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To: Legislative Policy Committee Justin Poirier, LPC Chair

Fr: Kate Dufour, Director, Advocacy & Communications Amanda Campbell, Legislative Advocate

Re: LPC Comprehensive Property Tax Reform Working Group - Update

Date: January 23, 2025

Since its creation at the November 20, 2024 meeting, the LPC's Property Tax Reform Working Group has met twice to work toward the development of a multi-faceted property tax relief proposal for the committee's consideration. The agenda, materials and meeting summary for the December 17 meeting can be viewed here, and materials for the January 21 meeting here. The working group will next meet on Tuesday, February 18 at 10 a.m.

While the December meeting was organizational in nature, at the January meeting the working group narrowed the scope of their work by developing a list of objectives and outcomes. The draft objectives focus on developing recommendations to:

- 1. Reduce the overall reliance on the property tax to fund services and programs. This includes providing municipalities with access to other dedicated revenue streams, including access to a modernized sales tax base.
- 2. Reduce the erosion of the property tax base via the implementation of exemption programs, including BETE, BETR, current use, leased hospital property, as well as the homestead exemption.
- 3. Reduce the overreliance and the burdens the property tax places on resident single family homeowners.

Next week, the LPC will be asked to provide feedback on these objectives. The working group's goal is to ensure the objectives listed above meet LPC members' expectations. For context of the discussions to date, policy committee members are encouraged to review the information linked above.

Thank you.