

DRAFT

Tax Exemption Policy Committee

Minutes of February 11, 2016

Attendees: Councilor Keith Nyhan, Chairperson; Councilors, Candace CW Bouchard, Gail Matson

Absent: Councilor Robert Werner

City Staff: Kathryn Temchack, Director of Real Estate Assessments

The meeting was opened at 12:06 pm by Chairperson Nyhan.

The minutes of the January 7, 2015 meeting were approved on a motion by Candace Bouchard seconded by Keith Nyhan; assented.

Committee members reviewed the current exemption and credit amounts adopted by the City Council in 2015. A spreadsheet depicting the same information for thirteen other cities and towns was provided for comparison. The committee inquired how many property owners currently did not pay property taxes because their assessments were less than the exemptions they received. Director Temchack reported that 142 property owners did not pay property taxes in 2015.

The committee reviewed the report listing the reasons for the denial of elderly exemption applicants. There were 22 denials for 2015. Five for failure to provide documents, one late filing, one application was withdrawn, one asset overage, and 14 over income threshold. The closest difference between income limit and actual income were two applicants whose incomes were over by \$1,399 and \$1,448. Councilor Nyhan noted that the overages were not close to the income limit adopted by the City Council. Kathryn Temchack reported that the social security wage rate increased by 1.7% in 2015. The average cost of living increase to social security wages would be substantially less than the two lowest overages. The committee asked that the Assessing Office prepare the same report for the 2016 applicants and report back next year.

The committee discussed HB0430 that would extend the veteran's property tax credit to all honorably discharged veterans. The bill was reported out of committee as ought to pass and will be coming before the full house for a vote. 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 veterans credit.

The other exemptions and credits were also reviewed. Accordingly, on a motion by Councilor Matson and seconded by Councilor Bouchard the committee voted to recommend not making any changes to the current exemption and credit criteria. Councilor Nyhan assented.

The meeting was closed at 12:40 pm on a motion by Gail Matson and seconded by Candace Bouchard.