



Friday, August 14

Dear Revenue Committee Members:

On behalf of AARP Montana's 144,000 members, we would like to offer the following comments for consideration as our state's policymakers begin to examine how to reform our tax system in a way that will create economic opportunities for all Montanans.

As you may know, AARP is a nonpartisan, nonprofit, nationwide organization that helps empower people to choose how they live as they age, strengthens communities, and fights for the issues that matter most to families, such as healthcare, employment and income security, retirement planning, affordable utilities and protection from financial abuse.

To help our residents reach these goals, AARP believes in pursuing tax policies that are equitable and easy to administer, foster economic growth, and produce revenue that is essential to sustain the public safety, dependable infrastructure, and affordable health care services that Montana's families, veterans and businesses rely on. We believe adhering to these principles will help our state recover and grow after the challenges imposed by the pandemic.

At AARP, we continue to hear from our members that the property tax is among the most burdensome tax. This is particularly true for those who are lower and middle-income. The property tax affects people directly as homeowners and indirectly as renters, because landlords may pass on tax burdens in the form of higher rents. This is noteworthy because AARP's 2018 Home and Community Preferences Survey showed that 77 percent of people age 50 and over want to age in their own community, and 76 percent want to age in their own home. For Montana specifically, that statistic jumps to 85% of people age 50 and over want to age in their own homes.

To ensure that high property taxes do not interfere with the desire and ability of older Montanans to age in their own homes and communities, among family and friends, AARP supports equitable, targeted and cost-effective property tax relief programs, like Montana's Elderly Homeowner/Renter Credit program, which provides a refundable income tax credit of up to \$1,000 to lower and middle-income older Montanans.

As you begin to examine the effectiveness of our tax system and whether it is designed to create health and financial security for all Montanans, particularly those most hard-hit by the pandemic, AARP Montana hopes you will consider the importance of retaining programs like our Elderly Homeowner/Renter Credit. The last several months have shown us how important it is for all Montanans, and especially our older residents, to have a safe and secure place to call home.

Thank you for your consideration. AARP Montana looks forward to being part of the continued conversation on tax reform. If you have any questions or concerns, please contact me at mbatista@aarp.org or by calling 406-457-4705.

Sincerely,

Mike Batista,
Government Affairs Director
AARP Montana