



MAINE REVENUE SERVICES PROPERTY TAX DIVISION PROPERTY TAX BULLETIN NO. 2

THE USE OF TAXPAYERS' LISTS

REFERENCE: Title 36, M.R.S.A., Section 706

Issued May 1, 1985; Replaces October 1, 1981 Revision.

It is not compulsory in Maine for a taxpayer to file a list of taxable property with the assessors. However, Maine law assures that if a taxpayer withholds a list of taxable property, after having been requested by mail to furnish such a list, the taxpayer is barred from his right of appeal, unless he furnishes a list with his application for abatement and satisfies the assessor(s) that he was unable to furnish it at the proper time. In those instances where the municipal assessors elect not to give notice by mail, the taxpayer is not barred of his right of appeal.

This bulletin has been prepared to assist assessors in making proper use of this part of the law. It explains the type of notice that must be given to taxpayers, the type of list that should be filed in the first instance, and the type of information the assessors should seek to supplement the list.

Attached to this bulletin are sample forms for the taxpayer's list as well as supplementary schedules for obtaining additional information regarding commercial, industrial and other properties.

The sample forms, and recommendations as to their use, can of course be modified within reason. The purpose of the bulletin is to suggest effective use of such lists; not to set forth a rigid unalterable procedure. If used with judgment, taxpayers' lists can be of great assistance to the assessors.

1. Notice to File. The law provides that before making an assessment the assessors may give reasonable notice in writing to all persons, liable to taxation in the municipality, to furnish the assessors true and perfect lists of their estates, not by law exempt from taxation, of which they were possessed on April 1.

Such notice may be by mail directed to the last known address of the taxpayer, or by any other method that provides reasonable notice to the taxpayer. Mail is the customary method. Regular mail may be used; but since proof of notice may be material, certified or registered mail may also be used. If other means of notice is used, it should be such as to provide actual notice to the individual.

2. The List. The nature and purpose of the list is frequently misunderstood. The purpose is to inform the assessor(s) as to the existence of taxable property, rather than to replace the exercise of initiative and judgment on the part of the assessor(s).

The list in the first instance is simply that - a list of taxable property. The statute does not require that the original list contain any details as to nature, situation or value of the property in question. No detailed list could be devised to meet the varying needs of varying types of taxpayer; hence the original list must necessarily be brief and in skeleton form.

The law (Title 36, M.R.S.A. Section 701-A) defines "just value" in the case of land, to be attributable only to "legally permissible . . . uses," and requires that assessors must "consider the effect upon value of any enforceable restrictions to which the use of the land may be subjected." The law further

provides that "Restrictions shall include, but are not limited to, zoning restrictions limiting the use of land, subdivision restrictions and any recorded contractual provisions limiting the use of lands." Since such limitations may not otherwise be readily determinable, the suggested standard form for the taxpayer's list (page 4 of this bulletin) does call for such information.

The assessors may require the person furnishing the list to make oath to its truth, which oath any of them may administer. This is optional with the assessors. A requirement that such lists in all cases be notarized will prove an unnecessary hardship for many taxpayers. The requirement of an oath should be limited to unusual situations where it can be justified. The list does not necessarily have to be filed in person. Filing by mail is proper.

3. Additional Inquiries. When the original list is received it will have to be analyzed by the assessors. In many cases, and probably in the great majority of cases, no further information from the taxpayer will be necessary. If so, no request for further information should be made. In some cases, however, additional information will be needed, and in such cases the statute permits the assessors to require it. The law provides that the assessor or assessors may require the person furnishing such a list to answer in writing all proper inquiries as to nature, situation and value of his property liable to be taxed in the State; and that refusal or neglect to answer such inquiries and sign the statement bars an appeal.

Note that this information as to nature, situation and value is not to be included on the original list, but is the result of subsequent inquiry. Such detailed, additional information can in most cases be obtained by use of standard schedules covering mercantile, industrial and other situations. Where the standard schedule is not adequate, assessors should frame their own questions to obtain the necessary information and request the taxpayer to sign the statement.

In either case, it is most desirable that a conference be held with the taxpayer when the supplementary schedule is filed so that any necessary explanation or additional information can be obtained.

Supplementary schedules are suggested only for personal property. Except in unusual cases questions regarding real estate should be resolved by inspection of the property itself. Where information is necessary which cannot be obtained from inspection alone (as, for example, in cases where income may be material), the information can best be obtained by conference with the taxpayer at which time any pertinent questions can be reduced to writing.

4. Late Filing. If any person, after being provided notice by mail, does not furnish the list, he is barred of his right to apply for an abatement of his taxes, unless he furnishes such a list with his application and satisfies the assessor that he was unable to furnish it at the time appointed. This does not mean that the taxpayer misunderstood, or that it was inconvenient to file properly: it means that he was not able to file properly.
5. Effect of Filing. Filing and answering any subsequent inquiries in accordance with the statute is, for the taxpayer who has been notified by mail, a necessary prerequisite to any appeal from the assessed valuation. Filing can obviously provide helpful information for the assessors when proper use of the law is made. It should be noted, however, that the assessors are not bound by the list or by answers to inquiries; that is to say, even though the taxpayer provides information as to nature, situation and value of property, the assessors have the right and duty to arrive at their own determination of value, giving such weight to the information furnished by the taxpayer as honest judgment directs.
6. Standard Forms. Attached herewith is a suggested standard form for the Taxpayer's List, as well as suggested forms for supplementary schedules.

NOTE: This bulletin is intended solely as advice to assist persons in determining, exercising or complying with their legal rights, duties or privileges. If further information is needed, contact the Property Tax Division of Maine Revenue Services.

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SAMPLE ~ LIST OF ESTATES NOT EXEMPT FROM TAXATION

Filed Pursuant to Title 36, M.R.S.A., Section 706

To the Assessors of the Municipality of _____

1. I am a legal resident of _____, _____
 (Municipality) (State)

2. Structures on land not owned by you:

List property owned by you on April 1, which is located on leased land or land not owned by you, including dwelling houses, house trailers, camps, stores, storehouses or any other structures. Identify landowner and location in each case.

<u>Location</u> (Street and number, or other brief description)	<u>Owner of Land</u>	<u>Type of Structure</u>
a. _____	_____	_____
b. _____	_____	_____
c. _____	_____	_____
d. _____	_____	_____

(If additional space is required, use and attach blank sheet.)

3. Real Estate:

List briefly each separate parcel subject to taxation on April 1 of the year for which this list is filed, and located in the municipality in which this return is filed:

<u>Location</u> (Street and number, or other brief description)	<u>Area of Land</u> (Lot dimensions in ft.; or acres)	<u>Buildings</u> (As dwelling, farmstead, store, garage, etc.)
a. _____	_____	_____
b. _____	_____	_____
c. _____	_____	_____
d. _____	_____	_____

(If additional space is required, use and attach blank sheet.)

Have any of the buildings listed been constructed or altered since the previous April 1?

Yes No

If "Yes," identify building and give brief description of construction or alteration.

Is your land subject to any enforceable restrictions that limit the use to which it may be put?

Yes No

If "Yes," indicate the nature of the restriction: (Check the appropriate block or blocks)

Zoning ordinance Recorded Contractual Provisions
Subdivision restrictions Other

4. Personal Property:

List items owned or in possession and subject to taxation in the municipality in which this return is filed. If additional space is required submit an attached sheet.

a. Machinery and equipment (industrial, mercantile, farm, etc.).

b. Furniture and fixtures - store, office, commercial.

c. Other - identify briefly.

The foregoing is submitted in compliance with Title 36, M.R.S.A., Section 706, and is true and correct to the best of my belief as of April 1 of the current year.

I understand that the assessor(s) may require me to make an oath of the foregoing, and that they may require me to answer in writing all proper inquiries as to the nature, situation, and value of any property liable to be taxed in the State of Maine; and that a refusal or neglect to answer such further inquiries and subscribe the same will result in a forfeit of my right to appeal.

Name of Taxpayer – Please Print

Taxpayer Signature (if signed on behalf of corporation, state official capacity)

MACHINERY AND EQUIPMENT

To the Assessors of the Municipality of _____

The following information covers all machinery and equipment owned or controlled by me and subject to taxation as of April 1 in the municipality with which this list is filed.

1. Industrial Machinery and Equipment:

a. Type of industrial activity _____

b. Location of machinery and equipment _____

c. List below (or submit on an attached sheet), by item and by appropriate classification, giving age, condition, original cost and present value. Please indicate whether owned or leased.

2. Agricultural Machinery and Equipment:

a. Location of machinery and equipment _____

b. List below (or submit on an attached sheet) by item, giving make, model, year of model (or if none, age), condition, original cost and present value of all farm machinery used exclusively in production of hay and field crops, except for self-propelled vehicles. Please indicate whether owned or leased.

c. List below all other agricultural machinery and equipment. Please indicate whether owned or leased.

3. Other Machinery and Equipment:

a. State type of use (as contracting, cleaning and dyeing, television

repairing, etc.) _____

b. Location of machinery and equipment _____

c. List below (or submit on an attached sheet) by item and by appropriate classification, giving age, condition, original cost and present value. Please indicate whether owned or leased.

4. Comments. (State here any additional facts which you believe are necessary to explain the foregoing, or which you believe should be considered in arriving at assessed value).

The foregoing is submitted in compliance with Title 36, M.R.S.A., Section 706, and is true and correct to the best of my belief as of April 1 of the current year.

Date

Name of Taxpayer – Please Print

Taxpayer Signature (if signed on behalf of corporation, state official capacity)

Please keep one copy of this schedule in your files for future reference.

MISCELLANEOUS PERSONAL PROPERTY

To the Assessors of the Municipality of _____

The following information covers miscellaneous personal property owned or controlled by me and subject to taxation as of April 1 in the municipality with which this list is filed.

1. Store, office and other commercial furniture and fixtures (including hotel and motel furniture and furniture in structures held for rental):

a. Indicate whether: Store Office Hotel or Motel
 Other (describe) _____

- b. List below (or submit an attached sheet), by item and by appropriate classification, giving age, condition, original cost and present value. Please indicate whether owned or leased.

c. State location: _____

2. Other.

a. Identify briefly, giving cost and present value:

3. If any of the property listed in this schedule is owned by someone other than the person filing the schedule, please indicate such ownership clearly, giving name and address of owner.

4. Comments. (Explain here or on an attached sheet any additional facts which you believe are necessary to explain the foregoing, or which you believe should be considered in arriving at assessed value.)

The foregoing is submitted in compliance with Title 36, M.R.S.A., Section 706, and is true and correct to the best of my belief as of April 1 of the current year.

Date

Name of Taxpayer – Please Print

Taxpayer Signature. (If signed on behalf of corporation, state official capacity.)