

Hamden Tax Quiz

Are the following statements *True* or *False*?

1. TRUE – FALSE Hamden is spending much more money this year; that's why our taxes went up so much.
2. TRUE – FALSE Hamden's Charter provides a method for voters to veto a budget.
3. TRUE – FALSE Most commercial properties are seeing a tax decrease this year.
4. TRUE – FALSE A phase-in of assessments only defers tax increases.
5. TRUE – FALSE If we do a phase-in, the town will not collect as much tax revenue.
6. TRUE – FALSE There is only one type of phase-in.
7. TRUE – FALSE Hamden's wealthiest homes will benefit most from a phase-in.
8. TRUE – FALSE A phase-in can only be done in a revaluation year.
9. TRUE – FALSE Its too late for Hamden to do a phase-in of the 2005 Revaluation.
10. TRUE – FALSE A phase-in is costly to implement.
11. TRUE – FALSE Hamden has done a phase-in before.
12. TRUE – FALSE No other town in CT is doing a phase-in this year.
13. TRUE – FALSE All towns in CT have the same taxing software.

(See answers on the next page.)

Hamden Tax Quiz

Are the following statements *True or False?*

1. TRUE – FALSE Hamden is spending much more money this year; that's why our taxes went up so much.

Hamden's budget went up less than 10% this year, but the typical homeowners tax bill more than doubled that amount because of the faulty reassessment system. The average homeowner saw an increase in their assessment of 89%, while most commercial properties and extremely large, previously high-valued home did not increase nearly as much. The result is a huge shift in how much money the homeowners contribute to the Town's coffers.

2. TRUE – FALSE Hamden's Charter provides a method for voters to veto a budget.

In theory, voters can petition for a referendum of the budget, but it is impractical to nearly impossible, requiring signatures from 20% of registered voters within a 30-day period.

3. TRUE – FALSE Most commercial properties are seeing a tax decrease this year.

Because commercial properties' values didn't increase at the staggering rates most residential properties did, their assessments are proportionally lower. Once you apply a mill rate which was cut nearly in half, they end up savings thousands of dollars in taxes every year! For example, Spring Glen Medical Center on Whitney Ave received a tax cut of over \$44,000—an 18% decrease in their tax bill.

4. TRUE – FALSE A phase-in of assessments only defers tax increases.

A phase-in saves homeowners money in the early years following a revaluation. Those taxes do not have to be made up later. Instead, the homeowners are paid for by reducing the tax cuts for commercial property owners.

5. TRUE – FALSE If we do a phase-in, the town will not collect as much tax revenue.

The Town will collect exactly the same amount of tax revenue with a phase-in; they only difference will be that more will come from commercial properties and the wealthiest homeowners. Thus, easing the tax burdening and providing some transition over the next two years.

6. TRUE – FALSE There is only one type of phase-in.

The Administration's presentation focused on a different, more complicated phase-in legislation (12-61c). Whereas, our presentation has always suggested using a simpler type of phase-in (12-61a). We agree with the Mayor & staff on one point, the type of phase-in they are suggesting doesn't make any sense and won't benefit the people who need it most!

7. TRUE – FALSE Hamden's wealthiest homes will benefit most from a phase-in.

**As we will demonstrate, that's just not true or possible, as their home values did not increase as much as the average home. And with a phase-in,

the more your home value increased, the more you will save!**

8. **TRUE** – FALSE A phase-in can only be done in a revaluation year.

This year is our only shot. We will be stuck with our assessments for the next five years, or until the Town decides to do another reevaluation before the required 5-year date, which would be very costly.

9. **TRUE** – **FALSE** Its too late for Hamden to do a phase-in of the 2005 Revaluation.

Ideally, a phase-in is approved at the same time as the budget. But, the Town can approve a phase-in after the budget is approved, and before the January installment of the tax bills are due.

10. **TRUE** – **FALSE** A phase-in is costly to implement.

Not at all. We have the ability to implement a phase-in with our existing systems, which at most, might need a \$20K card upgrade. But the calculations could even be done without this program in a simple excel spreadsheet by the tax assessor's staff.

11. **TRUE** – FALSE Hamden has done a phase-in before.

We did a simple phase-in, the kind we're suggesting, beginning in 1980. But this time, the savings would be even greater for even more homeowners.

12. **TRUE** – **FALSE** No other town in CT is doing a phase-in this year.

North Haven has passed a phase-in; West Haven's citizens are trying to have one approved; and New Haven is already preparing to do one next year.

13. **TRUE** – FALSE All towns in CT have the same taxing software.

That's right. If other towns like North Haven can accomplish a phase-in using the computer software they have in place, so can we, because it's the same software.

Answers:

- | | |
|----------|-----------|
| 1. False | 8. True |
| 2. True | 9. False |
| 3. True | 10. False |
| 4. False | 11. True |
| 5. False | 12. False |
| 6. False | 13. True |
| 7. False | |

Calculating Your Phase In

1. Begin with your new assessment	\$	
2. Multiply by the new mill rate (27.95)	X .02795	
3. Result = your new tax bill	\$	New Tax Bill w/out Phase-in (2006)
4. Insert your previous assessment	\$	
5. Multiply by previous mill rate (43.24)	X .04324	
6. Result = your previous tax bill	\$	<i>Previous Tax Bill (2005)</i>
7. Insert your new tax bill #3	\$	
8. Subtract your previous tax bill #6	- \$	
9. Result = change in your taxes	\$	One-Year Change in Taxes
10. Insert your new assessment #1	\$	
11. Subtract your previous assmnt. #4	- \$	
12. Result = change in your assessment	\$	
13. Divide by three	\div 3	
14. Result = yearly phase-in amount	\$	<i>Yearly Phase-in Amount</i>
15. Insert your previous assmnt. #4	\$	
16. Add the yearly phase-in amount #14	+\$	
17. Result = 1 st year phase-in assmnt.	\$	<i>First Year Phase-in Assessment</i>
18. Multiply by 1 st year mill rate	X .03663	
19. Result = 1 st year tax bill w/ phase-in	\$	<i>First Year Tax Bill</i>
20. Insert your new tax bill #3	\$	
21. Subtract your 1 st yr phase-in tax #19	- \$	
22. Result = 1 st year savings	\$	First Year Phase-in Savings
23. Insert your motor vehicle assmnt.	\$	
24. Multiply by the new mill rate (27.95)	X .02795	
25. Result = Car tax w/out phase-in	\$	<i>New Car Tax w/out Phase-in</i>
26. Insert motor vehicle assmnt. #23	\$	
27. Multiply by 1 st year mill rate	X .03663	
28. Result = Car tax with phase-in	\$	<i>First Year Car Tax with Phase-in</i>
29. Insert car tax w/ phase-in #28	\$	
30. Subtract car tax w/out phase-in #25	- \$	
31. Result = car tax offset	\$	First Year Car Tax Offset
32. Insert 1 st yr phase-in savings #22	\$	
33. Subtract car tax offset #31	- \$	
34. Result = Net 1 st year savings	\$	Net First Year Savings w/ Phase-in