

## Minutes Approved 2/11/2016

Tax Exemption Policy Committee

Minutes of January 7, 2015

Attendees: Councilor Keith Nyhan, Chairperson; Councilors, Jan McClure, Candace CW Bouchard

Absent: Councilor Robert Werner

Other Attendees: Michael Rossi

City Staff: Kathryn Temchack, Director of Real Estate Assessments

The meeting was opened at 12:02 pm by Chairperson Nyhan.

The minutes of the February 10, 2014 meeting were approved on a motion by Candace Bouchard seconded by Jan McClure; assented.

Committee members reviewed the current exemption and credit amounts adopted by the City Council in 2014. A spreadsheet depicting the same information for other cities and towns was provided for comparison.

Kathryn Temchack reported that the social security wage rate increased by 1.5% in 2014. Keith Nyhan explained to the other committee members that in past years the committee voted to increase the income thresholds to qualify for the Elderly Exemption to reflect the aforementioned cost of living adjustment. Discussion was held regarding comparing the median household income and the income thresholds for elderly, married applicants. The estimated median household income for Concord is \$52,592 and the income limit for elderly, married applicants is \$45,800. Based upon an assessment of \$250,000 and the Concord tax rate of \$26.81, the average property tax is \$6,702. Subtracting the \$6,702 from the \$52,592 is \$45,890; basically the same amount as the elderly, married limit. One may conclude from this formula that the City is now asking younger residents (who have the same amount of income - after paying property taxes) to subsidize elderly residents. By comparison, there is a much larger spread between the median household income and the elderly, income exemption amount in other communities.

The other exemptions and credits were also reviewed. Accordingly, on a motion by Councilor Bouchard and seconded by Councilor McClure the committee voted to recommend not making any changes to the current exemption and credit criteria. The committee did ask that the Assessing Office keep a list this year while reviewing the elderly applicants of when an applicant was denied for income purposes and what the amount of income overage. This information will be reviewed by the committee next year.

The meeting was closed at 12:45 pm on a motion by Jan McClure and seconded by Candace Bouchard.