

Your Guide to Property Taxation and Assessment

January 2026

Property tax is the most important revenue source to fund public schools and government services. In the State of Maine, all real and personal property is subject to tax unless specifically exempted by law.

This guide provides a comprehensive overview of the two functions that make up the property tax process, assessment and taxation, and how a revaluation impacts that process.

Assessment vs. Taxation

Property owners often confuse assessments and taxes. Although both are integral parts of the tax cycle, they are two distinct functions.

Assessment is the value the assessor places on a property for the purpose of calculating your share of property tax.

Tax is what you pay based on your assessment and the applied tax rate, also known as the mil rate.

$$\text{Assessment} \times \text{Mil Rate} = \text{Tax}$$

Assessment

Property is assessed according to rules embedded in Maine's Constitution and Maine's Revised Statutes. Local ordinances have no role in the process. State law requires the Assessor to assess property according to its just value. Although employed by the municipality, the Assessor acts as an agent of the State and is under the general supervision and control of the State Tax Assessor.

The work of the Assessor is audited annually by Maine Revenue Service's Property Tax Division to ensure compliance with legal practices.

Just Value

Article IX Section 8 of Maine's Constitution states: "All taxes upon real and personal estate, assessed by authority of this State, shall be apportioned and assessed equally according to the just value thereof." On several occasions, Maine courts have held that just value means fair market value. Arm's-length transactions close to the time at which value is to be fixed (April 1) provide the best evidence of market value.

Arm's-Length Transactions

An arm's-length transaction is defined as the most probable price a property should bring in a competitive and open market under all conditions requisite to a fair sale between parties with no significant relationship to each other.

Minimum Assessment Standards

The Maine Legislature has enacted minimum assessment standards that municipalities are required to meet. The key standard is the minimum assessment ratio. Municipalities shall achieve a town-wide average assessment to sale ratio of no lower than 70% and no higher than 110%.

$$\text{Assessed Value} / \text{Sale Price} = \text{Ratio}$$

Real Property

Real property includes land, improvements to land, structures, and certain equipment affixed to structures. Characteristics of real property that influence the value include but are not limited to: zoning, location, view, geographic features, easements, covenants and the condition of surrounding properties.

The Assessor values real property using one or more of the following appraisal methods:

1. **Sales Comparison Approach.** This approach compares your property to other similar properties that have recently sold. Most residential property is valued using this method. The Assessor carefully researches each sale to determine if it represents an arm's-length transaction. One tool that is used to accomplish this is a sales verification survey mailed to all new buyers.

2. **Cost Approach.** This approach is based on the cost of replacing an existing structure with a similar one that serves the same purpose. This method can be useful to value new construction or special use properties such as libraries, schools, and churches.

3. **Income Approach.** This method estimates value for income-producing properties based on the income potential of the property and is used primarily for commercial properties.



Personal Property

The State defines personal property as, “all tangible goods and chattels wheresoever they are.” The primary characteristic of personal property is mobility and includes furnishings, machinery and equipment, and computers. Most personal property owned by individuals is specifically exempt from taxation, however, if these items are used in a business, personal property tax applies.

Appeals of Fair Market Value

An abatement is the process by which valuation, that is found to be excessive, or the assessment is found to be void because of an error or illegality, may be corrected. In the State of Maine, a taxpayer must do more than simply disagree with the assessment. Taxpayers must demonstrate through credible evidence that the assessment was manifestly wrong.

While it is understandable some may have concerns about affordability, high tax, or change in value from one year to the next, these are not sufficient grounds for an appeal. An appeal is to be based on the estimated market value of the property. According to Maine law, a property's valuation is considered reasonable within 10% of its probable selling price.

If you do not agree with the assessed value of your property, you are encouraged to contact the Assessor's Office. Most concerns are often addressed informally, however, taxpayers do have 185 days from the date of commitment each year to file a formal appeal.

Helpful Evidence to Support an Appeal

- A sale of the subject property.
- Sales of comparable properties.
- An appraisal prepared by a licensed appraiser.
- Income and expense information for income-producing properties.

Taxation

The taxation function is distinct from the assessment function. A tax rate, or mil rate, is calculated and applied to your assessment to determine your share of the Town's tax burden. Town collecting officials then issue tax bills and collect payments. It is important to understand the Assessor has no authority over Town spending or tax collection procedures and the Town Council and collection officials have no authority over assessments. This separation of powers is to ensure taxation is fair for everyone.

Mil Rate

There are two factors that determine the property tax rate, the adopted budget amount for the municipality and the total taxable assessed valuation of the municipality.

The total amount necessary to fund the adopted budget is divided by the Town's total taxable assessed value. For example, if the budget calls for \$60,000,000 to be raised by taxes and the total taxable assessed value of the Town is \$2,500,000,000, the mil rate will be \$24.00.

$$\frac{\$60,000,000}{\$2,500,000,000}$$

$$0.02400 \text{ or } (\$24.00 \text{ per } \$1,000)$$

Calculating Your Taxes

If you know the assessed value of your property and the mil rate, you can calculate the amount of tax. For example, if the assessed value of your property is \$200,000 and the mil rate is \$24.00 per thousand dollars of value, your tax will be \$4,800.

$$\$200,000 \times 0.02400 \text{ } (\$24.00 \text{ per } \$1,000)$$

$$\$4,800 \text{ tax liability}$$



How to Pay Your Taxes

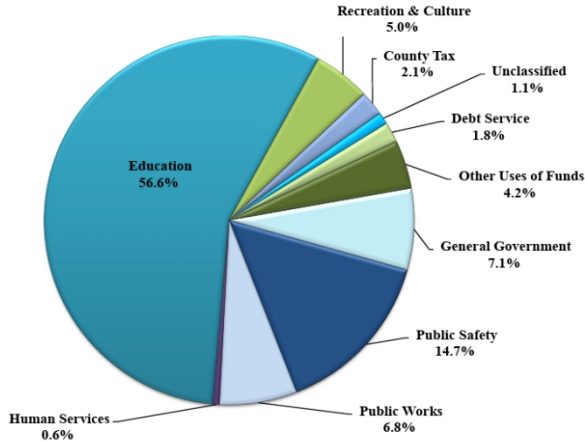
Property tax bills are mailed by the Finance Office each September. To avoid interest and penalties, at least half the amount due must be paid by October 15 and the remaining balance by April 15. Personal property taxes must be paid in full by October 15. You can pay your property tax in person, by mail, or online.

Although many lending companies pay the property tax for a homeowner from a property reserve account, the bill is always mailed to the property owner.

Annual Budget

The budget constitutes the appropriations to the several municipal departments, the school district, and the County. The development process of the budget generally begins each January and is an open and public process. The Town Council hosts frequent budget workshops where residents do have a say in the matter. At least 7 days prior to the budget adoption, the Town Council is required to hold a public hearing. By Town Charter, the budget must be adopted by June 15. The school portion of the budget then goes to a town-wide vote where residents have the final say.

Where Your Property Tax Money Goes



Distribution of fiscal year 2026. Copies of the annual budget are available on the Town webpage for a detailed breakdown of each category.

Tax Relief Programs

Homestead Exemption

This program provides a measure of relief for certain individuals that have owned and occupied homestead property in Maine as their permanent residence for at least 12 months as of April 1. Property owners would be eligible for an exemption of \$25,000 (at 100% assessment ratio).

Veteran Exemption

A veteran who served during a recognized war period and is 62 years of age or older; OR, became 100% disabled while serving; OR, a non-remarried widow(er) of a veteran who would have been entitled to the exemption is eligible for an exemption of \$6,000 (at 100% assessment ratio). A paraplegic veteran who received a federal grant for a specially adapted housing unit is eligible for an exemption of \$50,000 (at 100% assessment ratio).

Legally Blind Exemption

A homeowner who is legally blind as determined by a licensed Doctor of Medicine, Osteopathy, or Optometry is eligible for an exemption of \$4,000 (at 100% assessment ratio).

Renewable Energy Investment Exemption

This program exempts solar energy equipment from property tax if: 1) the energy it produces is used on-site; 2) the equipment is collocated with a customer or customers that are subscribed to at least 50% of the facility's output; or 3) the energy the equipment produces is transmitted through an electric utility and accounted for using a bill credit mechanism and the generator had a fully executed interconnection agreement prior to June 1, 2024.

Property Tax Deferral

The State Property Tax Deferral Program is a lifeline loan program that can cover the annual property tax bills of Maine people who are ages 65 and older or are permanently disabled and who cannot afford to pay them on their own. The loan program allows Maine's most vulnerable community members to age in place and ensures that property taxes are still delivered to municipalities, requiring repayment of the loan once the property is sold or becomes part of an estate.

Property Tax Fairness Credit

Eligible Maine taxpayers may receive a tax credit for a portion of the property tax or rent paid during the tax year on the Maine individual income tax return whether they owe Maine income tax or not. If the credit exceeds the amount of your individual income tax due for the tax year, the excess amount of credit will be refunded to you.

Senior Tax Assistance

The Property Tax Assistance Ordinance was adopted by the Town Council on December 3, 2018. This program is designed to provide financial assistance to renters and property taxpayers who have resided in Brunswick for at least 10 years and are age 65 or older.

Tree Growth Tax Law

The Maine Tree Growth Tax Law provides for the valuation of land that has been classified as forest land on the basis of productivity value, rather than on just value. To qualify, a land owner must:

- Have at least 10 acres of forest land.
- Use the land primarily for the growth of trees to be harvested for commercial use.
- Submit a forest management and harvest plan prepared by a licensed forester.

Farmland Tax Law

The Farmland Tax Law was adopted to encourage the preservation and protection of farmland from competing, higher-valued uses. The farmland program provides for the valuation of farmland based on its current use as farmland, rather than based on its fair market value for other potential uses. To qualify, a landowner must:

- Have at least 5 contiguous acres.
- Use the land primarily for farming activities.
- Produce gross income of at least \$2,000 in at least 1 of the 2 or 3 of the 5 last calendar years preceding application.

Open Space Tax Law

The Open Space Tax Law provides for the valuation of land based on its current use as open space, rather than its highest and best use. To qualify, a landowner must preserve or restrict the land to provide a public benefit by conserving scenic resources, enhancing public recreation opportunities, promoting game management, or preserving wildlife or wildlife habitat.

Working Waterfront Tax Law

The Working Waterfront Tax Law was enacted to encourage the preservation of Maine's working waterfront and is intended to support commercial fishing activities. To qualify, a landowner must have a parcel of land abutting tidal waters that is used

primarily (more than 50%) for commercial fishing activities.

Revaluation

What was the 2025 Revaluation?

The Town of Brunswick conducted a town-wide property revaluation in 2025. A revaluation is the process of adjusting all property assessments to reflect current market value as of a specific date. The purpose of the 2025 revaluation was to restore equity so that property taxes are distributed fairly among all property owners.

What is happening in 2026?

In 2026, the Town is performing an annual assessment update rather than a full revaluation. This update is intended to maintain the accuracy and equity achieved through the 2025 revaluation. Annual updates allow the Assessor's Office to account for recent sales activity, new construction, property changes, and evolving market conditions, helping prevent large shifts in value in the future.

What is the valuation date for the 2026 update?

The 2026 annual update reflects market conditions as of April 1, 2026, as required by Maine Property Tax Law. Assessments are based on the real estate market leading up to that date.

When will updated assessments take effect?

Updated assessments from the 2026 annual update will be reflected in the tax bills mailed in September 2026.

Why are annual updates necessary after a revaluation?

Real estate markets changes every year. Some neighborhoods or property types may change faster than others. Annual updates help ensure that assessments remain aligned with the market and that inequities do not rebuild over time. This

approach promotes stability, predictability, and fairness for taxpayers.

Is this annual update required by law?

Maine law requires that properties be assessed at fair market value and that municipalities maintain a minimum assessment ratio of 70%. While a general valuation is required at least every 10 years, annual updates are a best practice used to maintain compliance with state standards and avoid the need for more disruptive and costly large-scale revaluations.

Who is conducting the 2026 annual update?

The 2026 annual update is being conducted by the Town of Brunswick Assessor's Office, using verified sales data, building permit information, field inspections, and other market analysis tools.

How can my assessment change if I haven't improved my property?

Assessments reflect market value, not just physical changes to a property. Even if no improvements were made, changes in the real estate market, such as increased demand, limited supply, or shifts in buyer preferences, may affect property values. Annual updates ensure those market changes are reflected gradually rather than all at once.

Why continue updating assessments when the market is strong?

Assessments are not driven by whether the market is "high" or "low," but by the legal requirement to assess at fair market value. If market values decline in the future, assessments will also be adjusted accordingly. Maintaining current values protects taxpayers by avoiding large corrections later.

How can my home be assessed if no one comes inside?

The Assessor's Office maintains detailed property records using building permits, prior inspections, sales inspections, and periodic field reviews. In

many cases, this information is sufficient to develop a reasonable estimate of market value. Property owners may request an interior inspection if they believe it would improve the accuracy of their assessment. Property record cards are available for review online.

Will my tax bill increase?

A change in assessment does not automatically result in a higher tax bill. Your taxes may increase, decrease, or remain relatively stable depending on how your property's value changes compared to the community average. For example, if your assessment increases by 10% but the average assessment increase town-wide is 15%, your share of the tax burden may decrease, assuming municipal, school, and county budgets remain stable.

Will the Town collect more money because of the update?

No. Assessment updates do not generate additional revenue for the Town. The total amount raised through property taxes is determined by the approved municipal, school, and county budgets. Assessments only determine how the total tax levy is distributed among property owners.

An analogy:

Think of the tax levy as a pie. The size of the pie is set by voters and elected officials through the budget process. The Assessor's role is not to make the pie bigger, but to ensure it is sliced fairly, so each property owner pays a share based on current market value.

What should I do if I have questions?

The Assessor's Office encourages property owners to review their property record card and contact staff with any questions or concerns. Informal discussions are often the most effective way to resolve issues and ensure assessments are accurate and well understood.