

To: LPC Comprehensive Tax Reform Working Group
Justin Poirier, LPC Chair

Fr: Kate Dufour, Director, Advocacy & Communications
Amanda Campbell, Legislative Advocate

Re: January 21 Meeting Notice & Agenda

Date: January 14, 2025

The LPC Tax Reform Working Group will meet on **Tuesday, January 21 from 10 a.m. to noon**. The meeting will take place via Zoom and can be accessed here:

Join Zoom Meeting

<https://us02web.zoom.us/j/85961224378?pwd=uNnRJ4N5w847YeXtaqgGTJyToBbsxY.1>

If you have any questions about the meeting, agenda, or materials, please do not hesitate to contact either Kate (kdufour@memun.org) or Amanda (acampbell@memun.org).

Agenda

Review of Materials

Classification Structures in Other States ([Attachment #1](#))

LD 1496 – 2013 Tax Reform Bill Summary ([Attachment #2](#))

LD 1496 – Concept Draft Bill ([Attachment #3](#))

LD 1496 – Amended Bill ([Attachment #4](#))

LD 1496 – Summary of LD 1496 Testimony ([Attachment #5](#))

Other Related Materials

[50-State Property Tax Comparison Study](#)

[Confronting the New Property Tax Revolt](#)

[Massachusetts Split Property Tax Rates – Considerations for the Current Economic Climate](#)

January Staff Assignments

Schedule February Panel Discussion on Classification Methods

Discussion of questions for the panelists.

Prepare LPC Update

Discussions of items to be shared with the policy committee.

Other

Next Meeting (Proposed)

Tuesday, February 18 from 10 a.m. to noon via Zoom

**LPC Comprehensive Property Tax Reform Working Group
January 21, 2023 – Meeting Summary**

Attendees

- Roberta Boczkiewicz, Castine Selectperson
- Steven Buck, Sanford City Manager
- Nick Cloutier, Scarborough
- Kara George, Thomaston Town Manager
- Justin Hennessey, Topsham Assessor
- Kerry Leichtman, Camden/Rockport Assessor
- Scott Morelli, South Portland City Manager
- David Nadeau, Windham Councilor
- Tim Thompson, Cape Elizabeth Councilor
- Kate Dufour, MMA
- Amanda Campbell, MMA

Meeting Summary

The LPC Comprehensive Property Tax Reform Working Group met on Tuesday, January 21 to review the materials prepared by MMA staff, which focused on the classification and tiered mil rate systems used in other states to assess values and calculate property taxes, as well as a summary of the 2013 comprehensive tax reform bill, LD 1496.

The ensuing discussion focused on the working group's desire to continue to explore all paths for reducing Maine's over-reliance on the property tax to fund local government services, including exploring the breadth of existing tax exemptions, the revenues generated via an expanded sales tax base, and the use of reduced assessments or tiered mil rates to relieve the burdens placed on homeowners. At this point, a comprehensive multi-faceted plan that addresses many of the factors driving property tax burden, is a viable option.

However, to make the best use of time and resources, the working group decided to narrow the scope of their work by developing a list of outcomes for the LPC's feedback. The working group's draft objectives focus on developing recommendations that:

1. Reduce the overall reliance on the property tax to fund services and programs. This includes providing municipalities with access to other dedicated revenue streams, including access to a modernized sales tax base.
2. Reduce the erosion of the property tax base via the implementation of exemption programs, including BETE, BETR, current use, leased hospital property, and the homestead exemption.
3. Reduce the overreliance and the burdens the property tax places on resident single family homeowners.

At its January 30 meeting, the LPC will be asked to provide feedback on these objectives.

Data/Information Requests

- Panel discussion with experts on the property classification assessment practices used in other states, including the reduced value and tiered mil rate approaches.
- Document describing the revenue sharing program.
- Document describing “payment in lieu of taxes” authority in Maine statutes.
- Explore expanding the sales tax base.
- Explore approaches for chipping away at property tax exemptions.
 - Payment for services received (e.g., public safety, road maintenance).
 - Limiting full exemption, up to a certain assessed value.
 - Taxing leased hospital property.

Next Meeting

Tuesday, February 18, 2025 at 10 a.m.