

Minutes

Tax Exemption Policy Committee

Minutes of February 2, 2023

Attendees: Councilor Keith Nyhan, Chairperson (by phone); Mayor James Bouley; Councilor Candace C.W. Bouchard; and Councilor Erle Pierce. Councilor Gail Matson - Absent

City Staff: Jonathan Rice, Director of Real Estate Assessments, Shoshanna Cone, Administrative Assistant, Assessing

Public Attendees: None.

The meeting was opened at 12:20 pm by Chairperson Nyhan.

Councilor Pierce moved to accept the minutes of January 5, 2023 as written by Councilor Pierce; Councilor Bouchard seconded; all affirmed.

A spreadsheet, comparing the same information for thirteen (13) other cities and towns was provided to the committee. It was noted that Concord ranked 5th highest among the fourteen comparative communities relative to overall exemption value(s) as a percentage of taxable value. In 2021, Concord ranked 7th. Committee members reviewed the exemption and credit amounts last adopted by the City Council.

The committee reviewed the report listing the reasons for the denial of elderly exemption applicants for the past year. Ms. Cone noted that in 2022, for elderly exemptions, two single applicants were denied due to being over the adopted income limit, one by \$514.22 and one by \$910.00, one married applicant was denied due to being over the adopted income limit by \$139.00 and one applicant was denied due to being over the adopted asset limit by \$241.88. Other applicants who were denied the exemption were over either the income or asset limits by more than \$1,000. Director Rice reported that in 2022 there was an increase of 5.9% for cost of living to social security wages which equated to an average yearly increase of \$1,104 for single recipients and \$1,848 for married recipients.

The committee reviewed the income limit for tax year 2022 including the 2021 stimulus payments, added the average yearly increase for social security, and added \$514.00 to the income for single applicants and \$155 married applicants. Shown as follows:

Single: $\$37,300 + \$1,104 + \$514 = \$39,000$ (rounded to the nearest \$100)

Married: $\$53,300 + \$1,848 + \$139 = \$55,300$ (rounded to the nearest \$100)

Due to the increases in cost of living, Chairperson Nyhan moved to recommend increasing the 2022 income limits for single applicants to \$39,000 and married to \$55,300 for tax year 2023; Councilor Bouchard seconded; all in favor.

The committee reviewed the current asset limit of \$98,000 and the closest denied applicant due to asset thresholds. Chairperson Nyhan moved to recommend to increase the asset limit to \$100,000; Councilor Bouchard seconded; all in favor.

The committee reviewed the exemptions amounts. Director Rice's report showed no property taxes were paid by 108 property owners whose exemptions and credits reduced their assessments or tax payments to zero. Councilor Pierce moved to recommend no changes to the current exemption amounts; Councilor Bouchard seconded; all in favor.

The committee reviewed the current veterans tax credit amounts. The committee reviewed the impacts to increasing the optional and All Veterans credit amounts to \$175 or \$200. The committee acknowledged that this is a thank you to the Veterans in the City in recognition of their service not a needs-based credit. Councilor Pierce recommended to increase the credit amount to \$200 for the Optional Veterans Credit and All Veterans Credit; Mayor Bouley seconded; Councilor Bouchard affirmed; Chairperson Nyhan recused himself and abstained from voting.

The committee reviewed the impacts of the solar exemption from 2018 to 2022. The impact on the City's tax rate was minimal in the five years that the exemption has been in place. The committee noted the importance of incentivizing owners to install solar energy systems in their homes and the importance of the exemption. The Committee requested that a report be written to the council regarding the impact over the five years of the exemptions. The committee discussed the current assessing policies regarding solar charging stations and requested a report from Assessing regarding charging stations and other green energy systems assessed. The Tax Exemption Policy Committee will review at that time. All in favor of recommending no changes to the Solar Exemption.

Recommend no change to the current blind exemption of \$120,234. Motion by Chairperson Nyhan; Seconded by Councilor Pierce; all in favor.

The meeting was adjourned at 1:19 pm.