

Town of Falmouth, Maine SENIOR TAX ASSISTANCE



OVERVIEW

- ▶ The Falmouth Town Council has set aside \$50,000 to be used to provide Property Tax Assistance to low-income seniors
- ▶ Assistance award will be based on:
 - One-half of the amount of 2017 property tax paid that exceeds 4% of household income up to \$750 for homeowners
 - One-half of 15% of the amount of 2017 rent paid that exceeds 4% of income up to \$750 for Falmouth renters
- ▶ If the total amount awarded to eligible applicants exceeds \$50K then awards will be based on a pro-rata share of the \$50K

SAMPLE CALCULATION

	Own	Rent
2018 Annual Income	15,000.00	15,000.00
Property Taxes Paid	3,000.00	
2017 Rent Paid		10,800.00
4% of Income	600.00	
Benefit Base \$3,350 Maximum	3,000.00	
Calculated Benefit ((Benefit Base - 4% of Income) divided by 2)	1,200.00	
Maximum Benefit	750.00	
Earned Benefit	750.00	
Benefit Payout	750.00	
4% of Income		600.00
Benefit Base (15% of Rent assumed to be Property Tax) \$3,350 Maximum		1,620.00
Calculated Benefit ((Benefit Base - 4% of Income) divided by 2)		510.00
Maximum Benefit		750.00
Earned Benefit		510.00
Benefit Payout		510.00

Current Eligibility

- ▶ Born October 15, 1957 or earlier
 - Proof of Age
- ▶ Household income \leq \$30,000 per year
 - Proof of Income
 - Form 1040, 1040A or 1040EZ
 - Social Security Statement
 - Income documentation if did not file a return
- ▶ Current Falmouth Resident
 - Proof of residency
 - Current utility bill, mortgage statement, rental agreement, property tax bill etc.

Communication

- ▶ Senior Tax Assistance page on Town Website
 - Program description
 - Eligibility Calculator
 - Application Form
- ▶ 2 Presentations at the Senior Center
 - Finance Director presents program
 - Assists Seniors with application
- ▶ Senior Coordinator continues to publicize the program and provide application materials
- ▶ Press Release

FY19 RESULTS

FY19 BUDGET ESTIMATE

Benefit Range	Households	Renters	Owners	Avg Benefit / HH	Total Benefit	Avg Benefit / HH	Benefit Cap	Fully Funded Liability
FY19	Within Range*	25%**	75%	Renter	All Renters	Owner		Owner + Renter
% Median Income < 40%								
\$ 10,000	49	12	37	85	1,041	1475	750	\$ 28,604
15,000	35	9	26	85	744	1375	750	\$ 20,431
20,000	32	8	24	85	680	1275	750	\$ 18,680
25,000	56	14	42	85	1,190	1175	750	\$ 32,690
30,000	84	21	63	85	1,785	1075	750	\$ 49,035
Total Liability		64	192					\$ 149,440
Assume 50% Participation								\$ 74,720
Funded at \$75,000							\$ Funding	75,000

FY19 ACTUAL RESULTS

Benefit Range	Households	Renters	Owners	Avg Benefit / HH	Total Benefit	Avg Benefit / HH	Benefit Cap	Fully Funded Liability
FY19	Within Range*	25%**	75%	Renter	All Renters	Owner		Owner + Renter
% Median Income < 40%								
\$ 10,000	49	1	12	208	208	750	750	\$ 9,208
15,000	35	1	7	298	298	724	750	\$ 5,366
20,000	32	0	2	0	-	750	750	\$ 1,500
25,000	56	0	3	0	-	726	750	\$ 2,177
30,000	84	0	3	0	-	750	750	\$ 2,250
Total Payment		2	27					\$ 20,501
Participation								13.7%
\$ 10,000		8.2%	32.7%					
15,000		11.4%	26.7%					
20,000		0.0%	8.3%					
25,000		0.0%	7.1%					
30,000		0.0%	4.8%					
Actual Participation Rate		3.1%	14.1%					

LATEST CENSUS SENIOR HOUSEHOLD INCOME DISTRIBUTION

TOTAL LIABILITY ESTIMATE

Based on Portland Median HH Income = \$76,800

Benefit Range	Households	Renters	Owners	Avg Benefit / HH	Total Benefit	Avg Benefit / HH	Benefit Cap	Fully Funded Liability
	Within Range*	25%**	75%	Renter	All Renters	Owner		Owner + Renter

% Median Income < 60%

\$ 10,000	49	12	37	85	1,041	1475	750 \$	28,604
15,000	35	9	26	85	744	1375	750 \$	20,431
20,000	32	8	24	85	680	1275	750 \$	18,680
25,000	56	14	42	85	1,190	1175	750 \$	32,690
30,000	84	21	63	85	1,785	1075	750 \$	49,035
35,000	109	27	82	85	2,316	975	750 \$	63,629
40,000	56	14	42	175	2,450	875	750 \$	33,950
45,000	122	31	92	175	5,338	775	750 \$	73,963
50,000	45	11	34	175	1,969	675	750 \$	27,281

Total Liability	147	441					\$ 348,263
Assume 25% Participation							\$ 87,066
Assume funded at \$50,000						\$ Funding	50,000
						% Funded	57.4%

* Source: US Census Bureau Fact Finder: Town of Falmouth - Age of Householder by Household Income in the past 12 months (2013-2017)

** Source: US Census Bureau Fact Finder: Town of Falmouth Tenure by Age of Householder - Renters as % of Total Elderly Households (2010 Census)

Changes in Senior Population

**TOWN OF FALMOUTH
SENIOR TAX ASSISTANCE
CHANGE IN SENIOR POPULATION
US CENSUS Estimates 2017 vs 2014**

Income	2014 Census Estimate	2017 Census Estimate	Change	%
\$ 10,000	55	49	(6)	-10.9%
15,000	124	35	(89)	-71.8%
20,000	59	32	(27)	-45.8%
25,000	86	56	(30)	-34.9%
30,000	58	84	26	44.8%
35,000	79	109	30	38.0%
40,000	70	56	(14)	-20.0%
45,000	66	122	56	84.8%
50,000	87	45	(42)	-48.3%
	684	588	(96)	-14.0%

Income Eligibility Options

- ▶ Household income \leq \$40,000 per year
 - Assume 25% Participation
 - Liability = \$62K
 - 81% Funded at \$50K
- ▶ Household income \leq \$35,000 per year
 - Assume 25% Participation
 - Liability = \$53K
 - 94% Funded at \$50K
- ▶ Household income \leq \$30,000 per year
 - Assume 25% Participation
 - Liability = \$37K
 - 134% Funded at \$50K