

Bond Case Briefs

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TAX - MAINE

Rogue Island Gardner Homestead Corporation v. Town of Jonesport

Supreme Judicial Court of Maine - July 11, 2017 - A.3d - 2017 WL 2951692 - 2017 ME 152

Taxpayer, a nonprofit homestead entity that owned a 1,242-acre island with five houses and numerous outbuildings, sought review of town board of appeals' denial of its request for a municipal property tax abatement.

The Superior Court affirmed. Taxpayer appealed.

The Supreme Judicial Court of Maine held that application of a 200% economic obsolescence factor to taxpayer's property, which had the effect of raising its valuation, was not unjust discrimination.

Application of a 200% economic obsolescence factor to taxpayer's property, a 1,242-acre island with five houses and numerous outbuildings, which had the effect of raising its valuation, was treatment given to similarly situated properties, and thus it did not amount to unjust discrimination by town, as prohibited by the equal protection clause of the U.S. Constitution and the equal apportionment and assessment clause of the state constitution, despite argument that island structures were similarly situated to those on mainland property, to which the obsolescence factor was not applied. Structures on all developed islands in the town were subject to the obsolescence factor, and the higher assessment of island structures was due to their higher building costs.