



TOWN OF GRAY ASSESSOR'S OFFICE
6 SHAKER RD.
GRAY, ME 04039

April 9, 2008

Deborah Cabana, Town Manager

You asked my opinion on whether or not we should do a revaluation at this time. We obviously cannot do it for this year, there just isn't enough time. As for FY 2009-2010, I do believe that a complete revaluation, visiting every property is not necessary at this time. However, we will need to do a valuation update to bring cost schedules in line with the current market. This is a time consuming task, and quite frankly I don't have the time to do this properly, given all my regular responsibilities.

I am awaiting the results of the latest sales ratio study done by the Maine Revenue Services Property Tax Division. Our current study shows a combined ratio of 69%, with a quality rating of 14.

Under Title 36, Section 327, Assessing Standards, Minimum Assessment Ratios; it states that a minimum assessment ratio of 70% and not greater than 110% of its just value be maintained, with a maximum assessment quality rating of 20. Just value is defined as current market value and this definition is upheld by the courts. Further under section 329, the MRS has the power to require steps by which the municipality will achieve an equitable level of assessment.

As an example, the 13,000 Homestead Exemption, the Veterans Exemption of \$6,000 etc. will be reduced by the assessed ratio. It also requires Tree Growth assessed values which are determined by the State be reduced by this ratio, thereby reducing the amount of reimbursement from the State for these programs. The 13,000 Homestead Exemption would be 8,970, the Veterans Exemption would be 4,140 using the 69% ratio. Should the ratio fall lower, the exemption would be further reduced.

Using the projected mil rate of .01413 the tax savings on Homestead Exemption at full value would be \$183.69, at 69% the tax savings would be \$126.75. Likewise the Veterans Exemption at full value would be \$84.78 tax saving, at 69% it is \$58.50.

Helen R. Taylor, CMA
Assessor