

## Tax Changes in 2024

There are two noticeable changes on the tax bills this year. The first is that the homestead exemption is now worth \$17,500. Although the State benefit is \$25,000, the Town is required by law to reduce the benefit in proportion to something called our Certified Ratio. That ratio, now 70%, is set by Maine Revenue Services, and is a measure of the difference between market value of homes in Town, and the Town's assessed value. To get back to 100%, we need to do a Town-wide reassessment; the Town is actively working to get that done for tax year 2026.

The other change is the lack of an early-pay discount. Town of Appleton has traditionally given a 2% discount to property owners who pay their taxes within 30 days of the commitment date. In recent years, the commitment date has been in the third week of September, meaning the discount encouraged payments before the third week in October.

Taxes are due on November 30, and interest accrues after that date.

So the Town was effectively giving a discount to those who pay their taxes five weeks before the due date.

That discount program cost the Town \$41,188 last year. There were 604 tax payers who benefitted. Half of that benefit, \$20,594, went to  $\frac{1}{4}$  of those beneficiaries (146 tax payers) while the other  $\frac{3}{4}$ 's of the taxpayers split the other half of the benefit. The Board felt that this was not a good use of taxpayer funds.