

Mongillo, Arthur

From: Anderson, Kimberly
Sent: Tuesday, March 09, 2010 12:35 PM
To: Mongillo, Arthur
Subject: Sen. McLachlan's constituent's testimony
Attachments: report from Clemson Univ..pdf

Robert Stryker, 71 Lake Drive North, New Fairfield, CT 06812, 203-746-6363

Testimony letter to Select Commission on Aging, re: S.B. 172

Edith Prague, Co-chair, Select Commission on Aging
 Joseph Serra, Co-chair, Select Commission on Aging

I have been following proposed legislation to assist seniors with property tax relief for a number of years prompted by major increases from revaluations, about five years ago.

As I recall, from a couple of years ago, there were about 28 proposed bills on this subject with both single and multiple sponsors. Those sponsors represented more than a quarter of all our legislators yet, none of these proposed bills made it out of their respective committees.

None.

Why was this? How could this high number of bills and legislators efforts be, in effect, completely ignored?

Why has our state completely ignored the needs of those individuals who have paid into supporting their communities for many years and now, in a number of cases, may be forced to leave their homes because they cannot afford rising taxes on fixed incomes? How can our legislators answer any of these questions, especially with the rising numbers of "baby boomers" just starting, and continuing, to retire in the near future?

Now, I have come across a new attempt to solve this dilemma with S.B. #172, proposing a property tax freeze for seniors. Good proposal, except... by requiring age -EIGHTY FIVE- to qualify.

EIGHTY FIVE! You cannot be serious unless you intend this to an inherited tax break to pass on to their children. We should all live long enough to reap this benefit.

If your committee is serious about meaningful property tax relief for our senior citizens, please look no further than those plans in effect in our neighboring states; NY and NJ, for example. New Jersey has a freeze on property taxes for seniors above sixty five with an income limitation which, I believe, is to be 80K for 2010. New York has a rather complicated "Enhanced Star" program that deducts a considerable amount from assessed residential valuation used to pay for the local education share of taxes; again, for those over 65 and 80K income limitation for 2009. Although these states reimburses communities and/or individuals for this shortfall, this is not a necessity for CT - on the state level. But, the key issues for both of these states are: age - 65; income limitations - 80K ; and truly meaningful tax reductions.

If your committee will consider a "freeze" similar to New Jersey's, I believe this to be among the easiest to administer and the fairest. First, this would not involve the state's budget as it would simply be a small redistribution within each municipality. To be fair, these seniors will continue to pay their fair share to their community while not receiving many of the benefits they are contributing towards, such as: education, recreational facilities, etc. In most cases they have been contributing for many, many years while benefiting from these services but now are still paying increasing taxes while on decreasing incomes without these benefits. With a freeze others within the same community who now will pay slightly higher taxes come to retire they too, as long time residents, will enjoy being able to afford and stay in the community they have known as home for these many years.

Please consider proposing some - any - meaningful bill that will support all of us: our citizens; our neighbors; our relatives; our selves as we all grow into this stage of our lives.

Thank you for your time to read and consider these statistics from NJ's senior & disabled property tax relief program and statistics from my town: New Fairfield to extrapolate a rough estimate on what a freeze would my town in increased property taxes: (NJ has about the same income and average residential property tax as CT)

NJ population ('08 est.) - 8.7MM
 expanded income limit (to 80K) est. participants - 200K+
 percent of population - 2.2%
 average 2009 rebate - \$1,266

My town, New Fairfield statistics for comparison, based on 2000 census:

population - 14K
 residents over 65 - 1,204 -or- 8.6%
 housing units - 5,145
 average members per unit - 3
 income by age, 65-74 - \$49.5K; 75+ - \$24K

2009 grand list revenue - 39MM (98% residential)

guesstimates: 38MM residential divided by 5,145 units = 7.4K average per unit tax
 1,204 seniors with a lower members per housing unit, say 1.5 =
 about 800 households eligible for freeze of \$1,266 or just over 1MM
 deductions for N.F. seniors

5,145 units - 800 = 4345 or \$230 per remaining household units or
 a 3% increase tax for those residents making up the difference.

using NJ's statistics of 2.2% estimate of those enrolled or eligible for their
 program, then this would lower the number of units to 113 (2.2% of 5,145)
 @ \$1,266 = \$143K; divided by the remaining 5032 units equals only \$28,
 per remaining household units to support their senior neighbors

other considerations:- more homes were build in the last ten years so this per unit cost will be less
 -as more seniors are able to afford to stay in their homes and live
 in their community, they will not be replaced by those with school
 age children which will lower the rise in local taxes

-NJ has about the same percent ,13.3 of those over 65 as does CT, 13.7. Yet, in NJ, only a 2.2% of the population have received or are estimated to be eligible for their program

I am sending the attached report on "Property Tax Relief Programs in the U.S." from the Jim Self Center on the Future, Clemson University. This should be considered as a follow up, with additional information, to my email of Feb. 23.

Please note that this report is from 2004, almost 6 years ago. I may assume that these types of property tax relief programs have probably increased among states - like CT - that, at that time, did not have such programs for seniors.

Also note that among these various programs, ALL of them, that have any age restrictions for seniors, go between a relatively narrow range of a low of 55 to a high of 66.

None are even close to 85.

Please reconsider your age restriction for seniors, within this proposed bill, and make it comparable to those used in all other states that have similar tax relief programs.

Thank you, again, for this consideration.

Bob Stryker, Resident of and soon to be senior citizen of New Fairfield

P.S. Another suggestion: within the 65 age/income restrictions, lower the 70% ratio of assessed to appraised valuation on real estate to 50%. There is already precedence for this in the city of Hartford, although not age/income related.