



Citizens' Guide to Revaluation

City of Portland Property Reassessment Program – 2020

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City Manager's Message

A citywide revaluation of all properties located in the City of Portland is underway and in-progress. The City last implemented a reassessment in 2006.

Properties will fluctuate in value with general market conditions, such as supply and demand, home sale prices and the state of the economy constantly changing. A revaluation ensures that property taxes are paid on current and fair market values across the City.

Tyler Technologies – CLT Appraisal Services in conjunction with the city Assessor's Office will be conducting the project, which will appraise all property values at fair market value as of **April 1, 2020** and will affect property tax bills issued in the fall of 2020 for the Fiscal Year 2021 tax cycle.



This guide has been designed to strengthen your understanding of the City's 2020 revaluation program and to provide pertinent information which may be useful to you. Thank you in advance for your cooperation as we work to ensure fairness and equity in our local taxation.

Sincerely,

Jon P. Jennings
Portland City Manager

Maine State Constitution and Assessment Law

The Maine Constitution stipulates two important pieces of valuation policy:

Section 7, Valuation: *While the public expenses shall be assessed on estates, a general valuation shall be taken at least once in 10 years.*

- Portland's last reassessment date of value was 4/1/2005, which will be 16 years from the expected 2020 project completion date.

Section 8, Taxation: *All taxes upon real and personal estate shall be apportioned and assessed equally according to the just value thereof.*

- Case law has interpreted "just value" to mean full and fair market value. A property's assessed value should reflect what the property could sell for on the open market. Currently, assessed values in Portland are averaging about 70% of market value.

Maine Revised Statutes, Title 36, §327 Minimum Assessing Standards: A municipality shall achieve an assessment ratio not less than 70% and an assessment quality rating not higher than 20.


- Maine Revenue Services determined Portland's assessment ratio for 2020 to be 70% and a quality rating of 18. Each year these numbers move closer to the minimum standards and by 2021, it is projected these will both fall below standards.

For all of these reasons, the City needs to conduct a revaluation program. A revaluation is a program undertaken by a municipality to appraise all property according to its full and fair just value and spread the tax burden equitably. Real property must be assessed at the same standard of value to ensure that every property owner is paying his or her fair share of the property tax.

City of Portland Assessor's Office


The Team

Combined total of over 115 years of service to the City in this office!




Chris Huff
City Tax Assessor

Administers, manages and evaluates all aspects of the assessment function



Joe Montefusco
Tax Assessment Analyst

Handles all data and report requests. Appraises all condos and commercial properties in the City




Jim Merrill
Senior Appraiser

Appraises all residential properties within the City


The Team

Combined total of over 115 years of service to the City in this office!




Laurie Carlson
Personal Property Appraiser

Appraises personal property, administers BETE and BETR programs



Suzanne Jennings
Assessment Support Services Specialist

Administers all deed registry and ownership changes, Homestead and Veteran Exemptions and mapping changes



Brad Saucier
Office Clerk

Provides outstanding customer service to callers and visitors; supports all office functions

Mission Statement

Our mission is to serve the citizens of the City of Portland by efficiently and fairly valuing all real estate and business personal property for ad valorem (at value) tax purposes. We provide a full and fair opportunity for taxpayers to examine and question their assessments. Our office maintains the assessment rolls, tax maps, and real estate registry for all parcels within the City. We strive to provide useful information in a courteous and friendly manner to the public. We carry out this mission with impartiality, fairness, equity, transparency and in compliance with all State of Maine statutes and laws.

Motto

We appraise property, but we value people!

Role and Responsibility

An important role of the City of Portland Assessor's Office is to determine fair market value for all real property in Portland, which helps to ensure that the property tax burden is shared fairly and equally. To this end, the Assessor's Office is responsible for conducting periodic citywide reassessments of all real property in Portland as prescribed by State law. The primary goals of the office are:

First, to achieve accuracy in property tax assessments. The Assessor's Office strives to maintain accurate property characteristics.

Second, to achieve equity in the property valuation process. The Assessor's Office ensures that all properties are assessed in a similar manner.

Third, to achieve fairness in property tax distribution. To achieve fairness, the Assessor's Office ensures that property owners' share of the total property tax is the same as their share of the total value of all taxable property in the City.

Finally, to bring transparency to the assessment function. We achieve this by providing a full and fair opportunity for all taxpayers to examine and question their assessed value.

Key Services of the Assessor's Office

- Appraises and revalues all real property in the City of Portland once every ten years, when the quality ratio exceeds 20% or the assessment to market value ratio falls below 70%.
- Keeps records for all real property in the City of Portland to include descriptions, ownership, sales, and location data.
- Provides information, education, and assistance to City of Portland real property owners.
- Provides public computer access to assessment data, which is also available online at the City's website.
- Annually certifies the taxable assessed valuations to the City of Portland tax collector.
- Administers and provides information for Current Use Assessments (Tree Growth, Open Space, & Farmland) as well as exemptions such as Homestead, Veterans, Blind Persons, Parsonages, etc.
- Updates and maintains tax maps.

Transparency in government is essential for building public trust and is one of the City of Portland's top priorities. Information regarding the City's tax rolls and budget financials can be found online at www.portlandmaine.gov under the Assessor and Finance department links.

Please visit the Revaluation Program webpage at www.revalueportland.me for the latest news, updates and information regarding the current revaluation. You can also call the Revaluation Help Line at 207-874-8763.

Reassessment 101

Maine law requires that all real property (land and buildings) will be reappraised and adjusted to current fair market value as of April 1st of the year prior to implementing the reassessment. Only real property is appraised during a reassessment. Values of personal property (business equipment and furnishings) are adjusted on an annual basis and kept current through the Assessor's Office under the direction of Maine Revenue Services. The purpose of a reassessment is to equalize the valuations of all real property in a municipality.

The fair market value of real property is constantly changing due to factors such as location, market demand, the age and physical condition of a neighborhood, and the state of the economy. As a result, non-uniformity in values occur over time within tax jurisdictions whether or not property values increase or decrease. For example, comparable houses are now selling for a greater amount than at the time of Portland's last reassessment in 2004 when market value was last determined. The reassessment process ensures that all houses which have similar characteristics are valued consistently; the property values are equalized allowing property tax to be redistributed on a more equitable basis.

Property owners should pay no more or no less than their fair share of the property tax burden.

Schedule of Activity

April 18, 2018 - Portland City Council approves funding for a citywide revaluation

December 18, 2018 – Revaluation contract signed with Tyler Technologies CLT Appraisal Services

February 12, 2019 – Project kick-off meeting with Tyler staff and Assessor's Office

March 25, 2019 - Digital document scanning phase of project gets underway

April 5, 2019 – First general informational brochure mailed to all City residences

April 8, 2019 – Street-level imagery phase of project started

April 29, 2019 – Data collection phase gets underway with field visits of properties

July 12, 2019 – Income and expense request mailers sent to all commercial property owners

July 22, 2019 – Residential and Commercial market analysis and valuation modeling process begins

October 10, 2019 – Data mailers sent to all residential property owners

December 30, 2019 – Final valuation reviews begin

May 2020 - Notices of proposed values for each parcel mailed to property owners

June 2020 – Informal hearings begin allowing owners to appeal new property values

August 2020 – FY21 tax rate set based on final total citywide taxable valuation and the FY21 budget passed by City Council

August/September 2020 – Tax bills mailed based on new assessments



The Reassessment Process

The Assessor's Office maintains a database of the physical characteristics for over 24,000 parcels within the City of Portland. The data includes information such as square footage, garages, decks, pools, type and quality of construction, land/lot area, water features, and several other attributes required for the mass appraisal process. Properties are then grouped into one of approximately 500 appraisal models based on similar market characteristics.

Licensed staff appraisers determine land values for each of the appraisal models based on analysis of vacant and improved property sales. Structural improvements to the land are valued using a market sales modified Marshall & Swift cost service. Residential structures are generally valued based on the reproduction cost new less depreciation for age and condition. The valuations produced for each appraisal model are then tested for accuracy using actual market sales. After testing, the result of the mass appraisal model for the City of Portland is then measured against statistical standards of the International Association of Assessing Officers (IAAO).

If a model fails the required standards, further review and refinements are necessary before acceptance.

Commercial properties may be evaluated on a cost basis or rental income streams, operating expenses, and what kind of investment return (cap rate) can be reasonably expected.



Property Tax

Real property should be assessed and taxed at 100% of fair market value according to Maine Law. In Maine, property tax is the primary source of revenue for local government entities. For example, in fiscal year 2020, property taxes represented approximately 50% of all City of Portland operating revenues. Other sources such as grants, state revenue sharing, state aid for education, sewer fees, excise tax on vehicles, and permit fees make up the remaining 50%. Once the taxes are collected, the City disperses the money for the city, schools, and Cumberland County government. By simplifying the process this way, property owners receive only one property tax bill instead of several. The taxing authorities determine how much is needed to pay for key government services through their annual budgeting processes. Once the budgets have been adopted and a resolution is passed by Council, the amount of taxes to be collected is certified by the City Treasurer's Office. All property owners pay a fair share of property taxes based on the taxable value of property they own. The City and other taxing entities utilize property tax revenue to provide important services that help to sustain the quality of life in the City of Portland.

Forecast Changes in Market and Assessed Values

Most, if not all, real property in the City of Portland has gained value since the last reassessment was fully implemented in 2006, based on market values as of 4/1/2005. For this revaluation, market values will be determined as of April 1, 2020. As a result of this fifteen-year interval, the Assessor's current estimate shows a gain of 49% in market value from \$7.039 billion in 2006 to \$10.507 billion in 2020.* **This market value increase in the City of Portland is not uniform as some areas have increased in market value more than other areas.** These changes also impact the assessed values that will be used for property tax calculations in 2020. An overall increase in values will result in an off-setting reduction in the tax rate. As a result, some taxpayers in the City may pay a greater share of the tax burden while other areas may pay less. This occurs in every reassessment. The general rule of thumb in a revaluation is one-third of properties will see a higher tax levy, one-third will stay the same and one-third will see a decrease.

* The State Equalized Valuation (SEV) was \$7,039,000,000 in 2006 and \$10,507,000,000 in 2020

Three Key Points

An increase or decrease in the assessed value of a property resulting from the revaluation does not predict whether the tax bill for that property will increase, decrease, or remain the same. Here are three key points:

1. The overall budget, and the tax levy, for the city is not related to the revaluation. The tax levy is the amount of property taxes needed to fund the budget. Real Estate taxes for each property are determined by multiplying the taxable assessed value for each property times the tax rate (mil rate). The proportion of your taxable value to the total taxable value of the community affects your tax bill. The approved City budget each year determines how much needs to be raised in property taxes to fund appropriations. A revaluation will not raise any more or any less than this amount. The Assessor and Finance Director divide that amount among all owners in proportion to the value of property they own. This is the concept of uniformity and the basis for Maine property tax law.

2. A neighboring foreclosure or distressed sale is not an indicator that an assessed value should be lowered. One sale does not make a market. Foreclosed properties are marketed under duress and frequently sell at discount prices. While there has been more of a focus on foreclosure-related sales in recent years, foreclosure sales have always been part of the market. Just as foreclosure-related sales are frequently not an indicator of market value when values are rising, they are not necessarily an indicator of value in a declining market and are not normally considered by the Assessor's Office when determining the market value of property in a community. In fact, State law, appraisal standards, and the Maine courts require very specific criteria for a sale to be considered as a reliable indicator of market value (a.k.a a Qualified Sale). Two of the most important of these criteria are whether the sale occurred under duress (such as a forced sale) and whether the property had adequate market exposure. For example, a property that sells two days after it is listed may have sold quickly because it was underpriced. This may be an indication of a duress situation, requiring closer review by the Assessor's Office, to verify whether it was an "arm's length transaction". In most cases, looking at non-foreclosure sales is the most reliable way to gauge what is actually happening with neighborhood values. There are times when the majority of houses that are selling in a

neighborhood tend to be around the same price as foreclosure-related sales. In this case, those sales may represent a reasonable picture of market value.

3. If your home value has increased, property taxes may not necessarily go up.

As an example, Mrs. Smith and Mrs. Jones each had their home assessed at \$100,000 during the last revaluation. Each is currently paying \$2,331 in property taxes based on the FY20 mil rate of .02331 or \$23.31 per \$1000 of assessed value.

The next revaluation shows that both homes have appreciated in value, but the appreciation has been at different rates due to location (they are in different neighborhoods) and maintenance upkeep over the years.

	Mrs. Smith	Mrs. Jones	Collected Taxes
Current Assessment	\$100,000	\$100,000	
Current Taxes	\$2,331	\$2,331	\$4,662
Assessment after Reval	\$300,000	\$150,000	
Taxes following Reval	\$3,108	\$1,554	\$4,662

With no revaluation, Mrs. Smith is paying \$777 too little while Mrs. Jones is paying \$777 too much. Mrs. Jones is subsidizing Mrs. Smith's tax bill. This is what is meant by **Tax Equalization**. The purpose is to value all property by the same standard and equalize those values so that no one is paying more than their fair share.

This example also illustrates the point that a revaluation DOES NOT raise new tax revenue for the City. The same amount of taxes is collected after the reval as before the reval. Think of the amount of taxes collected as a pie. A revaluation does not determine the size of the pie (the budget accomplishes this), but rather ensures the pie is cut up fairly – that taxes are fairly distributed based on current market values.

This example is solely intended to demonstrate the relationship between property value and tax distribution. It does not reflect other factors that affect tax bill amounts such as Veterans and Homestead exemptions which play a significant role in individual property tax calculations.

Appeal Process

All revaluation notices will contain information on appeal procedures, should you disagree with the new value assigned to your property. Appeals will be based on the market value of the property as of April 1, 2020 and not the amount of taxes. Property owners wishing to file an appeal must do the following:

- Review the property information for your property. Make sure it is correct and accurate
- Review the new values of similar properties to your property. Determine if your property is significantly under or over assessed.
- Schedule and attend an informal hearing to review your property information and answer questions.

Upon receipt of the appeal, staff will review all submitted information and look for any obvious errors in the record. If no data errors are found, personnel will review sales of comparable properties in your neighborhood to determine if your market value is reasonable and equitable compared with these sales.

After the informal appeal, should you still disagree with the findings and assessed value, you may file a written Application for Abatement with the City of Portland Board of Assessment Review;

- State why you believe the new valuation is incorrect; and
- Provide supporting documents or facts that substantiate your request and support your opinion of the property value questioned.

Property ownership, assessed valuation, maps, and other public information regarding real estate may be viewed using the self-service computers located at the Assessor's Office in City Hall, Monday through Friday 8 a.m. to 4:30 p.m. Searches can also be done online using the online assessment database on the City's website to view assessment information, property descriptions, legal descriptions, sales and other data as it relates to assessments.

Abatement/Appeal Supporting Documents Examples

- Appraisal by a Maine certified appraiser that must reflect market conditions as of April 1, 2020.
- Closing statement or sales contract reflecting an "arms-length transaction" on the open market.

- Recent comparable sales of similar houses in the same neighborhood or a comparable neighborhood.
- Estimates for repairs showing structural issues or conditions that affect the market value of the house.
- Photos showing existing structural issues or conditions that a buyer may require a seller to repair prior to closing.
- Statement of construction costs or recent bills demonstrating value of new construction or additions.

Tax Relief

Several programs aimed at tax relief are available. Please contact the Assessor's Office or check our website for further information, links and applications.

Business Equipment Tax Reimbursement (BETR)

The BETR program is designed to encourage capital investment in Maine. The program reimburses business taxpayers for local personal property taxes paid on most qualified business property. To qualify, qualified business property must have been first placed in service in Maine after April 1, 1995. Applications for the 2020 BETR Program are based on taxes paid in 2019. The application period for refunds of personal property tax paid during 2019 is August 1, 2020 through December 31, 2020. The BETR form is submitted by the Taxpayer to Maine Revenue Services (M.R.S.) for reimbursement. The Taxpayer must first submit the form to the Assessor's Office for verification and signature. Forms are then mailed back to the Taxpayer for submission to M.R.S.

Business Equipment Tax Exemption (BETE)

The BETE program is a 100% property tax exemption program for eligible property that would have been first subject to tax in Maine on or after 4/2/07. BETE does not replace the Business Equipment Tax Reimbursement program above. The BETR program remains in place for qualified property placed in service after April 1, 1995 and on or before April 1, 2007 and for retail/service property placed in service after April 1, 1995 . Visit the Maine Revenue Services website for more information, to print the BETE application, review the guidance documents, and the tutorial.

BETE applications are returned to this office (not the State) and are due by May 1st of each year.

Maine Individual Income Tax – Property Tax Fairness Credit (PTFC)

Eligible Maine taxpayers may receive 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.

Who is eligible for the Property Tax Fairness Credit? Homeowners or renters who meet all of the following requirements:

1. Were Maine residents during any part of the tax year;
2. Owned or rented a home in Maine during any part of the tax year and lived in that home during the year as a primary residence;
3. Paid property tax or rent on the primary residence in Maine during the tax year;
4. Meet certain income and property tax and/or rent paid limitations during the tax year.

Visit the Property Tax Fairness Credit website for specific program information including schedules, forms and available assistance in applying.

Portland Senior Tax Equity Program (P-STEP)

This local program, voted on and approved by Portland City Council in 2017, provides tax relief to low-income seniors in Portland by providing property tax or rent rebates for qualified applicants. Please visit our website for a full program overview, FAQ's on the program and an application. In summary:

- Applicants **must** be 62 years of age or older.
- Applicants **must** have received a Maine Property Tax Credit (PTFC) through their filed Maine 1040 Income Tax in the tax year prior to the P-STEP application. If you do not qualify or did not receive a rebate under the State program, you will not be eligible for the City P-STEP. The City will request confirmation from the State of Maine for rebates received.
- The 2019 tax year application period is **February 13, 2020 through June 15, 2020.**

Maine Homestead Exemption Program (Title 36, M.R.S.A. Section 681)

This program provides a measure of property tax relief for certain individuals that have owned homestead property in Maine for at least 12 months and make the property they occupy on April 1 their permanent residence. For the April 1, 2020 tax year, the Maine Legislature revised the amount of the exemption to \$25,000 of just value. If you have already applied for this program you do not need to

apply again on the same property. It is important to note that if you have recently moved or sold your property, you must reapply for the exemption on your new home.

Applications must be received by the tax assessor by April 1 in the year that the exemption is first granted. Applications received after April 1 will not become effective until the following tax year.

Blind Exemption (Title 36, M.R.S.A. Section 654)

A homeowner who is legally blind as determined by a doctor is eligible for a \$4,000 exemption on their property. Applications must be received by the tax assessor by April 1 in the year that the exemption is first granted. Applications received after April 1 will not become effective until the following tax year. Please provide a letter from your licensed Doctor of Medicine, Doctor of Osteopathy or Doctor of Optometry with the application.

Veterans Exemption (Title 36, M.R.S.A. Section 653)

Property owners may be eligible for a reduction in the valuation of their property if they meet one of the following qualifications:

- Maine Resident age 62 on or before April 1, 2017 who served during a recognized war period.
- Receives 100% disability from the VA
- Paraplegic veterans
- Un-remarried widows and/or widowers of qualifying veterans

In all cases, the applicant must fill out an application and provide the Assessor with proof of service (Form DD214). Exemptions are:

- WWI: \$7,000
- WWII or later: \$6,000
- Paraplegic Veteran: \$42,000 for specially-adapted housing unit

Applications must be received by the tax assessor by April 1 in the year that the exemption is first granted. Applications received after April 1 will not become effective until the following tax year. Please provide a copy of your discharge papers, the DD214, with the application.

Surviving Spouse, Minor Child or Widowed Parent of a Veteran

Applications must be received by the tax assessor by April 1 in the year that the exemption is first granted. Applications received after April 1 will not become effective until the following tax year. Please provide a copy of the death certificate and discharge papers (DD214) with the application

Key Contacts

City of Portland Assessor's Office

207-874-8486
assessors@portlandmaine.gov

Revaluation Helpline

207-874-8763

Revaluation Website

www.revalueportland.me

Office Locations:

Assessor's Office – Room 115
Portland City Hall
389 Congress St.
Portland, ME 04101

Tyler Reval Project Team Office
Harry E. Cummings Center – 1st Floor
134 Congress St.
Portland, ME 04101



Frequently Asked Questions

What is a revaluation or reassessment?

A reassessment is a program undertaken by a municipality to appraise all property according to its full and fair just value and spreading the tax burden equitably. An essential condition for equity in property tax systems is uniform assessments, which helps to ensure that tax liabilities and property values are directly related. The only way to ensure that all properties are valued equitably is to analyze each value with respect to the current market at a specific point in time (the valuation date). During a reassessment, market values of all properties are reviewed and changes in the real estate market will help determine which property values need to be increased or decreased.

Why is revaluation necessary?

Revaluation is mandated by State law with the purpose of equalizing market values that change over time between reassessments.

How does revaluation benefit property owners?

Property taxes are based on property values. Without periodic revaluations, some property owners would pay relatively more while others would pay relatively less. Revaluation resets property values to their current market value so that the property tax burden is equitable for all taxpayers.

How often does a reassessment occur?

The Maine Constitution says this should occur every 10 years. Maine statutes mandate that once the average assessment ratio drop below 70%, or when the quality rating (Coefficient of Dispersion) exceeds 20%, a municipality shall appraise and equalize properties (conduct a revaluation) under its jurisdiction.

Is the City shortening the revaluation cycle from 10 years?

The Assessor's Office will be working to shorten the revaluation cycle from 10 years moving forward. A ten-year cycle, for a growing city like Portland, creates more opportunity for inequities to grow and usually leads to much larger and unpredictable changes to property values. A shorter cycle reduces the chances of this happening and helps make property taxes more equitable, predictable and manageable.

Who is responsible for a reassessment?

The City of Portland Assessor, whose duties include responsibilities as outlined below. Per state statutes, the Assessor is responsible for the operations of the Assessor's Office and shall do the following:

- Maintain a continuous record of recorded deed sales transactions, building permits, tax maps, and other records necessary for a continuing reassessment program;
- Diligently search for and discover all real property not previously returned by the owners or their agents or not listed for taxation by the City, and list such property for taxation in the name of the owner or person to whom it is taxable;
- When value changes, reappraise and reassess real property so as to reflect its proper valuation in light of changed conditions
- Determine assessments and reassessments of real property in a manner that the ratio of assessed value to fair market value is uniform throughout the City;
- Appear as necessary before an appellate board to give testimony and present evidence as to the justification of an appraisal;
- Perform duties relating to the office of tax assessor required by the laws of this State; and
- Be the sole person responsible for the valuation of real property. The values set by the Assessor may be altered only by the Assessor or by legally constituted appellate boards, Maine Revenue Services, or the courts.

How is property reassessed?

A Citywide reassessment involves the mass appraisal process to determine a fair market value. This approach utilizes the analysis of market sales, building cost factors and rental income and expenses in valuing all property in the City. Mass appraisal uses accepted methods of property valuation that conform to the standards of the Appraisal Foundation and accuracy of the International Association of Assessing Officials and Maine Revenue Services.

Do I have to let the Appraiser or Field Reviewer into my home?

Property owners are not required to invite or let the Assessor or their designated property appraisers into their home. For the current revaluation program, data mailers were sent to property owners for any changes needed in our data records.

How do I know if my property data is correct?

Data mailers were sent to all residential property owners in the City with the data characteristics we have on file. Owners were asked to correct and update any information that needs to be changed. Postage-paid envelopes were provided to return your form to City Hall. You can always review your property data at the Property Search website: www.portlandassessors.com.

Will I be notified of my new property value?

Notification of all value changes made to a property will be done through a mass mailing of assessment notices to all property owners at the same time. This is expected in mid to late May 2020.

Will revaluation affect property tax bills?

Not necessarily. While assessed values for almost all properties will certainly change, whether your tax bill will increase, decrease or stay the same depends on how much your property value changes in relation to the rest of the City. If the City's overall value change is 40% and your property value change is 37%, you would see a 3% tax decrease. If your property value increases 43%, you would see a 3% tax increase.

If my taxes are paid through my mortgage escrow, should I do anything with the new assessment?

Yes. Once millage rates are certified through the FY21 budget process, you should notify your mortgage company of your new assessment, millage rate and an estimate of a change in your taxes so the distributions can be adjusted to your escrow account accordingly. Otherwise, your mortgage company will not be notified of any change in your tax amount until they receive the next tax bill. This could create a shortfall or overpayment to your escrow account balance, potentially affecting your mortgage payment.

How do I correct misspelled names on my tax notice?

Be sure to first check your deed. If the names are spelled incorrectly on the deed, this will need to be corrected. To do so, you must contact a real-estate attorney or title company to record a corrective deed at the Cumberland County Registry of Deeds Office. If the misspelling is due to a data entry keying error, we apologize! Please contact our office and we will correct it immediately. We do require change requests in writing and an email to assessors@portlandmaine.gov is acceptable.

How do I change the mailing address where the tax bill is sent?

The Assessor's Office will happily change a mailing address for tax bills. We ask for that request in writing (email is acceptable). Please note, we will not change a mailing address to forward a bill to a mortgage company. Tax bills are sent to property owners or their designee.

Terms and Definitions

Ad Valorem Tax The term ad valorem is derived from the Latin ad valentiam, meaning "according to the value." An ad valorem tax is a property tax based on the assessed value of the property, which is not necessarily equivalent to its market value. Ad valorem tax is used for real estate, imports, or other goods in which the property of value changes hands and is based on the assessed value of the good. Real property taxes that are imposed by municipalities are the most common type of ad valorem taxes.

Appraisal Model This is a grouping of properties with similar characteristics analyzed by appraisal staff, including property sales transactions within that grouping to determine appraisal factors or rates which are then applied to all properties within that group.

Arm's Length Transaction A transaction in which the buyers and sellers of a product act independently and have no relationship to each other. The concept of an arm's length transaction is to ensure that both parties in the deal are acting in their own self-interest and are not subject to any pressure or duress from the other party.

Assessed Value The dollar value assigned to a property for purposes of measuring applicable taxes. Assessed Value equals an appraisal or fair market value of real or personal property less any exempt value.

Cost Approach An approach to market value based on how much money it would take, at current material and labor costs, to replace your property with a similar one. If your property is not new, the cost of constructing a new building is depreciated to estimate the value of a building with your building's age and condition. The land value is then added to this amount.

Date of Market Value The date, as required by law, in which to determine market value. For example, the date of market value for City of Portland's 2020 Revaluation will be April 1, 2020.

Deed A deed is a written, legal instrument that conveys interest in real property when executed and delivered.

Fair Market Value This is the value as determined by the Assessor's Office before any exemptions are applied. Fair Market Value is the most probable price that the property would sell for in an open market between a willing buyer and seller on the valuation date. It is the price that would be agreed on between a willing buyer and a willing seller, with both having a reasonable knowledge of pertinent facts and not acting under any duress.

Fiscal/Tax Year A period of time used for accounting purposes and preparing a financial statement. The City of Portland's fiscal year is July 1st to June 30th.

Grantee A grantee is a person to whom property is transferred by deed or to whom property rights are granted by a document.

Grantor A person who transfers property by deed or grants property rights through a document.

Income Approach An approach to market value that can estimate how much income a property would produce if it were rented. Operating expenses, typical vacancy, insurance, and maintenance costs are considered to estimate how much net income the property could generate. This net income is compared with how much income most people would expect to earn on other types of investments to estimate the value of your property.

Joint Tenancy Joint tenancy is joint ownership by two or more persons which may include the right of survivorship.

Legal Description A legal description is a narrative of land that identifies the real estate according to a system established by law; an exact description that enables the real estate to be located and identified.

Legal Owner The owner of title, as distinguished from the holders of other interests, such as beneficial interests.

Marshall & Swift This is a published cost guide much like a used car guide like "Kelly's Blue Book". This is considered the authority on the cost approach and provides building system data needed for real estate cost valuations.

Millage Millage is the amount per \$1,000 value that is used to calculate taxes on property, where the expressed millage rate is multiplied by the total assessed value of the property to arrive at the property taxes due. One mill equals 1/1000 of a dollar. For example, if the tax rate is 20 mills, or \$20 per \$1000 of assessed value, multiply 0.020 by the assessed value to determine the amount of property tax due.

Mill Rate The mill rate is calculated by determining how much revenue is needed for the upcoming year per the approved budget, then dividing that projection by the total assessed value of the property within the city.

Notice of Revaluation The Assessor must notify property owners of any changes in taxable or assessed value during a reassessment. Notices are mailed to provide the property owner with the opportunity to appeal the value. Notice is commonly referred to as an assessment change notice.

Owner of Record The owner of title to a property as indicated by public records as of April 1st of each assessment year.

Parcel A parcel is a piece of land of any size in one ownership.

Parcel Number A parcel number serves to identify each unique parcel. This is also referred to as the CBLU (Chart, Block, Lot, Unit number)

Plat A plat is a plan, map, or chart of a jurisdiction indicating the location and boundaries of individual properties.

Personal Property Personal Property is generally considered to be all property that is not real property and is easily moved. Some examples include manufacturing machines, furniture, fixtures and equipment, or computers/electronic equipment.

Property Class/Land Use Code These codes describe by type the primary use of each parcel of real property on assessment rolls which are subject to appraisal, assessment, and taxation. Ex. Single Family Dwelling, Residential Condo, etc.

Real Estate/Real Property Property that is attached directly to land, as well as the land itself. Real property includes buildings and other structures, rights and interests. Real property can be either residential, commercial, or industrial, either vacant and/or developed. Real property is all interests, benefits, and rights

inherent in the ownership of physical real estate; the bundle of rights with which the ownership of the real estate is endowed.

Reassessment/Revaluation The process of redetermining the value of real estate parcels for property tax purposes. A reassessment is done to determine the property tax bills, which are based on both the assessed value of the property and the property tax rates. A revaluation usually causes an increase or decrease in property tax bills. The City of Portland provides a systematic reevaluation of all City properties as of a specific date. A citywide revaluation is State-mandated and performed periodically as deemed necessary.

Sales Comparison Approach An approach to market value that analyzes all sales of property in the City. State law provides guidelines of sales to be used for assessment purposes. Only good sales, or arm's length transactions, are used in determining estimated market value. This approach compares the property characteristics of a property to a sold property with similar characteristics; adjustments are made for differences to arrive at an estimate of what the property would sell for if sold on the open market on April 1 of the assessment year.

Tax Year The tax year is any twelve-month period during which a government calculates one's tax liability (July 1 through June 30).

Taxable Value Taxable value is the market value of a property, or the current use value if applicable, less any applicable exemptions.