

Vermont Housing Council

Renter Rebate Report

Statutory Language

- How to Develop programs to assist renters in lieu of the current Renter Rebate
- Recommendations to make the existing program more effective
 - How best to deliver property tax relief to low-income renters
 - Approximately the same eligibility parameters
 - Structured to deliver comparable results

Current Program Challenges

- Landlord Certificate major burden on Landlords and Renters
- Household income difficult to document
 - Above are particularly burdensome when a move occurs during the year
- Significant follow-up required by Dept of Taxes
 - 10,000 claims need follow-up out of 16,000 claims
- 12 month-rental requirement

Major considerations

- Lower barriers to entry for filers
 - LC-142
 - HI-144
 - PR-141
- Lower Administrative costs
 - High volume of follow up for Tax
- Maintain overall program costs (~ \$9 million)
- Target assistance towards low-income renters

Alternatives Considered

- Capital funds for Preservation
 - ~ 72 units annually
- Capital funds for Development
 - ~ 72 units annually
- Thrifty Voucher Program
 - Targeted vouchers to ELI renters to further subsidize units
- Additional Rental Subsidy
 - Increase Housing Choice Voucher funding: ~ 1,340 families
- Increase VT Rental Subsidy Program
 - Housing Review Teams. ~ 1,168 families

Alternatives Considered

- Subsidy + Care enhancement
 - Through DMH, heavily targeted on high need
- Low Income Renter Tax Credit
 - Utilize existing structure with more accurate property tax estimates
- Allocate towards Back Rent Programs
 - ~ 10,000 households → concerns about “crisis or nothing” program

Improvements to Current Program

- Eliminate LC-142
- Replace HHI with modified AGI
- Establish and publicize date rebate checks are mailed
- Change program parameters:
 - Eligible income cap at \$40,000 AGI
 - Allocable rent = 19% contract rent
 - Utility cost assumed at 15%
 - Maximum Rebate = \$2,000
 - Minimum rebate = \$100