

2026 OAKLAND MAINE REVALUATION PROJECT

Nichole Stenberg - Tax Assessor

WHAT IS A REVALUATION

- ▶ Reappraisal Program
 - ▶ A revaluation is a program undertaken by a municipality to appraise all property according to its full, fair, and just value
- ▶ Rebalances the Tax Burden
 - ▶ Simply put, it is a rebalancing to ensure all property owners are paying their fair share of the tax burden
- ▶ Revenue Neutral
 - ▶ A revaluation is revenue neutral and does not impact the adopted budget or total amount of taxes to be collected town-wide

WHY A REVALUATION

- ▶ **Maine Constitutional Law**
 - ▶ Article IX Section 8 of Maine's Constitution states: "All taxes upon real and personal estate, assessed by authority of this State, shall be apportioned and assessed equally according to the just value thereof."
 - ▶ On several occasions, Maine courts have held that just value means fair market value. Arm's length transactions close to the time at which value is to be fixed (April 1) provides the best evidence of market value.
- ▶ **Fairness**
 - ▶ Revaluations reset all property assessments to their current market value so that all property owners pay no more and no less than their fair share of the tax burden.
- ▶ **Corrects Disproportionate Taxation**
 - ▶ The Market is always changing, and each property is not impacted equally.

REVALUATION PROCESS

- ▶ Step 1 - Data Collection
 - ▶ Step 2 - Sales Review and Validation
 - ▶ Step 3 - Market Analysis/Valuation
 - ▶ Step 4 - Field Review
 - ▶ Step 5 - Informal Hearings
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- ▶ After these steps are concluded, the new valuations will be used to calculate the new mil rate and taxes will be committed.

DATA COLLECTION

▶ EXTERIOR

- ▶ Style
- ▶ Quality
- ▶ Condition
- ▶ Materials (siding, roofing)
- ▶ Year built
- ▶ Square footage
- ▶ Outbuildings (sheds, garages, decks, etc)

▶ INTERIOR

- ▶ Quality
- ▶ Condition
- ▶ Bed/Bath Count
- ▶ Floor Finishes
- ▶ Kitchen/Bath Style
- ▶ Heating/AC
- ▶ Other amenities (fireplaces, extra kitchens, etc)

FAQ's

- ▶ Who is conducting the Revaluation?
 - ▶ The Town has engaged KRT Appraisal to conduct the town-wide real estate and personal property revaluation. This includes all residential, commercial and industrial property in town.
 - ▶ Town Assessing staff will be fully involved throughout the project, monitoring the work of the third-party contractors and will be available to the public to answer questions
- ▶ Will an Out of State Company Influence Valuations?
 - ▶ No. Only sales of Oakland properties will be considered in this revaluation. The fact that a revaluation company is headquartered in another state, does not mean that state's real estate market will be analyzed for our Town's revaluation.

FAQ's

- ▶ How Can the Assessment Change if I Haven't Improved My Property?
 - ▶ Market value is determined by the activity in the real estate market and the general economy. As property values change in the marketplace, which is reflected in sales, those changes will eventually be reflected on the assessment roll. The fact is, most properties will sell for more today than they would have just 5 years ago.
- ▶ Why Revalue When the Market is High?
 - ▶ The primary factor for conducting the revaluation is because the Town's assessment ratio has dropped below the minimum assessment ratio standard of 70%. At this time, corrective action is required by law. The law also requires that our assessment ratio cannot exceed 110%. If market values dropped significantly and our assessments exceeded fair market value, we would also be required to conduct a revaluation to reduce assessments.

FAQ's

- ▶ How Can My Home Be Assessed If No One Came Inside?
 - ▶ Data collectors will do their best to complete interior inspections of as many properties as possible. KRT will follow up to try to make appointments when no one is home for the initial visit. Estimates are made in cases when an interior inspection is not possible.
 - ▶ The Assessor's Office maintains a comprehensive record of each property. The Assessor's records are available online for the public to review for accuracy. Interior inspections are always available upon request by contacting the Assessor's Office.

FAQ's

- ▶ How Much New Revenue Will the Town Collect from the Revaluation?
 - ▶ Many are surprised to learn the amount is \$0. The annual budget, approved by the residents and their elected officials, calls for the amount needed to be raised by property taxes.
 - ▶ The assessments distribute the tax burden. Your share of the tax burden could increase, decrease, or remain similar but the Town does not generate any additional tax dollars from the revaluation.
 - ▶ An analogy: If the total amount of taxes collected is a pie, the size of the pie is determined by the residents and their elected officials. The assessor has no impact on the size of that pie; they simply ensure the pie is cut up fairly - that taxes are fairly distributed based on current market values.

CALCULATING A MIL RATE & TAX AMOUNT

$$\text{TAX RATE} = \text{BUDGET} / \text{TOTAL VALUATION}$$

► Example:

- Town must raise \$10,000,000 for school, county and municipal budgets.
- Total Valuation of the town is 700,000,000.
- Tax Rate = $10,000,000 / 700,000,000 = .01429$ or \$14.29/\$1000 of value

$$\text{TAX AMOUNT} = \text{PROPERTY VALUATION} \times \text{MIL RATE}$$

- For a home valued at \$200,000 the taxes would be: $200,000 \times 0.01429 = \$2,858$

TAX IMPACT EXAMPLES

PRE-REVALUATION



\$200,000



\$400,000



\$1,000,000

Total Valuation : \$1.6 million

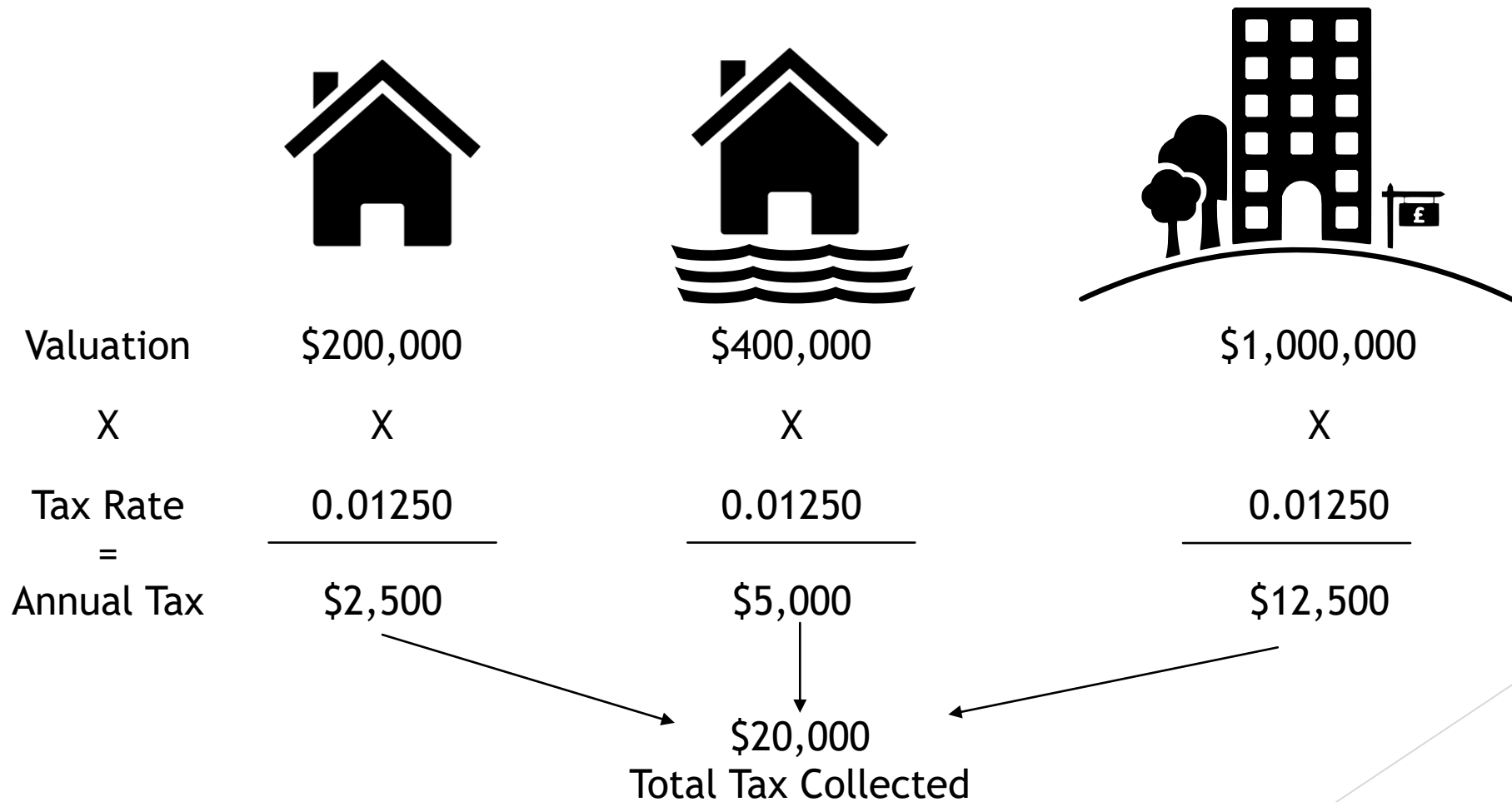
Budget: \$20,000

Tax Rate = Budget/Total Valuation

$$\$20,000 / \$1,600,000 = \$0.01250$$

TAX IMPACT EXAMPLES

PRE-REVALUATION



TAX IMPACT EXAMPLES

EQUAL REASSESSMENTS & NO BUDGET INCREASE



\$300,000
\$200,000 ↑ 50%



\$600,000
\$400,000 ↑ 50%



\$1,500,000
\$1,000,000 ↑ 50%

Total Valuation : \$2.4 million

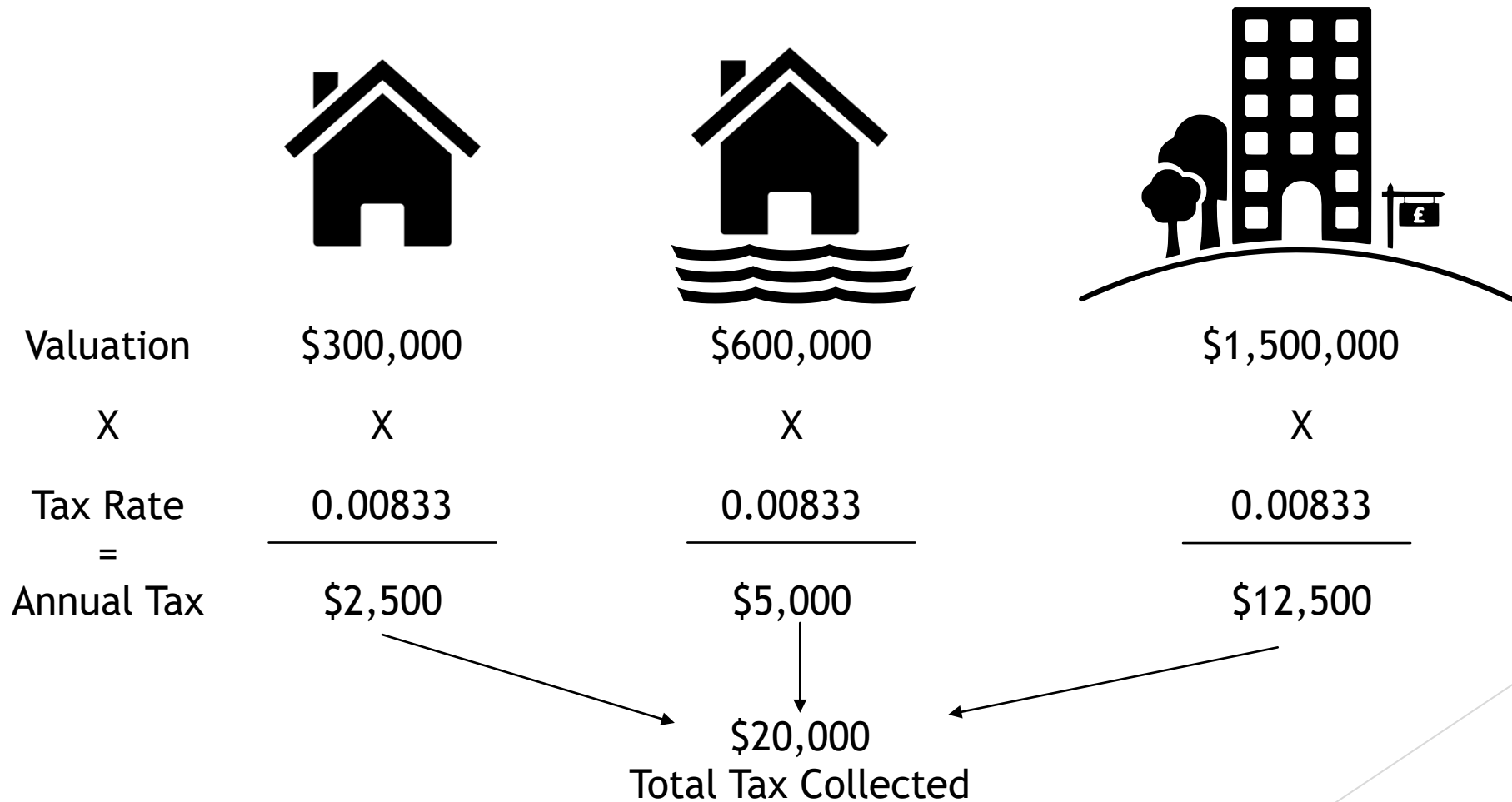
Budget: \$20,000

Tax Rate = Budget/Total Valuation

$$\$20,000 / \$2,400,000 = \$0.00833$$

TAX IMPACT EXAMPLES

EQUAL REASSESSMENTS & NO BUDGET INCREASE



TAX IMPACT EXAMPLES

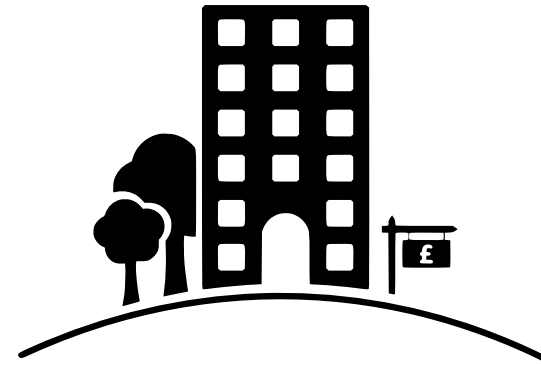
VARYING REASSESSMENTS & NO BUDGET INCREASE



\$300,000
\$200,000 ↑ 50%



\$620,000
\$400,000 ↑ 55%



\$1,400,000
\$1,000,000 ↑ 40%

Total Valuation : \$2.32 million up 45% total

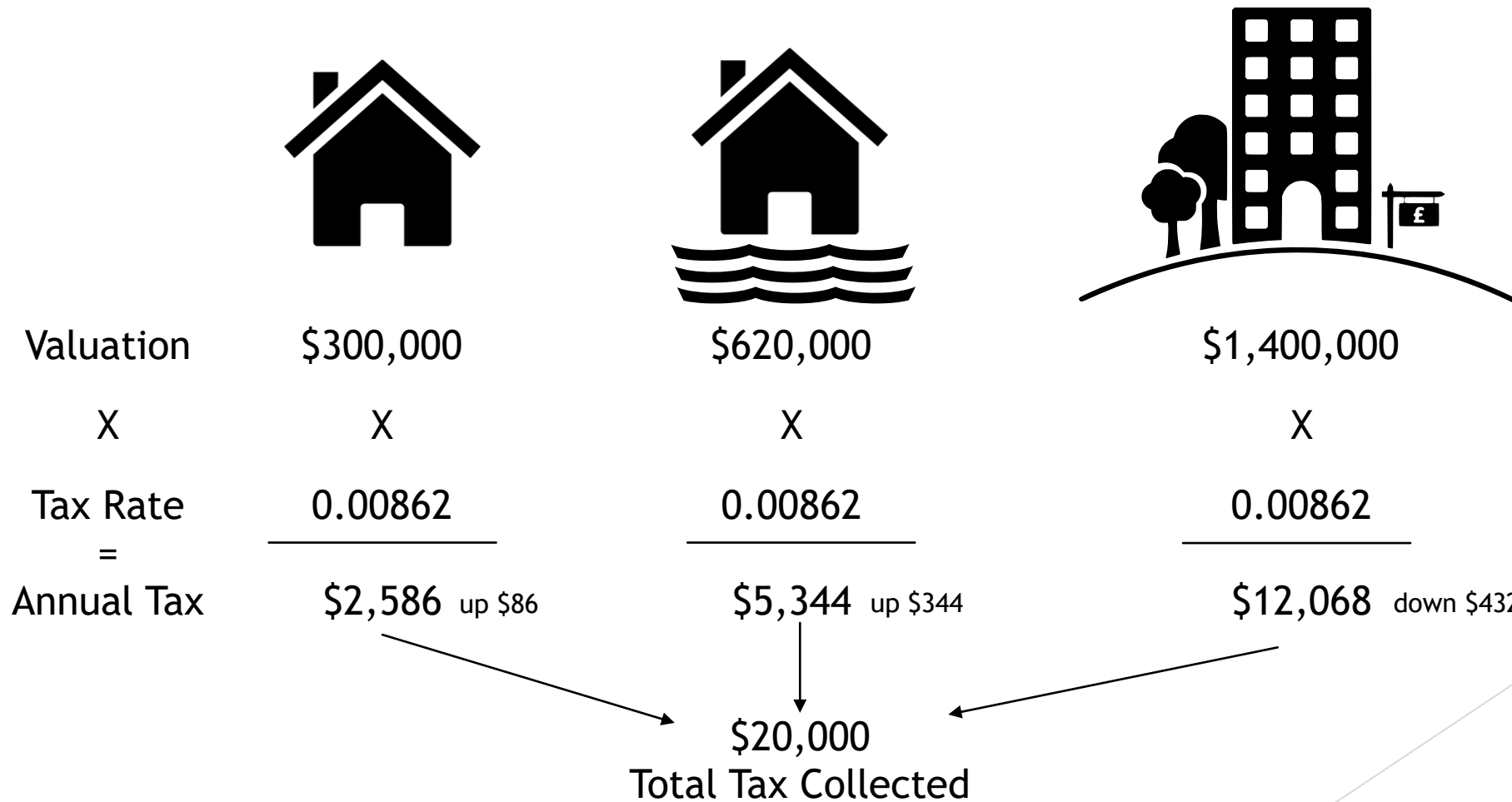
Budget: \$20,000

Tax Rate = Budget/Total Valuation

$$\$20,000 / \$2,320,000 = \$0.00862$$

TAX IMPACT EXAMPLES

VARYING REASSESSMENTS & NO BUDGET INCREASE



TAX IMPACT EXAMPLES

VARYING REASSESSMENTS & 5% BUDGET INCREASE



\$300,000

~~\$200,000~~



50%



\$620,000

~~\$400,000~~



55%



\$1,400,000

~~\$1,000,000~~



40%

Total Valuation : \$2.32 million up 45% total

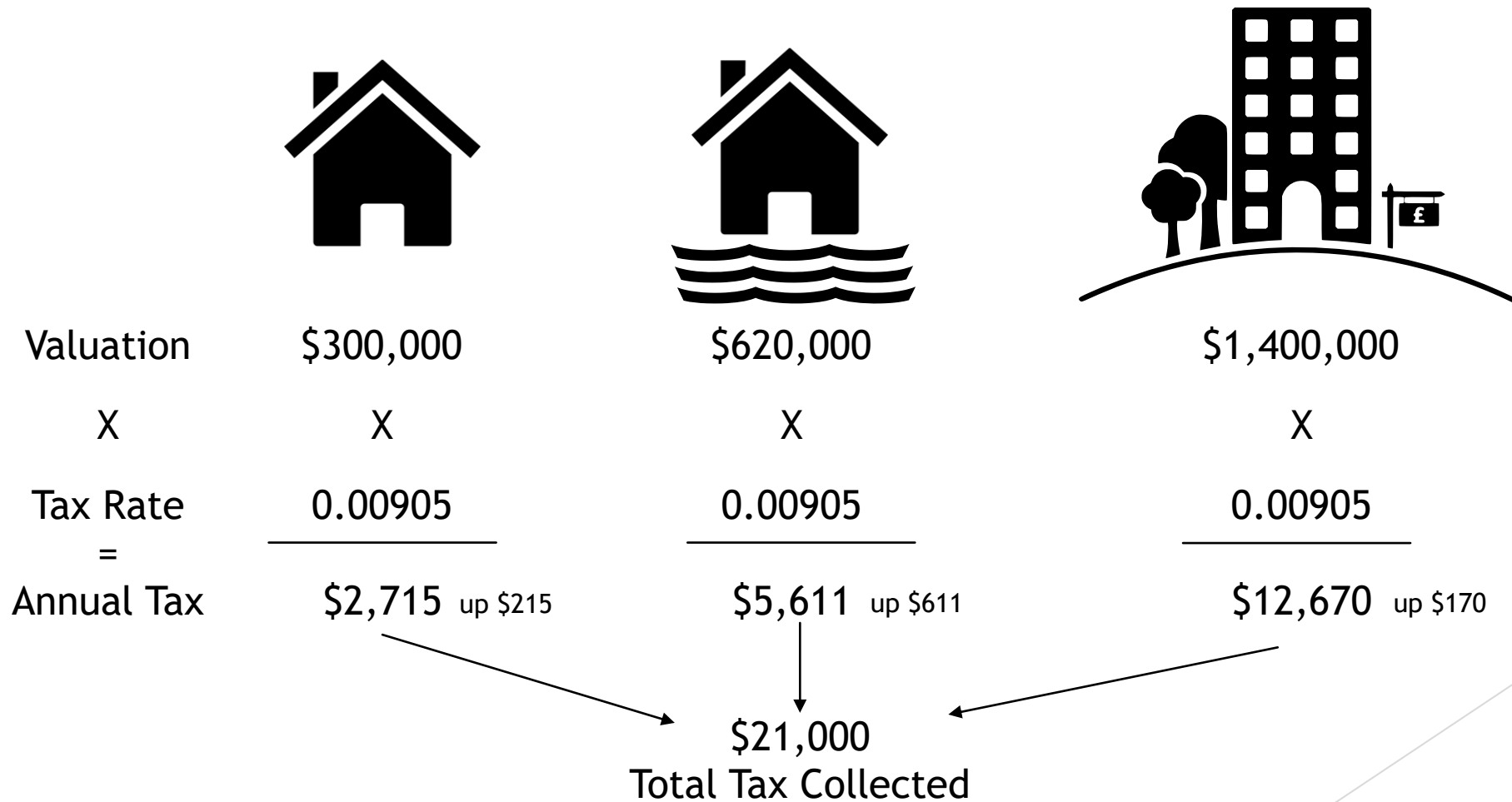
Budget: \$21,000 up 5%

Tax Rate = Budget/Total Valuation

$$\$21,000 / \$2,320,000 = \$0.00905$$

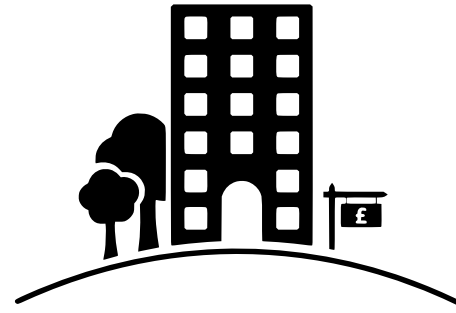
TAX IMPACT EXAMPLES

VARYING REASSESSMENTS & 5% BUDGET INCREASE



TAX IMPACT EXAMPLES

VARYING REASSESSMENTS & 5% BUDGET INCREASE



Old Taxes	\$2,500	\$5,000	\$12,500
New Taxes	\$2,715	\$5,611	\$12,670
Due To Revaluation	\$86	\$344	-\$432
Due to Budget	\$129	\$267	\$602
Total (Net) Change	\$215	\$611	\$170

ANY OTHER QUESTIONS OR CONCERNS?

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