

Tax Study Commission Meeting Minutes

Thursday, March 11, 2021

Roll Call

- All commission members present except Sam Sesti
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Approval of Meeting Minutes for 3/4/21

- Moved by Carolyn Laquatra
 - Second by Jodi Cerminara
 - Unanimous approval
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Solicitor Discussion

- It was noted that the solicitor does not need to be present for these meetings with the exception of the hearing
 - Molly Brown requested that the solicitor or an associate be available/on call for each meeting in case the need arises for legal questions
 - Main concern was the cost to the school district to have a solicitor at each meeting
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Framework for Meetings

- Chairperson Connie Rankin suggested the following framework to follow moving forward:
 - Present findings of fact and assemble into document
 - Discussion of the question, “what are the considerations?”
 - Reach conclusion and recommendation
- Human impact can also be considered as finding of fact
- Limit email discussion so that relevant points are heard in the meeting by the public
- Remember that we are independent of the school board and administration with our recommendation

Spreadsheet Presentation

- Christine King presented her calculations on the effects of the extended homestead exemption on “legacy homestead” and “new homestead”, representing different assessed values
- Not all homeowners take advantage of the homestead exemption/do not know that they are eligible
- Market value vs. assessed value: appeals by the school district generally try to achieve 90% of market value
- Noted discrepancy between “legacy” and “new” homeowners. Residents who have purchased homes more recently are generally assessed higher and paying more in property tax.
- Based on figures since 2015, real estate taxes have been flat
- Based on figures since 2015, earned income tax (EIT) has increased
- Sabreena Miller clarified renters do not benefit from increasing the homestead exemption. This benefit is limited to homeowners.
- Discussion on renters paying property tax through their rent; it was noted that it is important to be respectful when discussing renters
- Demographics of renters still needed, potentially from census data; total number of properties; it is thought that 45-46% of residents in Northgate are homeowners.

Questions on Spreadsheet Data

- What is the effect of unstable income on tax revenue?
- What is the effect of more people taking advantage of homestead exemption? This reduces the amount each person can get, however this is more equitable as more people get tax relief
- Can we get information from PA Association School Business Officials (PASBO) about other school districts changing their EIT?
- Clarification of statements made by commission members stating that “renters don’t contribute”; and “what would 100% reduction in property tax look like?”
- Can we find out how many renters live in the school district?
- Proposal of alternative solutions made by Justin Greenawalt, i.e. a Historical Preservation Ordinance, while it has merit is beyond the scope of our commission’s duty.
- Molly Brown proposal of an expert to present demographic data.

- Leigh Carroll is a Northgate graduate, has written her thesis from MIT on an Economic History of Bellevue
- She has much of the demographic data we have been asking for with regard to renters and homeowners. It was decided to have her present to us at our next meeting.

Public Comments

- Bill Bergmann, 117 Beaver Ave.
 - Observed that there is a disparity in taxes paid by property owners, and thus the impact of a change in property taxes would not be even because we are talking about a flat reduction. Shifting tax to a new group at a flat rate has been shown to be regressive, and has the greatest impact on poor people.