

Elderly Tax Abatement Ad-hoc Committee  
(A Subcommittee of the Board of Selectmen)  
Special Meeting  
Wednesday, March 15, 2017  
Assessor's Office – Town Hall  
1:00PM

The meeting was called to order at 1:10 pm to discuss the following agenda item.

Item 1. Discussion, review and possible recommendation re: Local Ordinance for Elderly Tax Abatement

Members present included: First Selectman Dan Jerram, Donna LaPlante, Penny Miller, Betty Castonguay and Linda Sheffield. Member Christine Ringuette was absent. Cory Iacino, the New Hartford Tax Assessor was also present to answer questions pertaining to the proposed benefit.

With regard to Item 1. First Selectman Jerram distributed a proposed ordinance (see attached) that the Board of Selectmen had discussed that would create a tax abatement for long term residents of the Town of New Hartford indicating that the Selectmen were interested in proposing a new benefit for senior citizens, but that it had to be for long term residents of the community. The State of Connecticut currently has a program, but that program benefits all income eligible residents regardless of how long they lived in town. Jerram indicated that the ordinance provided would allow a reduction in taxes for seniors who have resided in New Hartford for more than 10 years. The benefit would provide a local match to the State of Connecticut program that abated an average of \$602 per person last year.

The Committee reviewed the proposed ordinance and the income qualification sheet that showed that only residents with an income of less than \$42,900 would qualify for the program and the benefit was scaled with lower income residents attaining a maximum benefit of \$1,250. The lowest abatement was \$250.

Members asked many questions of the Assessor about the State program and when residents applied for the program. Miller asked how much this would cost to implement. Jerram indicated that if the proposal passed at a town meeting, it would cost about \$34,000 per year (if it was an equal match for all current participants). Sheffield asked how many residents participate in the program and of those, how many have lived in town for over 10 years. Assessor Iacino indicated that 58 individuals participated last year and of those only 52 would qualify this year. Of the 52 participants currently participating only 42 have lived in New Hartford for more than 10 years, or roughly 80 percent so the program would cost roughly \$27,200 or the equivalent of roughly \$900,000 in Grand List Assessment. The Committee discussed the lack of programs and benefits for senior residents that have paid taxes for years, supported the schools but now receive very little in services. LaPlante indicated that a \$600 annual benefit was equivalent to a "couple of tanks of oil". Jerram indicated that if we drive our seniors out of town, we open up the possibility of younger families coming in, perhaps with one or town school age children that may cost \$15,000 per year each to educate. Some may say the \$600 per year benefit was a lot, but it really isn't if just one or two homes is sold to a family with multiple children.

The Committee discussed when such a program could be implemented. Assessor Iacino indicated that it was late for implementation of the 2016 Grand List. Jerram further added that it would be difficult this year with a challenging budget. Sheffield added "when is the budget not challenging"?

The Committee discussed “Phasing the Program” so that perhaps half the benefit would be implemented this year and the second half next year. The consensus was: if you’re going to go forward and propose it then propose it – but give people sufficient time to prepare.

A motion was made by Miller, seconded by Sheffield to implement a program that mirrored the State of Connecticut Elderly Tax Abatement Program for residents of New Hartford that have lived in New Hartford for more than 10 years that would start with the Grand List of 2017. The Committee furthered this discussion before voting unanimously (5-0) to approve the motion.

Jerram indicated that he would complete the meeting minutes that would act as our “report” to the Board of Selectmen and Board of Finance.

As there was no other business to attend to, a motion made by Miller, seconded by Castonguay, to adjourn at 1:48pm. The motion was passed unanimously (5-0).

Respectfully Submitted,

Dan Jerram, First Selectman