



CITY OF SOUTH PORTLAND

Real Estate Tax Bills FAQ (August 2023)

Why is my first quarter amount due less than the other three quarters?

If you qualified for the Senior Property Tax Stabilization credit, the entire credit was applied to your first quarter tax payment amount. The total amount due for the four quarterly payments should be the same as the total amount you paid last year.

How do I apply for the Senior Tax Stabilization Credit this year?

You don't. This program was put in place by State legislation and has been repealed. It will only be applicable for this tax year for those who applied last year. Next year, some seniors in the stabilization program will see this year's increase along with any changes next year that may occur with next year's budget. The State has other property tax assistance programs in place that have been expanded to increase the number of taxpayers who may qualify. Please visit <https://www.maine.gov/revenue/taxes/tax-relief-credits-programs/property-tax-relief-programs> or call Maine Revenue Services at 207-624-5600 for more information on these programs.

My tax bill was later than usual this August. Why?

As this was the City's first time administering the Senior Tax Stabilization Program, the City intentionally set a later send date for bills and the due date for the first quarter payment was moved out one week to allow for any issues that may come up in processing the credits. Last year, bills were sent one week earlier and due one week earlier. This gave taxpayers the same amount of time to pay their bills as in previous years.

Why did my real estate taxes change this year?

The amount of real estate property taxes is based on the approved annual operating budget amount. The amount of overall taxable real property and personal property determines the mill rate. Individual assessed values make up a percentage of the overall taxable property in South Portland multiplied by the mill rate to equal the tax bills. Due to market conditions, assessed values of many residential properties have increased from last year in an effort to maintain fair and equitable assessed valuations for all property types. This affects the amount of taxes you pay. If you have partial exemptions of property value show on your tax bill, this reduces the taxable value.

Why is the assessed value of my property increasing? Didn't we just conduct a revaluation?

The City conducted a thorough revaluation in 2021. Equalizing or factoring values in between revaluations becomes necessary in the Assessing Office to adjust similarly influenced property type values. When market conditions continue to increase and assessments are not

maintained, the data is considered to degrade. [State law](#) requires that every municipality adjust assessed valuations to align with market trends. Because market values continued to increase, the Assessing Office adjusted assessed values to reflect these conditions. This increased the overall taxable base of South Portland, which resulted in lowering the mill rate instead of the projected increase. Please remember that the City does not collect any additional property taxes when values are adjusted. The City collects more taxes from some property owners and less taxes from others based on adjustments to the overall valuations, the reduced mill rate, and exemptions. This not only improves the data between residential and commercial or industrial valuations in relation to market values, but also improves revenue from the State and helps to keep full exemption values for taxpayers.

What is the breakdown of where my local taxes will go this year?

- 62.4% is allocated to the Schools
- 32.8% is allocated to the Municipal Budget
- 4.8% is allocated to the County

When is my current tax bill due?

Bills are due August 24, 2023.

How are interest and fees on late payments determined?

Interest and fees on past due taxes are dictated by [State law](#). The City Council, per State statute, sets the tax payment, due dates and rate of interest to be applied to delinquent accounts as part of the Orders passed annually in the budget process. The City does not rely on late fees/interest in order to balance its budget and offers many ways for bills to be paid prior to the due date to avoid such charges.

How can I pay my bill?

Tax bills can be [paid online](#) or in person at City Hall at the Finance office. Checks can also be dropped in the drop box at the back parking lot entrance of City Hall or sent via mail.

Why does the City charge a fee to pay with a credit/debit card?

The City's credit/debit card processor charges a fee for transactions conducted with a card. Rather than absorb this fee and have that cost paid by all taxpayers as a general budget expense, the City passes along that fee to the individual card users. This way, people who pay their taxes by cash or check are not subsidizing the cost of those who use cards. Most, if not all, Maine municipalities pass this fee along to the card users like South Portland does.

Whom do I contact if I have questions about my tax bill?

Contact the Finance Department, Treasury & Collections Division at 767-7612 or finance@southportland.org.

Whom do I contact if I have questions about my assessed property value?

Contact Assessing at (207) 767-7604, or stop by the Assessing Office at 41 Thomas Street from Monday to Thursday: 7:30 AM – 5 PM. Email any questions to ahorn@southportland.org.