



HOUSE OF REPRESENTATIVES

2 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0002
(207) 287-1400
TTY: MAINE RELAY 711

Anne-Marie Mastraccio

23 Lebanon Street

Sanford, ME 04073

Phone: (207) 432-1453

Anne-Marie.Mastraccio@legislature.maine.gov

May 1, 2025

Testimony of Rep. Anne-Marie Mastraccio presenting

LD 432, RESOLUTION, Proposing an Amendment to the Constitution of Maine to Allow Municipalities to Apportion Real and Personal Property Taxes on the Basis of Property Classification

Before the Joint Standing Committee on Taxation

Senator Grohoski, Representative Cloutier and esteemed members of the Joint Standing Committee on Taxation, I am Anne-Marie Mastraccio, representing House District 142, which includes part of the City of Sanford and the Village of Springvale. I am before you today to present **LD 432, RESOLUTION, Proposing an Amendment to the Constitution of Maine to Allow Municipalities to Apportion Real and Personal Property Taxes on the Basis of Property Class.**

This resolution proposes to amend the Constitution of Maine to allow municipalities to apportion property taxes based on a property's classification as defined by and according to a process enacted by the Legislature in statute.

The Maine Constitution says that property shall be assessed at its "just value," and "apportioned and assessed equally." The courts have interpreted "just value" to mean fair market value or in other words "what the property is worth." A property's worth is commonly looked at as "what a willing buyer would pay a willing seller" for a particular piece of property.

Over the past five years, Maine residential property values and home sale prices have risen exponentially. Our state has dominated as one of the top locales for buyers looking to invest in a second home. In 2023, York County saw second home sales increase by 16% with an average sale price of \$2,074,634 and Cumberland County saw a 14% increase in transactions of second homes with an average sale price of \$1,716,193. It is also true that many homes in Maine are vacant for at least some of the year. According to 2020 US Census data, people do not regularly live in more than one-fifth of the homes across Maine. Mainers have seen out of state purchasers create a housing market that is increasingly out of reach and unattainable for the average person.

It is time to give our communities the ability to tax nonresident homes at a higher rate than residential property owned by Mainers. Shifting some of the property tax burden from Mainers to out-of-staters would lower the local tax burden and provide property tax relief for all payers, not just a targeted few. I urge you to support this ballot measure and give Maine people, the taxpayers, the opportunity to weigh in on this very important issue.

Thank you for your consideration. I am happy to answer any questions you may have.

House District 142: Sanford (part) and Springvale (part)