

SPECIAL PROPERTY TAX NOTICE TO ALL LITCHFIELD, MAINE PROPERTY OWNERS

September 22, 2022

To all property owners in Litchfield, Maine, from the Town Manager:

The RSU4 School Board made an error in the budget warrant that has caused Litchfield's property tax bills to be delayed by 6 to 8 weeks.

Considering that the delayed tax bills will be due near Christmas and other December holidays, residents may wish to pay an estimated tax (based on last years' tax bill) at the usual time in October in order to accommodate their personal budgeting needs.

If your taxes are paid by a mortgage holder, they will adjust to the delayed schedule. If you don't have a mortgage, you may pay an estimated tax at any time, with the understanding that once Litchfield is able to set the tax rate, and prepare the actual bills, there will inevitably be adjustments.

Any estimated property tax payments made will **help the town meet its obligations without resorting to borrowing bridge funds** which ultimately would increase the obligations of the town and then fall to the taxpayers to fund.

The error was made when the RSU4 School Board adopted and published their budget warrant for the fiscal year that began on July 1, 2022 and ends on June 30, 2023. The overall total was correct, but Article 13 was wrong. As a result of this error, voters on June 14, 2022 did not authorize the towns to collect enough property taxes to match the RSU4 budget. Without the correct voter approval, Litchfield is not legally allowed to set the correct property tax rate at the normal time.

RSU4 has notified Litchfield that they will correct the error and put a corrected budget warrant through the process for approval November 8, 2022 (the regular election day). Assuming the corrected budget warrant passes, Litchfield will then be able to set the property tax rate and send out property tax bills. This is not due to any fault on the part of Litchfield. We are bound by law to wait for the action and authorization by the voters before proceeding.

How does this impact Litchfield property taxpayers?

1. If the corrected school budget passes, the planned **tax mil rate of 15.72** set for September **will apply**.
2. The **Town will not set the property tax mil rate at the normal time in September.**
3. The **property tax bills that normally go out in late September or early October will NOT be sent out until late NOVEMBER or EARLY DECEMBER**, as soon after the certification of the election results as possible.
4. **Past due payment deadlines will adjust accordingly for the first annual tax due date.**
5. **The second and third tax payment dates remain unchanged** (January 15, 2023, and April 15, 2023)

[This procedure and the tax payment due dates were set by the voters by the adoption of Article 4 at the Town meeting held on Saturday, June 14, 2022.]

Again, this problem is not due to any action, inaction, or error on the part of Litchfield's staff or Select Board. Information concerning this problem will be included in future communications including the Sodalite newsletter and town website (www.litchfieldmaine.org) online.

The staff and Select Board are doing all they can within the constraints of the law and voter rights to deal with this problem.