

DRAFT

Tax Exemption Policy Committee

Minutes of December 21, 2016

Attendees: Councilor Keith Nyhan, Chairperson; Councilors Gail Matson, and Robert Werner

Absent: Councilor Candace CW Bouchard

City Staff: Kathryn Temchack, Director of Real Estate Assessments

The meeting was opened at 12:21pm by Chairperson Nyhan.

The minutes of the February 11, 2016 meeting were approved on a motion by Councilor Matson seconded by Councilor Werner; assented.

Committee members reviewed the current exemption and credit amounts adopted by the City Council in 2016. A spreadsheet depicting the same information for thirteen other cities and towns was provided for comparison with the City of Concord. The committee noted that Concord has consistently been about midway between the highest and lowest communities for the past several years.

Director Temchack reported that 236 property owners paid no taxes in 2016 because their exemption and or credits exceeded their assessments or tax bills.

The reasons for denial of the elderly exemption were reported and discussed. The committee reviewed the report listing the reasons for the denial of elderly exemption applicants. The closest difference between The City's adopted income limit and actual income were two applicants whose incomes were over by \$1,228.60 and \$1,712.32.

Director Temchack reported that there was no increase for cost of living to social security wages in 2016.

A motion was made by Councilor Matson to not make any changes to any of the existing criteria or amounts for the exemptions and credits currently adopted by the City. Second by Councilor Werner; assent.

The committee agreed that the City's state delegation should be encouraged to consider a financial means testing for the blind exemption as currently exists for the elderly and other property exemptions. Presently, there is no financial means testing for the blind exemption

The committee reviewed and discussed RSA 72:28-b the new law enacted this past legislative session that allows communities to expand the veteran's property tax credit to all honorably discharged veterans by adopting the optional all veterans' tax credit. Previously only veterans who served during a qualifying war time were eligible. They discussed the possible impact this would have on the City's budget since it is unknown how many more veterans would qualify for the all veterans' tax credit. Councilor Nyhan reminded the committee that a \$150,000 budget increase raises the tax rate ½ of a percent.

A motion was made by Councilor Werner to recommend a wait and see approach on what the fiscal impact is and the number of veterans who qualify in other communities which adopt the credit this year. Seconded by Councilor Matson; assent.

Councilor Werner discussed the optional solar exemption. He believes that property owners who want to add solar systems to their properties should be encouraged to do so and that presently there is some confusion in the community on the valuation of the systems for taxation. Councilor Werner is gathering information from other communities which have adopted the exemption and asked that the committee meet again to review. The committee will meet next month or in early February to review the information.

The meeting was adjourned at 1:08 pm on a motion by Councilor Matson and seconded by Councilor Werner; assent.