
AIP Meeting Minutes

March 02, 2020

Select Board and Aging-In-Place Committee Workshop

A meeting of the Eliot, Maine ***Aging in Place Committee and Select Board Workshop*** was held at 1333 State Road, Eliot, Maine on March 2, 2020. Attendees included the following Select Board Members: Richard Donhauser, Chair; Robert McPherson; Alex Orestis; Philip Lytle and Town Manager, Dana Lee. The Aging in Place Committee Members included: Ellen Ceppetelli, Chair; Ronald Ceppetelli; Gail Licciardello; Nedra Sahr; and Elizabeth Castillo

Topic of Discussion

Review and discussion of the first draft of the proposed Senior Property Tax Assistance Program.

The meeting opened up at 5:30 p.m.

Mr. Donhauser - Welcome to the Aging in Place and Select Board Committees Workshop. We do have a quorum of Select Board.

The meeting was then turned over to Aging in Place Chairwoman Ellen Ceppetelli.

Ellen Ceppetelli, states the goal is to have a final proposal of this Program to the Select Board to discuss at the Select Board meeting on March 12, 2020. **If this proposal is moved forward it will be placed on the Ballot for a vote on June 9th. If the program passes, it will be implemented on July 1, 2021.**

Why are we proposing a senior tax assistance program?

Some people participated in a survey about 18 months ago about what the town could do to assist the elderly and allow them to age in place. Approximately 330 responses to the survey and two public hearings were held to determine what residents felt would best assist the elderly to Age in Place and keep them in their home. The committee determined that there are 4 major domains that need improvement in Eliot.

#1 Housing

#2 Communication and Information

#3 Transportation

#4 Public spaces

The tax assistance program was chosen as the first item to tackle because the survey results identified tax relief as a high priority; resources were available to create an ordinance; and the election date of June 9 required immediate action.

Ellen Ceppetelli presented the following draft information:

ELIOT SENIOR PROPERTY TAX ASSISTANCE PROGRAM

Purpose.

The purpose of this article is to establish a program pursuant to Chapter 907-A of Title 36 of the Maine Revised Statutes to provide property tax assistance to qualifying persons who reside in the Town of Eliot. Under this program, the Town of Eliot may provide tax rebate and rental rebate payments to those individuals who meet the criteria established by this article.

Definitions.

Homestead: For purposes of this article, "homestead" shall have the same meaning as defined in 36 M.R.S.A. § 5219-KK(1)(C). Generally, a homestead is a dwelling owned or rented by the person seeking tax assistance under this article or held in a revocable living trust for the benefit of that person. The dwelling must be a permanent residence, occupied by that person and that person's dependents as a home.

Homestead exemption: The State of Maine property tax exemption for all individuals who have owned a permanent residence in Maine for 12 months as of April 1. Established by the State of Maine pursuant to 36 M.R.S.A. § 683, as may be amended from time to time.

Program administrator: The town manager or his/her designee.

Property tax assistance program: The program established by the Town of Eliot under this article. Also referred to as the "program."

Property tax assistance program fund: The special revenue fund established by the Town of Eliot under this article. Also referred to as the "program fund."

Property tax fairness credit program: The property tax credit established by the State of Maine pursuant to 36 M.R.S.A. § 5219-KK, as may be amended from time to time.

Qualifying applicant: A qualifying applicant is a person who is determined, after review of a complete application under section 2-483 of this article, to be eligible for a tax rebate or rental rebate payment under the terms of this article.

Funding of the program fund.

A special revenue fund entitled the property tax assistance program fund as defined under the terms of this article shall be created to fund the payments under this program.

The town manager may propose to the Select Board as part of his/her annual budget recommendation an appropriation of monies to fund the program. Contributions and grants for the purpose of property tax and rent relief will be accepted and deposited into the property tax assistance program fund.

Payments under this article shall be conditioned upon the existence of sufficient monies in the program fund for the fiscal year in which participation is sought. If there are not sufficient monies in the program fund to pay all qualifying applicants in full under this article, payments shall be limited to the amounts available in the program fund on a pro-rata basis to each eligible participant based on the amount of the participant's calculated rebate

under the program. In the event that a lack of funding results in no payment or less than the full payment to a qualifying applicant, the request will not carry over to the next year.

Criteria for participation.

To qualify for participation in the property tax assistance program, an applicant must demonstrate all of the following:

- (1) That the applicant has a homestead in the Town of Eliot at the time of application and for ten continuous years prior to the date of application.
- (2) That the applicant has received a tax credit under the provisions of the State of Maine Residents Property Tax Fairness Credit Program.
- (3) That the applicant is age 70 years or older as of the application deadline of November 1st. Additionally, if the applicant is a property owner:
- (4) That the applicant has applied for and received the Homestead Exemption for the year for which the rebate is requested.
- (5) That the applicant has paid property taxes in full through the date of application.

Application procedures and determination of eligibility:

Persons seeking to participate in the property tax assistance program shall submit a written request to the program administrator no later than November 1 of the year for which the rebate is sought. A new application shall be required for each year in which participation in the program is sought. The program administrator shall provide an application form for the program, which shall include, at a minimum, the applicant's name, homestead address and contact information.

The program is based on the state property tax fairness credit and relates to property taxes and rent paid in the preceding calendar year. As part of the application to the town, the applicant shall authorize the town to seek documentation from Maine Revenue Services of proof and dollar amount of the state property tax fairness credit received by applicant.

The program administrator shall review and determine if the application is complete and accurate, and if the applicant is otherwise eligible to participate in the program. The program administrator shall notify an applicant if an application is determined to be incomplete or inaccurate. Applications not deemed complete by November 1 shall not be considered. The program administrator's decision on eligibility to participate in the program shall be final.

Determination of rebate.

If the program administrator determines that the applicant is eligible to participate in the program, he/she shall determine the rebate. The rebate shall be the lesser of the following amounts, but in no case shall the town's rebate exceed the property taxes or rent paid in the preceding calendar year, less the state property tax fairness credit:

- (1) The amount of credit qualified for under the property tax fairness credit program; or

(2) A pro rata share of available monies in the program fund based on the calculated amount of the rebate.

The town Manager shall report to the Select Board each year the projected payments and number of eligible applicants requesting assistance from the program fund.

Timing of rebate payments.

A person who qualifies for payment under the program shall be mailed a check for the full rebate amount (or pro-rated amount of available funds) no later than December 31 of the year in which the application is submitted.

Limitations upon payments.

Only one qualifying applicant per homestead shall be entitled to payment under this program each year. The right to file an application and to receive a rebate under this article is personal to the applicant and does not survive the applicant's death, but such rights may be exercised on behalf of the applicant by the applicant's legal guardian, attorney-in-fact or personal representative.

Town manager Dana Lee: July 2021 is actually fiscal year 21/22. Next year's budget will be first time this program will appear and will be written into the budget should it pass.

Opened for Public Comments:

If the home is in an irrevocable trust one cannot qualify for the Homestead Exemption and this criteria will eliminate those individuals, what can be done?

Response: We could consider an exemption for those with an irrevocable trust and will research the issue.

No place where income is a qualifier, because of the Homestead Exemption and Maine Tax Fairness what about assets?

Response: The Town will not have a higher standard than the State. So long as the individual is under the income level they will qualify. Tax Fairness Relief does have an income qualifier but Homestead does not. So long as the individual is below the income tax limits based on their tax return they will qualify.

Is there any assistance under program for people to file for the Homestead Exemption? Can they come and get free assistance with this program?

Response: The Committee will be happy to volunteer to assist those that have questions for filing the paperwork. Possibly the library can be part of the service as they are with taxes.

May want to consider changing dates to Oct. 1 or 15 to allow the town manager to review applications and send back if changes are to be made. This will allow the town manager to meet the Nov. 1 deadline.

Response, Dana Lee: This is a good idea as we are heavily into the budget season by Nov. 1 and changing the filing date to Oct. 1 will make this more manageable.

Ellen Ceppetelli. Did anyone have an opinion on allowing this to be credited towards the applicant's account?

Public:

What if the person has not paid their taxes in full by the Nov. 1 deadline? Would the town still be sending a rebate and potentially the applicant may not have paid all of their taxes?

Response, Dana Lee: The November tax payment is actually the first payment due and the May payment is the second payment due based on fiscal year. The program is based on the previous year and as long as taxes are paid in the previous year the applicant is considered paid in full and they will qualify.

Public comment is that the town should issue a credit as opposed to mailing a check.

Response, Dana Lee: This program is intended to be a rebate.

Could recipient have the option to have credit as opposed to check?

Response, Dana Lee: This is something to consider.

Can the recipient have the check direct deposited?

Response, Dana Lee: The town would have some difficulty with that as it would require all the banking info of the individual.

Where are funds coming from?

Response, Dana Lee: They will be raised in the municipal budget just as funds are raised for police, or the clerk, etc.

So everyone else will be paying for it?

Response, Dana Lee: Correct. In terms of this, if we need to raise \$100,000 the mil rate would go up by .10 cents and we don't believe that this program will need to add \$100k. We are estimating that this program will only need to have \$30k - \$35k or approximately .03 cent increase to the mil rate. Senior tax credits are authorized by law and this is why we are focused on this program.

Last page, does not survive applicants death, personal representative creates confusion as it is typically used as probate terminology. Personal representative ties back to probate after death.

Response, Dana Lee: This will be going through legal review with town attorney, these questions will be run by the attorney to make sure that we are using correct terminology.

What about someone whose income is \$50k and paying \$6k in taxes or someone who is making \$40k and only paying \$3k, does this seem fair?

Response, Dana Lee: This eligibility would not resolve the issue. The State Tax Fairness uses anything above 6% on income going to taxes, or something to that effect, as what qualifies and individual for the Property Tax Fairness. This is one of the qualifications that will be used. This is why the ordinance will allow the state to determine the rebate based on their formulas.

How does it figure out when you have a couple?

Response: Only one household member can qualify.

What about a program where seniors can work and use the income to pay taxes?

Response, Ellen Ceppetelli: This was a model that was looked at, but others that have implemented it state that it required hiring FT person to monitor the hours, involved Workers' Compensation and would be much more involved and more expensive. Administrative costs would give it a negative position.

Aging in place committee is seeking volunteers and assistance based on action plan that will link up people to assist the elderly.

Mr. Donhauser: Received a call from a resident prior to the meeting. ***Was the town able to formulate a group of people that could assist those, that are unable to get out, with shopping, etc.?***

Response: These re things that the Committee are looking to expand. The Aging In Place committee is always looking for volunteers to assist.

Can some examples be shown that will list the monetary benefits of this program?

Response, Dana Lee: In order to do so, we will need information from the State. He will check into whether they can provide some redacted information to allow some examples to be shown.

Are there other programs being considered?

Response Ellen Ceppetelli: The Aging in Place Committee does have their Action Plan listed on the town website. The Action Plan may be changed as new items are presented as a need.

Is the estimate based on actual numbers?

Response Dana Lee: Yes, the quick math is \$30k to \$35k.

Mr. Donhauser: We will most likely ask for reserves and build the fund up.

Are we talking about a mandate to establish programs like this or just a suggestion?

Response, Dana Lee: No it is not a mandate, it really was a human cry to help seniors stay in towns, and the towns reached out to their Respective Legislators to amend the law that allows a local level tax program to assist the elderly.

Mr. Donhauser — Thanked and applauds the excellent job done by the AIP committee with putting this together.

Mr. Donhauser — If there are no other comments the Joint meeting is closed.

Adjournment: 6:43 PM

Respectfully submitted: Deborah Parent,
Recording Secretary

Date of approval: April 16, 2020