

NORTON TOWN CLERK
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Finance Committee Meeting
March 31, 2010
7:30 PM
Municipal Center – Selectmen's Conference Room

Present: Chairman, Wayne Graf; Vice-Chairman, Pasquale Barletta; Robert Bouchard; Jackie Desrochers (late arrival); Paul Helmreich; Cheryl McFaun; Lee Tarantino; Philip Zawasky.

Absent: Thomas DeLuca; Michael Flaherty; Michael Thomas.

Call to Order

Meeting was called to order at 7:30 pm.

I. Approval of Minutes

Minutes were not reviewed at this meeting.

II. New Business

Article 19 – Tax of post secondary learning institutions - Mr. John Freeman, a citizen of the town, addressed the FinCom regarding an article he placed on the Town Meeting warrant. Mr. Freeman provided the committee a copy of the petition with recent changes/updates. He stated that the article would be changed to ask that voters petition the Commonwealth for a law to allow the imposition of a tax on all post secondary institutions of higher learning. The tax would be equal to 1% of the yearly cost of tuition, room and board, and other mandatory fees combined.

Mr. Freeman said that he is not aware of any other communities that have implemented this type of tax successfully, though he noted that the city of Pittsburgh is currently pursuing it.

Mr. Tarantino asked if this would conflict with the law that grants higher learning institutions exemptions from taxes. Mr. Freeman said that he believes that it would not. He suggested the possibility of calling it a "fee" as opposed to a "tax" since it would not impact everyone, just those using the institution.

Mr. Freeman explained that there are approximately 1550 students at Wheaton College and the comprehensive fee is \$49,440 per year, therefore this tax would bring about \$766,320 yearly to the town.

Mr. Barletta questioned what the cost might be to pursue the implementation of this tax. He also wondered if imposing this tax would then open the door to taxing all private schools and other institutions.

Mr. Helmreich pointed out that the PILOT (payment in lieu of taxes) agreement has been in effect since the 1960's and would likely go away if this tax were imposed. He said that the PILOT agreement is just that, an agreement, not a legal obligation. He said that in considering this, one would have to assume that the approximately \$115K that is taken in from Wheaton as a part of the PILOT agreement would no longer be granted to the town and that should be accounted for. Mr. Helmreich also pointed out that other non-monetary contributions from Wheaton might also be withdrawn as a result of this tax being implemented.

Mr. Bouchard questioned whether the town would lose the \$115K from Wheaton for even pursuing this tax. He also said that he sees this tax as an income tax, not a property tax, since it would be taxed based on the income the college is receiving from attending students for tuition, etc.

Mr. Freeman pointed out that Wheaton's tuition and fees are being raised at a higher rate than inflation, and that he feels that such an institution that uses town property and services should pay a tax/fee.

Mr. Tarantino pointed out that Wheaton is not receiving the \$49,440 from every student because some students attend the college per grants or scholarships.

Mr. Freeman closed in saying that imposing this tax could be a way that the town of Norton could lead the state in lowering taxes and/or generating funds to be used for restoring a department that has had significant cuts or been done away with all together.

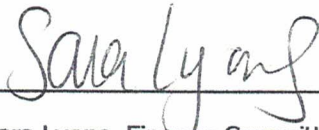
Next Meeting

The next meeting is scheduled for April 5, 2010 at 7:30pm.

Adjournment

Motion was made by Mr. Zawasky to adjourn at 8:30 pm. Seconded by Mr. Helmreich. Vote: Unanimous.
Motion carries.

Respectfully Submitted by:



Sara Lyons, Finance Committee Secretary