



Town of South Berwick

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March 26, 2013 -

RESOLVE, EXPRESSING THE OPPOSITION OF THE CITY COUNCIL OF THE TOWN OF SOUTH BERWICK TO PROPOSALS TO SHIFT THE BURDEN OF FUNDING STATE GOVERNMENT TO PROPERTY TAX AND THE PROPERTY TAX PAYER

WHEREAS, the Governor's unprecedented biennial budget proposal places towns in an untenable and uncertain fiscal position during their budget planning; and

WHEREAS, the proposal includes the elimination of \$283 million in municipal revenue sharing; falls \$200 million short of funding local schools at the 55% level passed in referendum; would cut the state's reimbursement for General Assistance by an estimated \$6.7 million; would eliminate the Homestead Exemption for anyone under the age of 65; would eliminate the "circuit breaker" property tax and rent relief program for anyone under the age of 65; would take \$8 million in truck excise tax revenue from towns; and would create a corporate tax exemption for large amounts of currently taxable property, resulting in significant losses of local tax revenue; and

WHEREAS, the proposal to suspend municipal revenue sharing would result in the loss of \$539,245 in revenues, which would increase property taxes by \$215.65 on the average residential property value of \$227,000; and

WHEREAS, the proposal to eliminate the FY 2015 Homestead Exemption for those under 65 will increase taxes for those residents by \$185.00 if the towns tax rate stays the same; and

WHEREAS, the Governor's proposal also contains cuts to health and human services such as prescription drugs for the elderly and disabled; to all funding for clean elections; to the wages and benefits of public workers; while also rejecting federal funds to make healthcare affordable for over 44,000 Mainers; and

WHEREAS, all of the above shifts costs to towns, whose only major means of raising revenue is property taxes, be it

RESOLVED, The South Berwick Town Council calls upon the Maine State Legislature to reject these proposals, identify harmful cost savings, and raise revenue in an equitable fashion to avoid this regressive tax shift.

Gerald W. MacPherson

David H. Webster

Russell Abell

Jean Demetrocopoulos

Jack Kareckas