

Town of Chebeague Island

Frequently Asked Questions regarding valuation change

What will my new taxes be?

Your value went up, but the tax rate will GO DOWN! So you may only experience a moderate increase in taxes, or even a decrease. Usually if you get a big increase, it is because your property has been undervalued for some time...

To find your old taxes, take your old value and multiply by .0209

To find ESTIMATED new taxes, take your new value and multiply by .01525.

This is an ESTIMATED RATE ONLY!!!! We won't know the actual final tax rate until the review process is over, but it should be in this ballpark.

How much did values change?

On average, values went up about 1.4 of what they used to be, some more and some less.

How come my value went up so much?

There can be several reasons, such as-

- Properties haven't been valued since the Island was part of Cumberland
- The property was undervalued before
- Your location has improved a lot in value
- We had been using mistaken information about the property

Why did my mine go up more than my neighbors?

It is quite likely that the information we had on their property was already more accurate, or that they did not maintain their property as well, or that we discovered missing information about your property.

There are mistakes in the data on my property.

This is one of the reasons we sent out the notice. Thousands and thousands of pieces of information had to be entered into our system anew, so we were bound to have some things off. Please let us know of any data corrections. Some changes may result in value increases as well as decreases.

Shouldn't everyone's value go up the same?

No, for a variety of reasons. Some folks' properties may have been improved more than others. Sometimes the locational information we had recorded was wrong. Not all properties are identical.

It cost Joe X so many dollars to build that thing; shouldn't that be his assessment?

No. The issue is 'what can the place be re-sold for?'. People often put more money into something than they can get out on resale. The island rarely has sales over \$600,000.

Mary Y can't afford it.

This is probably the most difficult and unpleasant part of property tax law: it makes no distinction about one's ability to pay. The state constitution and statutes say that the test is an approximation of market value, not whether one can pay for the taxes.

Exceptional cases (Title 36 calls it 'inability to contribute to the public charge') may be handled by the select-board through the Poverty Abatement process. This is meant to be on a year by year basis for occasional hardship.

Sam Z can afford it, so he should pay more.

The answer here is similar. The value of the property on the market is what matters, not how much someone can pay.

Will you post a list of all properties?

Yes. After we have heard back from folks on our notification letter and make any necessary data adjustments.

What is the valuation formula?

It is way too complicated to put into a letter! We have installed a proprietary relational database software program that's in common use in the state of Maine for taxation purposes. Just the manual for the sketch portion of our program is 81 pages long! Many, many data points are entered, including location, buildability, sizes, quality of construction, depreciation, amenities, outbuildings, etc. Then elements are priced out using various mathematical equations resulting in a total that should be a rough approximation of market value. The real question is whether the final total is in the ballpark of market value.

What are the most important influences on value?

The key elements seem to be whether one can build on a property, and its location. Other elements after that do contribute, but are relatively secondary.

Why are taxes so high?

This question is not under the authority of the assessor, but here are a few elements to keep in mind:

- It is expensive to do anything on the island! This is true for town government as well as individuals.
- Frankly, the town was underserved when it was part of Cumberland; there is some catching up to be done.
- Spending priorities are set at the annual town meeting by the voters! In the spring, the Select-board works to develop a list of considered expenditures. Residents can attend meetings and give input. Then the list is presented at town meeting; townspeople can comment and then vote on each article.

For more general FAQ on the reval process, see the notification letter we sent to you as well as the document we had already posted on the town website.