

## Property Tax Deferral Notes

1. Matthew Sturgis, Town Assessor explained the parameters of the property tax deferral program.
2. Matthew Sturgis, briefly explained the other local option tax relief program that is similar to the State's Property Tax and Rent Refund program.
3. The Ordinance Review Committee discussed the merits of the deferral program. There was some discussion of the reasons for the program, and the points below summarizes them.
  - a. This is an issue of where the property owner's income may not be able to support the cost of the taxes associated with their home.
  - b. The Committee also discussed being torn, or conflicted in a person having to pay the costs of living in a particular property vs. the desire to stay there with an outstanding bill that is growing.
  - c. Also some discussion as to the program not having any participants in the one community it has been enacted as an ordinance in. Is there really a compelling need?
  - d. There may be a need as the once small property tax bill has grown to be larger than the original mortgage bills were, and the tax bills have outgrown the owner's capacity to pay.
  - e. How much risk is the Town taking in having this as a tool? It does not seem that great, while the repayment interest offsets that concern.
  - f. Some concern that the outstanding bill will outgrow the value of the property.
  - g. There was some discussion on not being able to apply if already delinquent on taxes. Would have to come to a remedy for this in the ordinance if enacted, similar to the Wells model.
  - h. There was some concerns expressed on providing relief to a property owner with a high value asset who wants to defer taxes, while there may be other property owners who are under 70 with modest properties who have equal difficulty in paying their bills as well. Concerns of equity by adopting this ordinance.
4. Deliverables: Matt Sturgis will provide a redlined version of Wells' ordinance for the February 8, 2013 meeting for the Committee to discuss and review.