

# MAINE STATE LEGISLATURE

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# 124th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2009

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Legislative Document

No. 349

S.P. 113

In Senate, February 3, 2009

### **An Act To Authorize Arbitration of Property Tax Valuation Disputes**

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Reference to the Committee on Taxation suggested and ordered printed.

Handwritten signature of Joy J. O'Brien in cursive.

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator SMITH of Piscataquis.

Cosponsored by Representative CAIN of Orono and

Senators: DIAMOND of Cumberland, HASTINGS of Oxford, Representative: KNIGHT of  
Livermore Falls.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 36 MRSA §843, sub-§1**, as amended by PL 1995, c. 262, §4, is repealed  
3 and the following enacted in its place:

4 **1. Municipalities with board of assessment review; binding arbitration.** If a  
5 municipality has adopted a board of assessment review, the provisions of this subsection  
6 apply.

7 A. If the assessors or the municipal officers refuse to make the abatement asked for,  
8 the applicant may apply in writing to the board of assessment review within 60 days  
9 after notice of the decision from which the appeal is being taken or after the  
10 application is deemed to have been denied by the municipal officers. If the board  
11 determines the applicant is over-assessed, the applicant is granted such reasonable  
12 abatement as the board thinks proper. If the board of assessment review fails to give  
13 written notice of its decision within 60 days of the date the application is filed, unless  
14 the applicant agrees in writing to further delay, the application is deemed denied and  
15 the applicant may appeal to the Superior Court as if there had been a written denial or  
16 submit the request for abatement to binding arbitration as provided in paragraph C.

17 B. Except with regard to nonresidential property or properties with an equalized  
18 municipal valuation of \$1,000,000 or greater either separately or in the aggregate,  
19 either party may appeal from the decision of the board of assessment review directly  
20 to the Superior Court, in accordance with Rule 80B of the Maine Rules of Civil  
21 Procedure. The applicant may submit the request for abatement to binding arbitration  
22 as provided in paragraph C.

23 C. An applicant may submit an application that has been denied by the board of  
24 assessment review to binding arbitration by providing written notice to the  
25 municipality within the time period for appealing the decision of the board of  
26 assessment review to the Superior Court. The applicant's election to submit to  
27 binding arbitration stays any timely filed appeal to the Superior Court by the  
28 municipality.

29 The arbitration must be before a neutral party, jointly chosen by the municipality and  
30 the applicant, who:

- 31 (1) Is experienced in real estate valuation;  
32 (2) Is not a resident of the municipality;  
33 (3) Does not own property in the municipality; and  
34 (4) Does not have a material business or social relationship to the applicant, the  
35 municipality or the municipal officials.

36 If the applicant and the municipality cannot agree upon an arbitrator within 14 days  
37 of submission to arbitration, the Superior Court, upon request of either the  
38 municipality or the applicant, shall appoint a neutral arbitrator in accordance with  
39 subparagraphs (1) to (4). The cost of the arbitrator must be shared equally between  
40 the municipality and the applicant, except that the arbitrator may decide that the  
41 conduct of the parties requires a different allocation of the costs.

