



THIRD, PLEASE, “HELP THE SENIORS WHO NEED IT MOST”

PROPOSED CHANGES TO SENIOR & DISABLED TAX RELIEF PROGRAM – PART III

Fairfield Taxpayer (FT) continues to believe¹ that the changes to Fairfield’s Senior & Disabled Tax Relief (SDTR) Program proposed by the RTM’s SDTR Committee (the “Committee”) are not in the Town’s best interests because:

- The additional \$0.8 million in spending (a 23% increase) will go largely to relatively wealthy seniors (some of them millionaires) who either don’t need tax credits or who will not stay in their homes any longer simply because they get a small tax credit; and
- The likely much greater increase in the number of participants than the 23% increase in funding means that credits to current participants would have to be cut unless provisions are made to protect them, which would mean a two-tier system in which new participants would get much lower credits and current participants would get no increases.

In short, the changes proposed by the Committee would give credits to some seniors who don’t need them, would deny adequate credits to some seniors who do need them, would deny needed increases to some current participants, would be very complicated to understand and administer, would create recurring “proration” problems every year, and may not even be legal if a two-tier system were deemed to be discriminatory. As a result, ***rather than keeping more seniors in their homes longer than they would otherwise have stayed, it is quite possible that more seniors will sell their homes than would have if we made no changes.***

FT continues to recommend that no changes to the SDTR Program should be approved until the Committee demonstrates that the program is actually keeping seniors in their homes longer than they would otherwise stay, that it will work even better as a result of any proposed changes, that rational metrics have been established to assess its effectiveness, and that current participants will not be hurt.

The purpose of this paper, our fourth on the subject, is to present an “Alternative B” proposal, which (like our earlier Alternative A), **is expressly not presumed to be optimal, but is instead offered to illustrate how we believe the Committee and others should think about our options, and to provide a framework for informed public debate.**

Why an Alternative B?

Fairfield Taxpayer is providing an Alternative B for three reasons:

1. Alternative A mistakenly applied the State statutory cap of 75% only to Local tax credits and not to combined Local and State credits.
2. Alternative A assumed a greater increase in SDTR funding (\$1.3 million) than the \$0.8 million that would apply to FY20, which made direct comparisons to the Committee’s proposals more difficult.
3. Alternative B sharpens the focus on what we should be trying to accomplish, which is to get as many lower-income homeowners to the maximum 75% credit allowed under state law.

¹ For FT’s earlier papers on this subject please see: “First, Please, Do No Harm,” “Second, Please, Millionaires Don’t Need Tax Credits,” and “Ten Reasons to Reconsider the Proposed Changes to the SDTR Ordinance,” at www.FairfieldTaxpayer.com.

Applying the 75% statutory cap to both Local and State credits changes some of the numbers, **but it does not change any of our earlier conclusions, the most important of which is that the Committee's proposal would benefit the rich at the expense of the poor.** For example, the Committee wants to give **\$1,100** to a median-value homeowner who is spending only **12%** of his/her **\$90,000** income on taxes instead of giving that money to a homeowner in the same median-value home who must currently spend three times more, or **36%**, of his/her **\$14,000** income on property taxes.

Comparisons of Proposed Changes to Credit Limits

The table below shows the current and proposed limits for each income bracket from the Committee compared to Alternative B. Instead of raising every dollar credit limit by \$500, as proposed by the Committee, Alternative B increases the limits for lower income brackets much more than for higher income brackets. Alternative B also raises the "percentage" credits for lower incomes more than for higher incomes. As stressed in our earlier papers, the specific "percentage of tax" and "dollar" limits we have used in Alternative B are not presumed to be optimal. They are merely designed to illustrate how we believe the Committee should think about our policy options, and to provide a framework for informed public debate.

Credit Limit Comparisons							
Income Brackets		Current		Committee		Alternative B	
Low	High	% of Tax	Dollars	% of Tax	Dollars	% of Tax	Dollars
\$0	\$17,600	67%	\$5,000	75%	\$5,500	75%	\$8,000
\$17,601	\$25,100	60%	\$4,500	66%	\$5,000	70%	\$7,000
\$25,101	\$31,000	50%	\$3,700	55%	\$4,200	60%	\$6,000
\$31,001	\$37,100	42%	\$3,500	46%	\$4,000	50%	\$5,000
\$37,101	\$45,600	33%	\$2,700	36%	\$3,200	35%	\$3,500
\$45,601	\$53,200	25%	\$2,000	28%	\$2,500	27%	\$2,500
\$53,201	\$73,500	15%	\$1,400	17%	\$1,900	15%	\$1,500
\$75,100	\$90,000	0%	\$0	10%	\$1,200	0%	\$0

What Difference Does It Make?

The difference between the Committee's Proposal and Alternative B is most apparent in the side-by-side comparison in the tables below of the proposed increases in total credits by income bracket and home value. The Committee gives the biggest increases to higher income brackets; in contrast, Alternative B gives the biggest increases to lower income brackets, and particularly to those with low incomes who are living in higher-value homes.

Avg. Inc.	CHANGE IN TOTAL CREDITS AT VARIOUS HOME VALUES									
	COMMITTEE PROPOSAL					ALTERNATIVE B				
	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	0%	0%	0%	8%	8%	0%	0%	0%	38%	41%
\$21,900	0%	4%	9%	9%	9%	0%	4%	12%	47%	47%
\$28,700	8%	9%	12%	12%	12%	24%	17%	25%	31%	31%
\$34,800	8%	9%	9%	13%	13%	17%	17%	17%	26%	26%
\$42,250	9%	9%	9%	18%	18%	6%	6%	6%	11%	11%
\$50,550	12%	12%	12%	25%	25%	8%	8%	8%	13%	13%
\$64,800	13%	13%	13%	34%	36%	0%	0%	0%	7%	7%
\$82,550	100%	100%	100%	100%	100%	<<<<<<<< NO CREDITS >>>>>>>>				

The first important analytical perspective on these differences is provided by looking at **how much a senior must pay of his/her total taxes due** at various levels of incomes and home values. Indeed, one of the most important objectives for Fairfield’s SDTR Program should be to maximize the number of seniors who end up in what we call “**The Green Zone**,” which is where tax credits have been maximized and the homeowner, after both Local and State credits, must pay “only” 25% of taxes due. At present, as indicated in the table on the right, only four of our matrix boxes are receiving maximum Local and State credits (dark green), and two others (light green) are at least below the 40% threshold. However, things get much tougher for seniors in even slightly higher income brackets. For example, after Local and State credits, seniors in the lowest income bracket who live in a median-value home (with a \$420,000 assessment) must pay **46%** of the **\$11,071** they owe. And a senior in the second-lowest income bracket in the same median home must pay **52%**.

	PAYMENT AS % OF TAXES DUE				
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	25%	25%	25%	46%	62%
\$21,351	25%	28%	33%	52%	67%
\$28,051	40%	42%	46%	62%	73%
\$34,051	52%	53%	54%	66%	76%
\$41,351	66%	66%	66%	75%	83%
\$49,401	75%	75%	75%	82%	87%
\$63,351	85%	85%	85%	87%	91%

The side-by-side comparisons below show that the Committee’s proposal would add only **one more** dark green box (taxpayer paying the minimum 25% of taxes due) and one more light green box (taxpayer paying less than 40% of taxes due), whereas Alternative B, primarily at the expense of eliminating the proposed new income bracket (which we believe would provide virtually meaningless credits to homeowners with incomes up to **\$90,000** and unlimited retirement savings and other assets), adds **three more** dark-green boxes and, like the Committee proposal, one additional light-green box.

	PAYMENT AS % OF TAXES DUE									
	COMMITTEE PROPOSAL					ALTERNATIVE B				
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	25%	25%	25%	41%	59%	25%	25%	25%	25%	46%
\$21,900	25%	25%	27%	48%	63%	25%	25%	25%	30%	51%
\$28,700	35%	37%	40%	57%	70%	25%	32%	33%	50%	65%
\$34,800	48%	49%	50%	61%	73%	44%	45%	46%	57%	70%
\$42,250	63%	63%	63%	70%	79%	64%	64%	64%	72%	81%
\$50,550	72%	72%	72%	77%	84%	73%	73%	73%	80%	86%
\$64,800	83%	83%	83%	83%	88%	85%	85%	85%	86%	91%
\$82,550	90%	90%	90%	90%	92%	<<<<<<<< NO CREDITS >>>>>>>>				

Many more boxes could be added to our matrix, but our intent is merely to illustrate how we should all think about our policy options and how those options should be presented to the public. If we correctly understand the latest claims and data (as of an RTM meeting on 1/22/19), if the Committee’s proposal were adopted, only another 14 of the lowest-income participants would move into the Green Zone (103/139 versus 89/122 at present), which would mean no material change in their percentage of total (74% versus 73%). There would be much better progress in the second-lowest income bracket (116/210 versus 28/203, or 55% versus 14%), but zero progress in any other income bracket. Overall, Green Zone participants would rise from 9% (119/1,336) to 14% (221/1,546). We can and should do better.

Meanwhile, a second important analytical perspective is provided by looking at **how much of their income senior homeowners must spend on their taxes**. At present, a senior in the lowest income bracket in a median-value home must spend **36%** of his/her income on taxes, and the burden escalates

Avg. Inc.	PAYMENT/AVG. INCOME AT HOMES ASSESSED AT:				
	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	9%	12%	14%	36%	70%
\$21,351	6%	9%	12%	27%	49%
\$28,051	7%	10%	13%	24%	41%
\$34,051	8%	10%	13%	21%	35%
\$41,351	8%	11%	13%	20%	32%
\$49,401	8%	10%	12%	18%	28%
\$63,351	7%	9%	11%	15%	23%

sharply for low-income seniors in more valuable homes. **This is probably the single best measure of whether a senior can afford to stay in his/her home.** By this measure, the table below demonstrates that Alternative B would do far more than the Committee’s Proposal to make taxes a more manageable burden for lower-income seniors. For example, under Alternative B, a senior would have to spend only **20%** of a **\$14,000** income to pay the taxes on a median-value home versus **32%** under the Committee Proposal and 36% at present.

Avg. Inc.	PAYMENT/AVG. INCOME AT HOMES ASSESSED AT:									
	COMMITTEE PROPOSAL					ALTERNATIVE B				
	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	9%	12%	14%	32%	66%	9%	12%	14%	20%	52%
\$21,900	6%	8%	10%	24%	46%	6%	8%	9%	15%	37%
\$28,700	6%	8%	11%	22%	39%	5%	7%	9%	19%	36%
\$34,800	7%	9%	11%	19%	33%	7%	9%	10%	18%	32%
\$42,250	8%	10%	12%	18%	30%	8%	10%	12%	19%	30%
\$50,550	8%	9%	11%	17%	26%	8%	10%	11%	17%	27%
\$64,800	7%	8%	10%	14%	21%	7%	9%	10%	15%	22%
\$82,550	6%	7%	9%	12%	18%	<<<<<<<< NO CREDITS >>>>>>>>				

Driving down the number of seniors who must spend high percentages of their incomes on property taxes seems to be one of the most effective policy objectives to keep seniors in their homes longer than they would otherwise stay. Policy makers should think about what seniors can afford to pay in property taxes based on their incomes, and then, as best is possible, provide credits that keep taxes after Local and State credits for all seniors in the same income bracket at the same percent of income, irrespective of the value of their homes. Policy makers can and should debate just how high we should go in terms of home value (i.e., at some point, it is simply not practical to try to keep very low-income seniors in very expensive homes), perhaps capping the maximum dollar amount of credits for every income bracket at the level set for the median-value home (which, by definition, would mean that seniors living in homes valued in the lower half of Fairfield’s homes would be equally protected).

In conclusion, once again, instead of merely adding more participants by offering credits to relatively rich homeowners, any additional funds the Town decides it can afford to spend on SDTR should go to the homeowners who need it most.

CURRENT TOWN SDTR PROGRAM					
Income Brackets			Credit Limits		Homes
Low	High	Average	% of Tax	Dollars	1336
\$0	\$17,600	\$14,000	67%	\$5,000	122
\$17,601	\$25,100	\$21,351	60%	\$4,500	203
\$25,101	\$31,000	\$28,051	50%	\$3,700	177
\$31,001	\$37,100	\$34,051	42%	\$3,500	185
\$37,101	\$45,600	\$41,351	33%	\$2,700	198
\$45,601	\$53,200	\$49,401	25%	\$2,000	147
\$53,201	\$73,500	\$63,351	15%	\$1,400	304
Mkt.Value	\$285,714	\$357,143	\$428,571	\$600,000	\$857,143
Assessmnt	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
Taxes Due	\$5,272	\$6,590	\$7,908	\$11,071	\$15,816
75% of Tax	\$3,954	\$4,943	\$5,931	\$8,303	\$11,862

AVERAGE CREDIT AND PROGRAM COST			
Average Credit	Current Weight	Weighted Average	Program Cost
\$3,916	9.1%	\$358	\$477,691
\$3,872	15.2%	\$588	\$786,097
\$3,210	13.2%	\$425	\$568,229
\$2,951	13.8%	\$409	\$545,907
\$2,306	14.8%	\$342	\$456,593
\$1,736	11.0%	\$191	\$255,137
\$1,091	22.8%	\$248	\$331,778
Average Credit		\$2,561	\$3,421,432

STATE CREDIT ON HOMES ASSESSED AT:					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	\$1,027	\$1,027	\$1,027	\$1,027	\$1,027
\$21,351	\$778	\$778	\$778	\$778	\$778
\$28,051	\$542	\$542	\$542	\$542	\$542
\$34,051	\$303	\$303	\$303	\$303	\$303
\$41,351	\$67	\$67	\$67	\$67	\$67
\$49,401	\$0	\$0	\$0	\$0	\$0
\$63,351	\$0	\$0	\$0	\$0	\$0

TOWN CREDIT ON HOMES ASSESSED AT:					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	\$3,532	\$4,415	\$5,000	\$5,000	\$5,000
\$21,351	\$3,163	\$3,954	\$4,500	\$4,500	\$4,500
\$28,051	\$2,636	\$3,295	\$3,700	\$3,700	\$3,700
\$34,051	\$2,214	\$2,768	\$3,321	\$3,500	\$3,500
\$41,351	\$1,740	\$2,175	\$2,610	\$2,700	\$2,700
\$49,401	\$1,318	\$1,648	\$1,977	\$2,000	\$2,000
\$63,351	\$791	\$989	\$1,186	\$1,400	\$1,400

TOTAL LOCAL AND STATE CREDITS BEFORE 75% CAP					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	\$4,559	\$5,442	\$6,027	\$6,027	\$6,027
\$21,351	\$3,941	\$4,732	\$5,278	\$5,278	\$5,278
\$28,051	\$3,178	\$3,837	\$4,242	\$4,242	\$4,242
\$34,051	\$2,517	\$3,071	\$3,624	\$3,803	\$3,803
\$41,351	\$1,807	\$2,242	\$2,677	\$2,767	\$2,767
\$49,401	\$1,318	\$1,648	\$1,977	\$2,000	\$2,000
\$63,351	\$791	\$989	\$1,186	\$1,400	\$1,400

TOTAL CREDITS AFTER 75% CAP					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	\$3,954	\$4,943	\$5,931	\$6,027	\$6,027
\$21,351	\$3,941	\$4,732	\$5,278	\$5,278	\$5,278
\$28,051	\$3,178	\$3,837	\$4,242	\$4,242	\$4,242
\$34,051	\$2,517	\$3,071	\$3,624	\$3,803	\$3,803
\$41,351	\$1,807	\$2,242	\$2,677	\$2,767	\$2,767
\$49,401	\$1,318	\$1,648	\$1,977	\$2,000	\$2,000
\$63,351	\$791	\$989	\$1,186	\$1,400	\$1,400

TOWN CREDIT AFTER 75% CAP					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	\$2,927	\$3,916	\$4,904	\$5,000	\$5,000
\$21,351	\$3,163	\$3,954	\$4,500	\$4,500	\$4,500
\$28,051	\$2,636	\$3,295	\$3,700	\$3,700	\$3,700
\$34,051	\$2,214	\$2,768	\$3,321	\$3,500	\$3,500
\$41,351	\$1,740	\$2,175	\$2,610	\$2,700	\$2,700
\$49,401	\$1,318	\$1,648	\$1,977	\$2,000	\$2,000
\$63,351	\$791	\$989	\$1,186	\$1,400	\$1,400

PAYMENT AFTER LOCAL AND STATE CREDITS					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	\$1,318	\$1,648	\$1,977	\$5,044	\$9,789
\$21,351	\$1,331	\$1,858	\$2,630	\$5,793	\$10,538
\$28,051	\$2,094	\$2,753	\$3,666	\$6,829	\$11,574
\$34,051	\$2,755	\$3,519	\$4,284	\$7,268	\$12,013
\$41,351	\$3,465	\$4,348	\$5,231	\$8,304	\$13,049
\$49,401	\$3,954	\$4,943	\$5,931	\$9,071	\$13,816
\$63,351	\$4,481	\$5,602	\$6,722	\$9,671	\$14,416

PAYMENT/AVG. INCOME AT HOMES ASSESSED AT:					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	9%	12%	14%	36%	70%
\$21,351	6%	9%	12%	27%	49%
\$28,051	7%	10%	13%	24%	41%
\$34,051	8%	10%	13%	21%	35%
\$41,351	8%	11%	13%	20%	32%
\$49,401	8%	10%	12%	18%	28%
\$63,351	7%	9%	11%	15%	23%

PAYMENT AS % OF TAXES DUE					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	25%	25%	25%	46%	62%
\$21,351	25%	28%	33%	52%	67%
\$28,051	40%	42%	46%	62%	73%
\$34,051	52%	53%	54%	66%	76%
\$41,351	66%	66%	66%	75%	83%
\$49,401	75%	75%	75%	82%	87%
\$63,351	85%	85%	85%	87%	91%

As noted in the text, many more boxes could be added to our matrixes, but the intent here is merely to illustrate how policy makers should think about our options and how those options should be presented to the public.

CHANGES PROPOSED BY THE COMMITTEE					
Income Brackets			Credit Limits		Homes
Low	High	Average	% of Tax	Dollars	1636
\$0	\$17,600	\$14,000	75%	\$5,500	122
\$17,601	\$25,100	\$21,351	66%	\$5,000	203
\$25,101	\$31,000	\$28,051	55%	\$4,200	177
\$31,001	\$37,100	\$34,051	46%	\$4,000	185
\$37,101	\$45,600	\$41,351	36%	\$3,200	198
\$45,601	\$53,200	\$49,401	28%	\$2,500	147
\$53,201	\$73,500	\$63,351	17%	\$1,900	304
\$75,100	\$90,000	\$82,550	10%	\$1,200	300
Mkt. Value	\$285,714	\$357,143	\$428,571	\$600,000	\$857,143
Assessmnt	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
Taxes Due	\$5,272	\$6,590	\$7,908	\$11,071	\$15,816
75% of Tax	\$3,954	\$4,943	\$5,931	\$8,303	\$11,862

AVERAGE CREDIT AND PROGRAM COST			
Average Credit	Current Weight	Weighted Average	Program Cost
\$3,916	7.5%	\$292	\$477,691
\$4,114	12.4%	\$510	\$835,041
\$3,575	10.8%	\$387	\$632,722
\$3,274	11.3%	\$370	\$605,607
\$2,579	12.1%	\$312	\$510,701
\$2,009	9.0%	\$181	\$295,308
\$1,315	18.6%	\$244	\$399,828
\$857	18.3%	\$157	\$257,047
Average Credit		\$2,296	\$4,013,945

Average Credits are estimates, not actuals, but are believed to be fair approximations.

STATE CREDIT ON HOMES ASSESSED AT:					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	\$1,027	\$1,027	\$1,027	\$1,027	\$1,027
\$21,351	\$778	\$778	\$778	\$778	\$778
\$28,051	\$542	\$542	\$542	\$542	\$542
\$34,051	\$303	\$303	\$303	\$303	\$303
\$41,351	\$67	\$67	\$67	\$67	\$67
\$49,401	\$0	\$0	\$0	\$0	\$0
\$63,351	\$0	\$0	\$0	\$0	\$0
\$82,550	\$0	\$0	\$0	\$0	\$0

TOWN CREDIT ON HOMES ASSESSED AT:					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	\$3,954	\$4,943	\$5,500	\$5,500	\$5,500
\$21,351	\$3,480	\$4,349	\$5,000	\$5,000	\$5,000
\$28,051	\$2,900	\$3,625	\$4,200	\$4,200	\$4,200
\$34,051	\$2,425	\$3,031	\$3,638	\$4,000	\$4,000
\$41,351	\$1,898	\$2,372	\$2,847	\$3,200	\$3,200
\$49,401	\$1,476	\$1,845	\$2,214	\$2,500	\$2,500
\$63,351	\$896	\$1,120	\$1,344	\$1,900	\$1,900
\$82,550	\$527	\$659	\$791	\$1,107	\$1,200

TOTAL LOCAL AND STATE CREDITS BEFORE 75% CAP					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	\$4,981	\$5,970	\$6,527	\$6,527	\$6,527
\$21,351	\$4,258	\$5,127	\$5,778	\$5,778	\$5,778
\$28,051	\$3,442	\$4,167	\$4,742	\$4,742	\$4,742
\$34,051	\$2,728	\$3,334	\$3,941	\$4,303	\$4,303
\$41,351	\$1,965	\$2,439	\$2,914	\$3,267	\$3,267
\$49,401	\$1,476	\$1,845	\$2,214	\$2,500	\$2,500
\$63,351	\$896	\$1,120	\$1,344	\$1,900	\$1,900
\$82,550	\$527	\$659	\$791	\$1,107	\$1,200

TOTAL CREDITS AFTER 75% CAP					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	\$3,954	\$4,943	\$5,931	\$6,527	\$6,527
\$21,351	\$3,954	\$4,943	\$5,778	\$5,778	\$5,778
\$28,051	\$3,442	\$4,167	\$4,742	\$4,742	\$4,742
\$34,051	\$2,728	\$3,334	\$3,941	\$4,303	\$4,303
\$41,351	\$1,965	\$2,439	\$2,914	\$3,267	\$3,267
\$49,401	\$1,476	\$1,845	\$2,214	\$2,500	\$2,500
\$63,351	\$896	\$1,120	\$1,344	\$1,900	\$1,900
\$82,550	\$527	\$659	\$791	\$1,107	\$1,200

TOWN CREDIT AFTER 75% CAP					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	\$2,927	\$3,916	\$4,904	\$5,500	\$5,500
\$21,351	\$3,176	\$4,165	\$5,000	\$5,000	\$5,000
\$28,051	\$2,900	\$3,625	\$4,200	\$4,200	\$4,200
\$34,051	\$2,425	\$3,031	\$3,638	\$4,000	\$4,000
\$41,351	\$1,898	\$2,372	\$2,847	\$3,200	\$3,200
\$49,401	\$1,476	\$1,845	\$2,214	\$2,500	\$2,500
\$63,351	\$896	\$1,120	\$1,344	\$1,900	\$1,900
\$82,550	\$527	\$659	\$791	\$1,107	\$1,200

PAYMENT AFTER LOCAL AND STATE CREDITS					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	\$1,318	\$1,648	\$1,977	\$4,544	\$9,289
\$21,351	\$1,318	\$1,648	\$2,130	\$5,293	\$10,038
\$28,051	\$1,830	\$2,424	\$3,166	\$6,329	\$11,074
\$34,051	\$2,544	\$3,256	\$3,967	\$6,768	\$11,513
\$41,351	\$3,307	\$4,151	\$4,994	\$7,804	\$12,549
\$49,401	\$3,796	\$4,745	\$5,694	\$8,571	\$13,316
\$63,351	\$4,376	\$5,470	\$6,564	\$9,171	\$13,916
\$82,550	\$4,745	\$5,931	\$7,117	\$9,964	\$14,616

PAYMENT/AVG. INCOME AT HOMES ASSESSED AT:					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	9%	12%	14%	32%	66%
\$21,351	6%	8%	10%	25%	47%
\$28,051	7%	9%	11%	23%	39%
\$34,051	7%	10%	12%	20%	34%
\$41,351	8%	10%	12%	19%	30%
\$49,401	8%	10%	12%	17%	27%
\$63,351	7%	9%	10%	14%	22%
\$82,550	6%	7%	9%	12%	18%

PAYMENT AS % OF TAXES DUE					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	25%	25%	25%	41%	59%
\$21,351	25%	25%	27%	48%	63%
\$28,051	35%	37%	40%	57%	70%
\$34,051	48%	49%	50%	61%	73%
\$41,351	63%	63%	63%	70%	79%
\$49,401	72%	72%	72%	77%	84%
\$63,351	83%	83%	83%	83%	88%
\$82,550	90%	90%	90%	90%	92%

ALTERNATIVE B					
Income Brackets			Credit Limits		Homes
Low	High	Average	% of Tax	Dollars	1336
\$0	\$17,600	\$14,000	75%	\$8,000	122
\$17,601	\$25,100	\$21,351	70%	\$7,000	203
\$25,101	\$31,000	\$28,051	60%	\$6,000	177
\$31,001	\$37,100	\$34,051	50%	\$5,000	185
\$37,101	\$45,600	\$41,351	35%	\$3,500	198
\$45,601	\$53,200	\$49,401	27%	\$2,500	147
\$53,201	\$73,500	\$63,351	15%	\$1,500	304
\$75,100	\$90,000	\$82,550	0%	\$0	0
Mkt. Value	\$285,714	\$357,143	\$428,571	\$600,000	\$857,143
Assessment	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
Taxes Due	\$5,272	\$6,590	\$7,908	\$11,071	\$15,816
75% of Tax	\$3,954	\$4,943	\$5,931	\$8,303	\$11,862

AVERAGE CREDIT AND PROGRAM COST			
Average Credit	Current Weight	Weighted Average	Program Cost
\$5,405	7.5%	\$403	\$659,349
\$4,873	12.4%	\$605	\$989,295
\$4,466	10.8%	\$483	\$790,394
\$3,721	11.3%	\$421	\$688,431
\$2,605	12.1%	\$315	\$515,765
\$1,959	9.0%	\$176	\$288,043
\$1,116	18.6%	\$207	\$339,378
\$0	0.0%	\$0	\$0
Average Credit		\$2,610	\$4,270,655

Average Credits are estimates, not actuals, but are believed to be fair approximations.

STATE CREDIT ON HOMES ASSESSED AT:					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	\$1,027	\$1,027	\$1,027	\$1,027	\$1,027
\$21,351	\$778	\$778	\$778	\$778	\$778
\$28,051	\$542	\$542	\$542	\$542	\$542
\$34,051	\$303	\$303	\$303	\$303	\$303
\$41,351	\$67	\$67	\$67	\$67	\$67
\$49,401	\$0	\$0	\$0	\$0	\$0
\$63,351	\$0	\$0	\$0	\$0	\$0
\$82,550	\$0	\$0	\$0	\$0	\$0

TOWN CREDIT ON HOMES ASSESSED AT:					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	\$3,954	\$4,943	\$5,931	\$8,000	\$8,000
\$21,351	\$3,690	\$4,613	\$5,536	\$7,000	\$7,000
\$28,051	\$3,163	\$3,954	\$4,745	\$6,000	\$6,000
\$34,051	\$2,636	\$3,295	\$3,954	\$5,000	\$5,000
\$41,351	\$1,845	\$2,307	\$2,768	\$3,500	\$3,500
\$49,401	\$1,423	\$1,779	\$2,135	\$2,500	\$2,500
\$63,351	\$791	\$989	\$1,186	\$1,500	\$1,500
\$82,550	\$0	\$0	\$0	\$0	\$0

TOTAL LOCAL AND STATE CREDITS BEFORE 75% CAP					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	\$4,981	\$5,970	\$6,958	\$9,027	\$9,027
\$21,351	\$4,468	\$5,391	\$6,314	\$7,778	\$7,778
\$28,051	\$3,705	\$4,496	\$5,287	\$6,542	\$6,542
\$34,051	\$2,939	\$3,598	\$4,257	\$5,303	\$5,303
\$41,351	\$1,912	\$2,374	\$2,835	\$3,567	\$3,567
\$49,401	\$1,423	\$1,779	\$2,135	\$2,500	\$2,500
\$63,351	\$791	\$989	\$1,186	\$1,500	\$1,500
\$82,550	\$0	\$0	\$0	\$0	\$0

TOTAL CREDITS AFTER 75% CAP					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	\$3,954	\$4,943	\$5,931	\$8,303	\$9,027
\$21,351	\$3,690	\$4,613	\$5,531	\$7,778	\$7,778
\$28,051	\$3,163	\$3,954	\$4,745	\$6,542	\$6,542
\$34,051	\$2,939	\$3,598	\$4,257	\$5,303	\$5,303
\$41,351	\$1,912	\$2,374	\$2,835	\$3,567	\$3,567
\$49,401	\$1,423	\$1,779	\$2,135	\$2,500	\$2,500
\$63,351	\$791	\$989	\$1,186	\$1,500	\$1,500
\$82,550	\$0	\$0	\$0	\$0	\$0

TOWN CREDIT AFTER 75% CAP					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	\$2,927	\$3,916	\$4,904	\$7,276	\$8,000
\$21,351	\$3,176	\$4,165	\$5,153	\$7,000	\$7,000
\$28,051	\$3,163	\$3,954	\$4,745	\$6,000	\$6,000
\$34,051	\$2,636	\$3,295	\$3,954	\$5,000	\$5,000
\$41,351	\$1,845	\$2,307	\$2,768	\$3,500	\$3,500
\$49,401	\$1,423	\$1,779	\$2,135	\$2,500	\$2,500
\$63,351	\$791	\$989	\$1,186	\$1,500	\$1,500
\$82,550	\$0	\$0	\$0	\$0	\$0

PAYMENT AFTER LOCAL AND STATE CREDITS					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	\$1,318	\$1,648	\$1,977	\$2,768	\$6,789
\$21,351	\$1,318	\$1,648	\$1,977	\$3,293	\$8,038
\$28,051	\$1,567	\$2,094	\$2,621	\$4,529	\$9,274
\$34,051	\$2,333	\$2,992	\$3,651	\$5,768	\$10,513
\$41,351	\$3,360	\$4,217	\$5,073	\$7,504	\$12,249
\$49,401	\$3,849	\$4,811	\$5,773	\$8,571	\$13,316
\$63,351	\$4,481	\$5,602	\$6,722	\$9,571	\$14,316
\$82,550	\$5,272	\$6,590	\$7,908	\$11,071	\$15,816

PAYMENT/AVG. INCOME AT HOMES ASSESSED AT:					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	9%	12%	14%	20%	48%
\$21,351	6%	8%	9%	15%	38%
\$28,051	6%	7%	9%	16%	33%
\$34,051	7%	9%	11%	17%	31%
\$41,351	8%	10%	12%	18%	30%
\$49,401	8%	10%	12%	17%	27%
\$63,351	7%	9%	11%	15%	23%
\$82,550	6%	8%	10%	13%	19%

PAYMENT AS % OF TAXES DUE					
Avg. Inc.	\$200,000	\$250,000	\$300,000	\$420,000	\$600,000
\$14,000	25%	25%	25%	25%	43%
\$21,351	25%	25%	25%	30%	51%
\$28,051	30%	32%	33%	41%	59%
\$34,051	44%	45%	46%	52%	66%
\$41,351	64%	64%	64%	68%	77%
\$49,401	73%	73%	73%	77%	84%
\$63,351	85%	85%	85%	86%	91%
\$82,550	100%	100%	100%	100%	100%