



City of Keene, N.H.
Transmittal Form

March 8, 2018

TO: Mayor and Keene City Council
FROM: Finance, Organization and Personnel Committee
ITEM: J.1.
SUBJECT: All Veterans' Tax Credit

COUNCIL ACTION:

In City Council March 15, 2018.
Report filed as informational.
Resolution R-2018-06 declared adopted.

RECOMMENDATION:

On 4-0 vote, the Finance, Organization and Personnel Committee recommends staff be directed to draft a resolution for the All Veterans Tax Credit.

ATTACHMENTS:

Description

Resoluton R-2018-06

BACKGROUND:

City Assessor Dan Langille explained that a tax credit is a discount on a tax bill and the discounted portion is redistributed to the rest of the community. Currently the city offers two types of tax credits: service connected disability veterans' credit for \$2,000 for a veteran who is permanently disabled because of their service. There are 41 such credits being offered for a total amount of \$82,000 in tax credit. A community has to offer a minimum of \$700 as a credit but Keene has chosen to offer the maximum amount of \$2,000.

The second is a veterans' credit for veterans who serve at least for 90 days for a qualifying war period or have received a medal. RSA 7-228 is the state statute that pertains to this. A community must offer at least \$50 but our community has chosen to offer \$225 (maximum is \$500). The city is providing 652 veterans' credits for a total amount of \$146,700. There is no income criteria for these credits.

What is the impact to the community because of these credits? Mr. Langille stated this is a difficult question to answer because there is no requirement for a veteran to register in the community so the number of veterans is difficult to figure out. However, according to the census report staff looked at, there could be close to 1,247 veterans in the community. Today 652 veteran credits are being offered which leaves approximately 595 still eligible. 595 times the \$225 veteran credit amount would be a \$133,875 impact, which equates to 3.6 million in assessed value. Overall the city offers \$228,000 in credit; 10 million comes off the tax rolls.

Chair Greenwald asked whether this credit is off the entire tax bill – Mr. Langille answered in the affirmative. He added this is not an optional credit.

Mr. Kevin Stone of 89 North Lincoln Street addressed the Committee and stated he was not requesting to go outside the guidelines outlined in the RSA but he was informed by area municipalities that they were offering veterans' credits to all veterans. He noted he served in Korea (in peace time Korea) and his total time served in various capacities equal 20 years. He added he is not trying to take anything away from a surviving spouse, but these are individuals who did not serve in the military, but he was a veteran.

Councilor Clark stated these days we seem to be in perpetual war and we have men and women deployed all over the world in very dangerous parts of the world and felt this is a credit the city should offer.

Mr. Joe Mirzoeff of 61 Park Avenue clarified this credit is offered to only people who own a property in Keene. Mr. Langille agreed stating it is offered for the principal place of abode.

Councilor Jacobs asked how the estimated impact would affect certain valued homes. For example what is the tax impact on a property valued at \$200,000.

Councilor Jacobs stated he was in support of this credit.

Councilor Jacobs made the following motion which was seconded by Councilor Powers.

On 4-0 vote, the Finance, Organization and Personnel Committee recommends staff be directed to draft a resolution for the All Veterans Credit.

Mr. Stone asked whether this Resolution would take effect by the April 15 deadline. City Attorney Mullins stated if he was to take into consideration the upcoming dates of the council, if the Rules of Order were suspended, this item could be acted by the council at its next two meetings.



CITY OF KEENE

R-2018-06

Eighteen

In the Year of Our Lord Two Thousand and
RELATING TO THE ALL VETERANS' TAX CREDIT

A RESOLUTION

Resolved by the City Council of the City of Keene, as follows:

Whereas, RSA 72:28-b was established for the purpose of granting the All Veterans' Tax Credit to veterans who do not qualify for the Veteran Credit (RSA 72:28); and

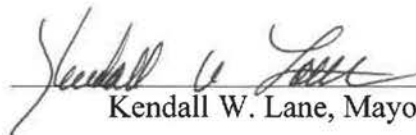
Whereas, the All Veterans' Tax Credit offers the same credit except that it removes the requirement for service during a qualifying war or armed conflict.

Now, Therefore, Be It Resolved that the City Council of the City of Keene hereby wishes to offer the All Veterans' Tax Credit set forth in RSA 72:28-b, by responding in the affirmative to the following:

“Shall the Council of the City of Keene offer the All Veterans' Tax Credit to read:

The All Veterans' Tax Credit shall be the same as the amount of the standard or optional veterans' tax credit in effect in the town or city under RSA 72:28. The All Veterans' Tax Credit shall be subtracted each year from the property tax on the veteran's residential property. A person shall qualify for the All Veterans' Tax Credit if the person is a resident of this state who served not less than 90 days on active service in the armed forces of the United States and was honorably discharged or an officer honorably separated from service; or the spouse or surviving spouse of such resident, provided that Title 10 training for active duty by a member of a national guard or reserve shall not be included as service under this paragraph; provided however that the person is not eligible for and is not receiving a credit under RSA 72:28 or RSA 72:35.”

This act will take effect as of April 1, 2018.


Kendall W. Lane, Mayor

PASSED March 15, 2018

A true copy;
Attest:


City Clerk