

Tax Exemption Policy Committee

The Minutes of January 11, 2018 as approved on 1/23/2019.

Motion by Councilor Candace Bouchard White, Councilor Gail Matson seconded. Assented

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

Absent: Robert Werner

Public Attendees: Michael Rossi, Airport Rd

City Staff: Kathryn Temchack, Director of Real Estate Assessments

The meeting was opened at 11:59 am by Chairperson Nyhan.

The minutes of the June 1, 2017 meeting were approved on a motion by Councilor Bouchard seconded by Councilor Matson; assented.

Director Temchack reported that the information about the solar exemption has been posted on the Assessing web page. Presently there are 112 properties that have placed solar systems on their property or have pending permits to install solar systems. Letters will be sent to all of these property owners in the near future explaining the exemption, application deadlines, etc. A public informational meeting will be held at a later date. All new applications will need to be reviewed to determine if they qualify.

Committee members reviewed the exemption and credit amounts adopted by the City Council in 2016. A spreadsheet, comparing the same information for thirteen (13) other cities and towns was provided to the committee. Noting that in years past (since 2014) Concord has ranked 6th or 7th among the thirteen comparative communities relative to overall exemption value(s) as a percentage of taxable value, in 2017 Concord ranked 5th. The main reasons for the increase in rating were a) the actual total exemption amount for Concord increased almost \$800,000, and b) Bow had a decrease in assessed value of over \$7M.

The committee reviewed and noted that Boscawen, Hooksett, Nashua, Portsmouth, and Salem had adopted the “All Veterans” credit effective for the 2017 tax year. The “All Veterans” is new legislation, effective as of August 2016; the legislation allows communities the option of adoption beginning with the 2017 tax year. Not knowing what month these communities adopted the new credit the committee knew that new applicants would have had less than a year and maybe only a month to apply. During this unknown time period– (some time after August 2016 –April 2017) the number of eligible veterans in those communities increased from 3.0% - 4.3%. Recognizing that these percentages reflect an increase during a partial calendar year; the credit would have been adopted after August 2016 and veterans would be required to submit applications by April 15, 2017. The committee felt uncomfortable discussing the potential financial impact adopting this credit would have on the City’s budget. Accordingly, the committee recommends monitoring the increase in these communities for another year prior to making a recommendation.

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 the actual income for the two closest applicants, whose incomes were over the adopted limit, were \$1,884.47 and \$1,923.23. The closest asset difference for a denied applicant was \$26,000 over the \$90,000 limit. Director Temchack reported that there was an increase of 0.30% for cost of living to social security wages in 2017. After review, the committee felt that the current income and asset exemption criteria were still appropriate and no changes were recommended. The committee did ask that next year the Assessing Department prepare information comparing the present total property valuation to the pre- recession valuation and the changes in the tax rate.

Lastly, the committee noted that unlike the elderly exemption there is still no financial means testing for the blind exemption. Accordingly, some members of the committee indicated they believe the City's state delegation should be encouraged to consider a financial means testing for the blind exemption. The committee recommended no changes to the current adopted blind exemption.

Director Temchack reported that 146 property owners paid no taxes in 2016, because their exemption and or credits exceeded their assessments or tax bills.

The meeting was adjourned at 12:48 pm on a motion by Councilor Bouchard and seconded by Councilor Matson; assent.