

Testimony to Senate Finance committee on Jun 16, 2020 on H.954

My name is Chris Miele, Vice President of New England Municipal Resource Center (NEMRC). I began working with this company 22 years ago when Act 60 was first introduced. I was specifically hired to work directly with Listers/Assessors, Clerks, Treasurers, PV&R staff, and Taxpayer Services to implement the requirements of Act 60.

This includes the implementation of the following tasks to the grand list software:

- Adding Homestead and Non homestead grand lists
- All aspects of processing homestead declarations at the local level
- Processing state payments at the local level
- Production and design of all tax bills produced through our Grand List software
- Implementation of TIF (Tax Increment Finance) districts
- Training Listers, Assessors, Clerks, Treasurers, PV&R Staff, and Taxpayer Services
 - Annual Grand List Seminars
 - Webinars
 - On-site training

In 2019 I helped design the current tax bill (page 3) that further broke apart the Municipal taxes from the Education taxes. At the same time preserving all of the variability that exists within our municipalities. For instance the existing software allows for 1 – 4 due dates, State Payments, Housesite tax information, Village district taxes, Sewer Bond Fees, Special assessment factor fees, variable tax rates, application of tax rates applied to specific due dates, barcodes, Lock box bar codes, the list goes on but it is all contained on 1 sheet of paper produced by the municipality. The important thing to remember, is through all of this variability throughout the municipalities all the tax bills have the same layout. Some may use a pre printed form using various colors, where others use a blank sheet of paper and the software prints all of the graphics and information. But at the end of the day a taxpayer that receives a bill from multiple municipalities will see the information same format.

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State billing and collecting education tax bills: - (Previous state study showed that this was not cost effective)

- Municipal officials would still do the same amount of work.
 - Maintain the Municipal and Education Grand List, updating names, address changes, valuations, exemptions, etc.
 - Lose out on revenue stream but still need to produce municipal tax bills
 - Processing Homestead Declarations, Reviewing, and Reporting anomalies to Taxpayer Services.
 - Processing State payments and reporting anomalies to Taxpayer Services.
 - Manage and resolve Taxpayer questions at the local level.
 - Distributing electronic files to escrow companies.
 - Public Records Request
 - State Payments that exceed Total Tax bill. Municipality can apply over payment to other municipal bills such as Utility bills.
 - Double the materials to produce 2 bills, including labor, postage etc.
 - Partial payment application.
 - Late payments - currently the Treasurer can work with a Taxpayer and apply taxes in a fashion that prevents them from incurring more interest on upcoming installments.
 - Taxpayer will have to add 2 bills together to calculate their Housesite income sensitivity.
 - Taxpayer will have different due dates for municipal bill and state education bill.
 - What happens when Taxpayer over pays their municipal bill thinking they are paying both bills?
 - Education Tax Rates if delayed will affect local agreement tax rate that appears on municipal tax bill.
 - How will tax sales be processed?
 - Municipalities work with Taxpayers to setup payment plans
 - State receives education money in full now
 - Does not have to add more staffing – worry about delinquencies -
 - Adding additional staffing costs at state level
 - Training Costs – Software Development Billing, Receiving, Delinquent tracking – Communication for Taxpayers – Communication for municipalities

How municipalities are paid for maintaining the Grand List and processing Homestead Declarations & State Payments:

Municipalities are reimbursed for maintaining the grand list and processing revised tax bills due to late filed homestead declarations or late state payments. This money is put back into the municipality.

- Keep Late Homestead Declaration fees
 - Option to waive fees all together
 - Waive fees on case by case basis
 - Also can change late file penalty between 1 – 8%
- .225 of 1% of homestead liability retained by municipality
- Delinquent tax penalty collected goes back to municipality general fund.
 - Used to reduce municipal tax
 - Pays local official to maintain towns delinquents.

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SAMPLE 4 INSTALLMENT TAX BILL

PAYABLE TO:
MAIL TO:

TOWN OF ANYTOWN
55 MAIN ST
ANYTOWN VT 05555

This is the only bill you will receive. Please forward to new owner if property is sold.

TAX BILL

802 555 5555

PARCEL ID	BILL DATE	TAX YEAR
04040175.000	06/15/2020	2020

Taxes unpaid after the due date are delinquent. Maximum interest as allowable by law will be charge in addition to collectors fee of 8%. Postmarks are NOT accepted as timely payment.

Description: BUILDING WITH LAND
Location: 289 WESCOM RD

OWNER SMITH JOHN
PO BOX 62
ANYTOWN VT 05443

HOUSESITE TAX INFORMATION

SPAN # 354-109-10275	SCL CODE:109
TOTAL PARCEL ACRES	9.50
HOUSESITE VALUE	200,000
HOUSESITE EDUCATION TAX	2,000.00
HOUSESITE MUNICIPAL TAX	401.00
HOUSESITE TOTAL TAX	2,401.00
FOR INCOME TAX PURPOSES	

Housesite Tax Information

ASSESSED VALUE	HOMESTEAD	NONHOMESTEAD
REAL 300,000	250,000	50,000
TOTAL TAXABLE VALUE 300,000	250,000	50,000
GRAND LIST VALUES 3,000.00	2,500.00	500.00

MUNICIPAL TAXES			EDUCATION TAXES		
TAX RATE NAME	TAX RATE	x GRAND LIST = TAXES	TAX RATE NAME	TAX RATE	x GRAND LIST = TAXES
GENERAL FUND	0.2000	\$6,000.00=	HOMESTEAD EDUCATION	1.0000	\$2,500.00=
LOCAL AGREEMENT	0.0008	\$2,000.00=	NONHOMESTEAD EDUCATION	1.1000	\$550.00=
<p>TOTAL MUNICIPAL TAX 601.48</p> <p>MUNICIPAL STATE PAYMENT 100.00</p> <p>MUNICIPAL NET TAX DUE 501.48</p>			<p>TOTAL EDUCATION TAX 3,050.00</p> <p>EDUCATION STATE PAYMENT 400.00</p> <p>EDUCATION NET TAX DUE 2,650.00</p>		
<p>TOTAL MUNICIPAL TAX 601.48</p> <p>MUNICIPAL STATE PAYMENT 100.00</p> <p>MUNICIPAL NET TAX DUE 501.48</p>			<p>TOTAL TAX 3,651.48</p> <p>TOTAL STATE PAYMENT 500.00</p> <p>TOTAL NET TAX DUE 3,151.48</p>		

Up to 8
Municipal Tax Rates
Village Districts
Misc Fees

Education Taxes

DETACH THE STUBS BELOW AND RETURN WITH YOUR PAYMENT

TOWN OF ANYTOWN TAX YEAR 2020	TOWN OF ANYTOWN TAX YEAR 2020	TOWN OF ANYTOWN TAX YEAR 2020	TOWN OF ANYTOWN TAX YEAR 2020
1ST PAYMENT DUE 08/15/2020	2ND PAYMENT DUE 11/15/2020	3RD PAYMENT DUE 02/15/2021	4TH PAYMENT DUE 05/15/2021
OWNER NAME SMITH JOHN	OWNER NAME SMITH JOHN	OWNER NAME SMITH JOHN	OWNER NAME SMITH JOHN
PARCEL ID 04040175.000	PARCEL ID 04040175.000	PARCEL ID 04040175.000	PARCEL ID 04040175.000
AMOUNT DUE 787.87	AMOUNT DUE 787.87	AMOUNT DUE 787.87	AMOUNT DUE 787.87
AMOUNT PAID	AMOUNT PAID	AMOUNT PAID	AMOUNT PAID



120002061



120002062



120002063



120002064