

**LEGISLATIVE COUNCIL PUBLIC HEARING
COUNCIL CHAMBERS, 3 PRIMROSE STREET, NEWTOWN, CT
WEDNESDAY, MARCH 18, 2020**

MINUTES

PRESENT: Paul Lundquist, Phil Carroll, Judit DeStefano, Dan Wiedemann

PRESENT VIA TELECONFERENCE: Jordana Bloom, Alison Plante, Chris Smith, Ryan Knapp, Chris Eide, Cathy Reiss, Andy Clure, Dan Honan

ALSO PRESENT: First Selectman Dan Rosenthal, 2 public (via teleconference), 0 press.

CALL TO ORDER: Mr. Lundquist called the Public Hearing to order with the Pledge of Allegiance at 7:00 pm.

VOTER COMMENT: Regarding the 2020-2021 Annual Budget of The Town of Newtown

Nancy White, 14 Butternut Ridge, Newtown – Ms. White commented that although she did not agree with the cut of the elementary music teacher, she does support the BOE budget and the town budget.

Kathryn Burke, 48 Taunton Hill Road, Newtown – Ms. Burke phoned in to say that she supports the original proposed education budget, as well as, the current town budget. However, she read through the last BOF meeting minutes and does not agree with the \$100,000 BOE cuts. She would love to see that money go back into the schools, especially considering everything the schools have been through this past week and how cooperative everyone has been to keep our kids active and learning.

Ronald Bossio, 58 Watkins Drive, Sandy Hook – Submitted via email, see attachment.

ADJOURNMENT: There being no further business, Mr. Wiedemann moved to adjourn the meeting at 7:14pm. Seconded by Mr. Carroll. All in favor.

*Respectfully submitted,
Rina Quijano, Clerk*

**THESE MINUTES ARE SUBJECT TO APPROVAL BY THE LEGISLATIVE COUNCIL
AT THE NEXT MEETING.**

Dan,

Much thanks.

Hopefully the attached proposal does not come across as a broken record.
I believe it has merit.

Understandably, it may be too late to give this proposal serious study and consideration while in the midst of this year's budget discussion. Hopefully, however, you and members of the LC will at least ask the Director of Finance and Tax Collector to do the easy part—estimate the cost of the proposed change in the “elderly” and disabled tax credit program. That first step would provide you, and the BOS, LC, BOF, and our citizen-taxpayers with a better basis considering whether to go forward with a study of this proposal, potential modifications to its income brackets, or other possibilities that may be more feasible.

Thanks again and let me know if there is any way I can be of help.

Ron

PS: My compliments to all on the sound and thoughtful 2020-2021 proposed budget,

From: Dan Rosenthal [mailto:dan.rosenthal@newtown-ct.gov]

Sent: Wednesday, March 18, 2020 9:11 AM
Ron Bossio <rjbossio@att.net>

**A Proposed Revision to Property Tax Relief for
Seniors and Totally Permanently Disabled Residents**

Current Tax Credits¹		Proposed Tax Credits	
Income Level	Tax Credit	Income Level	Tax Credit
< \$45,000	\$2,900	< \$45,000	\$ 3,000
\$45,001-\$55,000	\$2,000	\$45,001-\$50,000	2,500
\$55,001-\$65,000	\$1,500	\$50,001-\$60,000	2,000
\$65,001-\$70,000	\$ 920	\$60,001-\$70,000	1,500
		\$70,001-\$80,000	1,000
		All others	500

The objectives of the proposed revisions are as follows:

- Modestly increase the tax credit for most elderly and disabled property owners below the \$70,000 modified income level that meet the existing eligibility criteria (e.g., income level, qualifying total asset value, or assessed value of their property)
- Extend a \$1,000 tax credit to those property owners between the \$70,001 to \$80,000 level that meet the existing eligibility criteria
- Reduce the large cliff effects of going from one income bracket to the next by adjusting each of the incremental benefit changes to \$500. That would, for example, reduce the
 - \$900 effect of moving from less than \$45,001 to \$45,001
 - \$580 effect of moving from less than \$65,001 to \$65,001
 - \$920 effect of moving from less than \$70,001 to \$70,001 and above
- Extend a \$500 tax credit to all other elderly or disabled property owners that meet the one-year residency test but do not meet one or more of the other existing qualifying criteria.

The direct costs to the Town to achieve the above objectives ought to be estimated by the appropriate Town Officers and evaluated by the appropriate Boards in relation to the benefits to be gained. The chart below shows the proposed increases in tax credits by income levels. Town records may provide a reasonable basis for estimating the number of residents by income levels up to \$80,000 and all other elderly-resident households that meet the one-year residency test but do not qualify for the existing property tax credit.

Income Level	Increased Benefit	# of Qualifying Residents	Increased Cost to Town Column 2 X 3
< \$45,000	\$ 100		
\$45,001-\$50,000	500		
\$50,001-\$55,000	0		
\$55,001-\$60,000	500		
\$60,001-\$65,000	0		
\$65,001-\$70,000	580		
\$70,001-\$80,000	1,000		
All others	500		

Measuring the benefits to the Town of Newtown and its citizenry is more difficult than measuring the direct costs to the Town. The benefits to its citizens are many, some of which are clear and measurable and others are intangible and perhaps immeasurable.

Among the measurable benefits to its citizens are the proposed increase in the property tax credit available to qualifying seniors and permanently disabled residents. For example, under this proposal each of the Town's elderly property owners that have resided in Newtown and paid real estate taxes for one year prior to 5/15/202X would qualify for an annual property tax credit of at least \$500 regardless of the level of their income, assets, or assessed property value. However, its most needy seniors and disabled property owners could, depending on their income level, receive a proposed tax credit between \$1,000 and \$3,000 if they meet all of the existing criteria. Qualifying residents in the \$70,001-80,000 income bracket that currently miss out on the \$920 tax credit may qualify for a proposed tax credit of \$1,000.

Other benefits that are more difficult to measure, including some that are not obvious and some that are omitted from the discussion that follows. For example, tax relief is likely to help the Town's seniors and disabled residents to afford to continue to *live in place* in the later years of life. This can be especially important to those citizen taxpayers that (a) have invested considerable monies to make their existing residence livable or (b) rely on nearby family and friends for companionship and assistance with trips to doctors, churches, local shops, and other needs. Some might argue that the proposed increases in financial relief are too modest. However, even modest relief can be particularly important, if not crucial, in offsetting the increasing costs of healthcare and household maintenance that come with age—especially for those that rely on fixed incomes.

Certainly there may be some wealthy seniors that have no need for financial relief.² However, like other seniors, they generally are long-time residents and taxpayers that place little burden on our Town services and schools. Thus, providing *modest* relief to all senior citizens may be viewed as equitable. This proposal contends that modest relief to all seniors also would build goodwill among all of our citizenry and could reduce, if not eliminate, friction among our citizen groups when debating annual Town and School budgets.

Moreover, the concept of *wealthy* is subjective and measuring it is fraught with problems. Such so-called means testing often leads to complex and somewhat arbitrary criteria, unwarranted administrative cost, and an unjustified loss of privacy that can destroy valuable goodwill. This proposal contends that most of our seniors, including those with financial means, often give back to our community as contributors to and volunteers for our churches, civic organizations, library, schools, and Town boards and committees, among others. Those seniors who are truly wealthy usually give back through their generous contributions and often with sizable legacy gifts. Why not build goodwill with all our seniors!

Lastly, Newtown's 2020-2021 Annual Budget document clearly sets forth the Town's Organizational Values and Major Public Policies (pages 6 and 7). They are, I believe, not only clearly stated but also aspirational. As such, they will well-serve our Town and its leaders in meeting the challenges that lie ahead, particularly in long-range planning and future efforts to "anticipate events and make informed decisions that will help shape

the future” (page 7). That Annual Budget document also states that “Newtown will incorporate the market forces of competition while being mindful of the need to maintain public accountability” (page 8).

This proposal suggests that our Town leaders be mindful of two events that have negatively impacted most of our residents but more so those seniors no longer in the workforce. The first may have been impossible for our Town leaders to anticipate—the Federal tax law that recently placed a \$10,000 limit on the deductibility of State and Local taxes. Similarly, most seniors could not anticipate that event when planning or deciding whether and when to retire. Moreover, at this time, returning to the workforce may no longer be an option for them.

That recent change comes on top of a not-so-recent trend of seniors and businesses leaving CT and other high-taxed states for greener pastures. Competing with regions that provide a lower cost of living, including some that waive school taxes for their seniors, was already difficult. The Federal tax change exacerbates that difficulty. In my view, it is now time for Newtown (and CT) to get serious about planning and finding innovative ways to keep our seniors (and businesses) here. This proposal is but one modest attempt to stimulate such thinking. I would be pleased to meet with Town officials and Boards to discuss this proposal and other ways of attracting and keeping our seniors.

Respectfully submitted on March 18, 2020 by

Ronald J. Bossio

58 Watkins Drive

Sandy Hook, CT 06842

203-482-0136

rjbossio@att.net

¹ **Source URL:** <https://www.newtown-ct.gov/tax-collector/faq/are-there-tax-benefits-available-property-owners>

² Some might argue that no other Towns or governments provide such property tax credits to all of their seniors. That’s wrong! This proposal does not provide an exhaustive study of other government property tax credits, but one need not look very far to observe property tax credits (relief) for all seniors. For example, Ridgefield, CT, which like Newtown is in Fairfield County, has been providing a “Town Elderly” program that gives a tax credit of more than \$1,000 to all seniors over the age of 65 that have been property owners for at least one-year and are not receiving any other exemptions on any properties in any other state or within CT. Like Newtown, Ridgefield also has a State Elderly and Totally Disabled program that provides higher credits on a sliding scale based on income levels. Although this proposal’s credit of \$500 is more modest it similarly proposes that those electing to participate in the State program would not also receive the proposed \$500 credit. Those seniors that qualify for the State program but prefer not to disclose income and asset information could apply and receive the proposed \$500 credit.