

**M E E T I N G   N O T I C E**

**BENNINGTON SELECT BOARD**

Monday, February 17, 2020

Bennington Fire Facility

Multi-Purpose Room - 3<sup>rd</sup> Floor

130 River Street

Bennington, VT 05201

**A G E N D A**

6:00 PM

1. Local Option Tax

(6:00 PM)

## MEMORANDUM

To: Select Board

From: Stuart A. Hurd, Town Manager

Re: Local option Tax

Date: February 12, 2020

Attached you will find two documents.

The first is a five year look back at the taxes generated by the sales, meals, rooms, and alcohol taxes for the Town of Bennington provided by the Vermont Department of Taxes website using the updated information as noted on the site.

The second is a look at the tax savings potential using a formula for how the option tax monies might be distributed using the FY 2021 budget to make those calculations.

It is important to note that the Select Board sets the tax rates in July/ August of a given year. If all or any of the option taxes are approved, the tax would not be in place until July 1, 2020 and the first quarterly payment not made until the end of September 2020.

## Updated Vermont Tax Department Data

	<b>Retail Sales</b>	<b>Meals</b>	<b>Rooms</b>	<b>Alcohol</b>	<b>TOTAL</b>	<b>1%</b>
<b>FY19</b>	\$141,170,000	\$31,887,828	\$7,555,710	\$4,188,704	\$184,802,242	\$1,848,022.42
<b>FY18</b>	\$140,337,000	\$30,957,891	\$7,636,497	\$4,199,767	\$183,131,155	\$1,831,311.55
<b>FY17</b>	\$131,734,000	\$29,625,000	\$7,591,000	\$4,169,000	\$173,119,000	\$1,731,190.00
<b>FY16</b>	\$131,903,000	\$28,609,000	\$7,005,000	\$3,964,000	\$171,481,000	\$1,714,810.00
<b>FY15</b>	\$129,843,000	\$27,306,000	\$6,918,000	\$3,673,000	\$167,740,000	\$1,677,400.00

### Example How Local Option Tax Could Save Tax Dollars

		Total Assessed Value	\$100,000.00	\$150,000.00	\$200,000.00	\$250,000.00
Proposed Breakdown	Total 1% Local Option Tax	Tax Savings				
	50% Tax Reduction	\$646,810.00	\$64.68	\$97.02	\$129.36	\$161.70
20% Debt Reduction (FY21 \$528,910.00)	\$258,724.00	\$25.87	\$38.81	\$51.74	\$64.68	
20% Community Built Park	\$258,724.00	\$0.00	\$0.00	\$0.00	\$0.00	
10% Marketing (FY21 \$50,00.00)	\$129,362.00	\$5.00	\$7.50	\$10.00	\$12.50	
<b>TOTAL 100%</b>	<b>\$1,293,620.00</b>	<b>\$95.55</b>	<b>\$143.33</b>	<b>\$191.11</b>	<b>\$238.88</b>	



\*Assumption  
\$100,000=\$0.01/tax rate