$115 million annually on the Homestead Exemption and Property Tax Fairness Credit combined. Redirecting or repurposing 25 percent of that amount would fully fund a statewide pilot.
- **Affordability Benchmark:** The Rural Valuation Equity Initiative would cap residential property tax burden at 4 percent of household income, matching the New England

median affordability standard.

II. The Problem: Valuation Inflation vs. Local Reality

Counties such as Washington, Aroostook, Piscataquis, Somerset, Franklin, Oxford, and Lincoln now face severe tax distortions. Their valuations appear wealthy on paper because of waterfront, recreational, and second-home markets, but their residents remain among the poorest in Maine.

Consequences

- Inflated county tax apportionments based on artificially high valuations.
- Reduced state education aid due to lower “need” scores.
- Rising property taxes that far exceed local ability to pay.

Cause and Effect

Each high-value seasonal sale raises the “equalized just value” for every parcel nearby, cutting state aid and raising county obligations. Rural Mainers are being taxed on what their land is worth to outsiders, not on what they can afford.

III. The Solution: Hybrid Just Value + Income Sensitivity Model

Maintain constitutional valuation while applying income fairness up front.

1. Keep 100 percent market-value assessments to preserve equity and transparency.
2. Apply a state-administered income-sensitivity credit capping property taxes on a primary residence at a fixed percent of household income (for example, 4 percent).
3. Fund the credit through:
 - A state-level surtax on non-primary residences above a \$400,000 threshold (0.25–0.5 percent).
 - Modest reallocation of state revenue-sharing growth.

4. Maintain full revenue for municipalities and counties. Residents receive relief through the state, not local abatements.

This mirrors Vermont's proven model, balancing constitutional compliance with real-world fairness.

IV. Supplemental Reforms

- Blend valuation and income when calculating county tax apportionments.
 - Merge the Homestead Exemption, Property Tax Fairness Credit, and senior deferral into one automatic, income-sensitive benefit.
 - Expand current-use classifications (Tree Growth, Open Space, Working Waterfront) to include Rural Residential Stability.
-

V. Offset and Funding Mechanism

Seasonal / Non-Primary Residence Surtax Example (Lubec, Maine)

- Average seasonal home value: \$550,000.
- Surtax: 0.5 percent on portion above \$400,000 → \$750 annually.
- 180 parcels yield approximately \$117,000 per year.
- County-wide: \$1.5–\$2 million annually, enough to fund 1,000 credits of \$1,500 each.

Rationale: Nonresident ownership drives valuation inflation. The surtax corrects the imbalance by asking those who influence market pressure to help fund relief for those living under it.

Household Income Definition (Proposed Maine Language)

Purpose

To ensure property-tax fairness is based on a household's true ability to pay while protecting families with non-contributing adult dependents, students, or temporary residents.

Definition

For purposes of determining eligibility and benefit under the Hybrid Just Value + Income Sensitivity Model, Household Income means the total combined income of all owners and financially contributing members of a household for the taxable year, including federal adjusted gross income and all nontaxable income received by those members, such as Social Security, pensions, disability benefits, and tax-exempt interest.

Exclusions

1. Dependent students: Income earned by a household member who is
 - under age 23,
 - enrolled full-time in a postsecondary education or training program, and
 - does not contribute financially to household expenses or property ownership costs.
2. Minor dependents: Income of dependents under age 18.
3. Certain public benefits: Foster-care payments, adoption assistance, and other state-approved caregiver reimbursements.
4. Non-resident temporary occupants: Income of individuals residing in the household for less than six months of the taxable year who maintain a separate permanent residence elsewhere.

Rationale

This definition ensures the program measures real household financial capacity, not incidental or transitional income. It protects multi-generational and working-class Maine families who often house adult children or students during college, apprenticeship, or seasonal employment. The intent is to align tax responsibility with actual household economics—who pays the bills, not who sleeps in the spare room.

VI. Constitutional and Fiscal Integrity

- The proposal preserves Article IX, Section 8's uniform "just value" mandate. Municipalities continue assessing all property equally.
 - The surtax is a state-level excise applied uniformly to a use-based class of property (non-primary residences above a threshold).
 - Similar frameworks have been upheld in states such as Vermont, New York, and Maryland when linked to legitimate state purposes like community stabilization or affordability.
 - Municipal budgets remain whole. The state's fiscal exposure is offset by the surtax, existing PTFC appropriations, and adjustments in revenue sharing.
-

VII. Relationship to the Property Tax Fairness Credit

This initiative does not duplicate the PTFC. It expands and modernizes it.

The PTFC is reactive and capped below rural burdens. This plan applies fairness proactively, using the PTFC system as its delivery mechanism. It is not redundancy; it is reform.

VIII. Legislative Path Forward

Establish a Rural Valuation Equity Working Group to:

- Collect valuation and income data from affected counties.
 - Deliver findings to the Taxation and State & Local Government Committees.
 - Develop a three-county pilot (Washington, Aroostook, Piscataquis) for FY 2027 implementation.
-

IX. Coalition Scope

Nearly half of Maine's counties, from Washington to Oxford, are now affected by valuation distortion. This proposal represents a bipartisan, statewide solution to a structural inequity that undermines rural stability and workforce retention.

X. Contact / Draft Sponsor (for discussion)

Colleen L. Brown, Washington County