

Maine Launches Task Force on Property Taxes

August 8, 2025

— Categories: Real Estate



Download IPFS

Maine lawmakers have approved a bipartisan plan to create a task force aimed at finding more sustainable ways to fund schools, public safety, and local infrastructure while easing the property tax burden on residents.

The decision follows a year in which property owners across the state saw steep increases after mandatory revaluations. In some cases, tax bills doubled, leaving many homeowners

struggling to meet payments.

Senate President Mattie Daughtry, who sponsored LD 1770, said relying heavily on property taxes to fund local government is an approach that needs rethinking. “What this task force is going to look at is not only what other states have done, but whether we should be looking at different types of property differently to make sure that municipalities are being funded the way they need, and not just on the back of property taxpayers,” she said.

The stabilization program, introduced in 2022, allowed eligible seniors aged 65 and older to freeze property taxes at the previous year’s level. It was repealed in 2023 after concerns that the cost to municipalities would be unsustainable. Daughtry and other legislators said the program shifted tax burdens onto younger residents and could have created a fiscal crisis for towns.

Following the repeal, lawmakers doubled the Homestead Exemption, which lowers the taxable value of a primary residence. The exemption is available to residents who have owned and lived in their home for at least 12 months before April 1 of the year they apply. While this measure has provided relief, it has not resolved the underlying tax issues.

Parker maintained that many of Maine’s financial challenges are due to poor leadership, and said the state was in a stronger position under former Governor Paul LePage. Daughtry disagreed, noting that property taxes rose sharply during the LePage administration after reductions in municipal revenue sharing and incomplete school funding.

Daughtry said that since 2022, the legislature has funded 55 percent of education costs and restored municipal revenue sharing to five percent, reducing the reliance on property taxes for local services. She also stressed that the cost of the task force is minimal and that it has support from Republican lawmakers in Augusta.

Property taxes in Maine are set at the municipal level, with valuations affected by market activity. Higher sales prices in a neighborhood tend to increase assessments for nearby properties, while lower sale prices have the opposite effect.

The task force is expected to examine alternative funding models and explore long-term solutions that would reduce tax volatility while ensuring municipalities have stable revenue.