

**MEETING MINUTES  
BOARD FOR THE ABATEMENT OF TAXES  
TOWN OF BARNET, VT  
MONDAY, OCTOBER 26, 2015**

**Meeting convened at 6:00 p.m. in the conference room of the Barnet Town Clerk's Office.**

**Board members present:** Gary Bunnell, John Cook, Sarah Cook, Carrie Dunbar, Dylan Ford, William Graves, Benjamin Heisholt, Dennis McLam, Jeremy Roberts, and Maurice Roberts.

**Others present:** Jeffrey Riley and Lisa Bowden.

**Tax Abatement Hearing – Barnet Water System Inc. (Parcel ID #0009-02-59)**

**Preliminary items**

- William Graves called the meeting to order and explained that because this is the first meeting of the Board of Abatement this year it must elect a chair before conducting any other business.
  - o Motion made by Dennis McLam that the Board appoint William Graves as Chair. Seconded by Carrie Dunbar and passed by voice vote.
- Chairman Graves gave introductory remarks, as follows:
  - o Explained that the Board of Abatement consists of the Board of Civil Authority and the Board of Listers, and introduced the members of the Board present to Lisa Bowden and Jeffrey Riley, who represent the abatement-requestors.
  - o Read the notice of hearing, including the text of 24 V.S.A. §1535, which describes the role and rights of the Board for the Abatement of Taxes.
- Mr. Graves indicated that witnesses Lisa Bowden and Jeffrey Riley had taken witness oaths, and Treasurer Benjamin Heisholt had taken a Treasurer oath. Other members of the Board of Abatement are not required to take oaths at this time because the oaths they took when elected to office apply to abatement requests.

**Letter of request**

- Mr. Graves read the letter requesting an abatement hearing, which is from Barnet Fire District #2 and is dated July 28, 2015. The body of the letter is as follows:

Barnet Water District #2 respectfully requests a hearing before the Board of Civil Authority [sic] regarding the tax assessed to Barnet Water System, Inc. for tax year 2014, in accordance with 24 V.S.A. §1535.

This property was transferred on June 27, 2014, to BFD#2, a non-profit, government entity. The tax assessed to Barnet Water System was not paid, and now that bill has followed the property to the new owner. The prior owner has walked away from all responsibility.

BFD#2 operates on a shoestring budget, and there is no budget for a tax bill, which is assumed to be zero due to the governmental status of the Fire District.

Mr. Graves also reviewed a copy of a Delinquent Tax Collector's Notice as of July 21, 2015. This notice indicates that for tax year 2014 the following taxes are due: Principal of \$1,613.65, Interest of \$217.82, and Penalty of \$129.09, for a Total of \$1,960.56.

### **Requestor's Testimony**

- Mr. Riley, Clerk of Barnet Fire District #2, spoke on behalf of the requestor. He testified that the case for abatement rests on the status of the Fire District as a non-profit and non-taxable municipal entity. Any tax due, according to Mr. Riley, should have been paid by the previous owner, Barnet Water System, Inc. (owned and operated by Robert Dufresne).

### **Discussion**

Graves opened the floor to the Board for discussion and for the Board to ask questions:

- John Cook asked if there was a lawyer involved in the real estate transaction that transferred the property to the Fire District.
  - o Mr. Riley indicated that Jay Abramson represented the Fire District in the transaction.
  - o Discussion ensued about how taxes are pro-rated at the closing of a real estate transaction, particularly when one of the two parties is tax-exempt.
  - o Ms. Bowden submitted a closing statement from the real estate transaction. This statement indicates, according to Ms. Bowden, that \$177.99 should have been paid for municipal taxes by the Fire District at the closing of the real estate transaction. Ms. Bowden reported that no tax was actually paid by the Fire District.
- Ms. Bowden spoke, indicating that she is both the Collector of Delinquent Tax for the Town of Barnet and the Treasurer of the Fire District. She testified that from her perspective as Collector of Delinquent Tax this tax is uncollectable: The former owner is a corporate entity that no longer exists; in Ms. Bowden's opinion this makes it impossible to collect from the former owner. The current owner also cannot be collected from, in Ms. Bowden's opinion, because it is a non-taxable entity; any lien on the property is inoperable.

### **Decision**

- Jeremy Roberts moved to abate the entire tax of \$1,613.65 based on the finding that the taxpayer is unable to pay their taxes, interest, and collection fees, pursuant to 24 V.S.A. §1535(a)(3). Seconded by Mr. McLam.
  - o Mr. Cook moved to amend Mr. Roberts' motion to the effect of abating fifty percent of the tax of \$1,613.65 rather than the entire amount. Seconded by Sarah Cook. Discussion ensued.
    - Mr. Cook's motion for amendment was defeated by voice vote.
  - o Discussion ensued regarding the merits of Jeremy Robert's original motion.
    - Mr. Heisholt spoke in opposition, arguing that the Fire District as a taxing authority cannot possibly be construed as unable to pay.
    - Ms. Bowden spoke in favor of the motion, arguing that the tax is actually due from Barnet Water System, Inc., which as a defunct corporate entity is, in fact, unable to pay.
  - o Jeremy Roberts' motion was passed by voice vote.

### **Adjournment**

- Mr. McLam moved to adjourn. Seconded by Mr. Bunnell and approved by voice vote. Meeting adjourned at 6:53 p.m.

*A true copy.*

Attest: \_\_\_\_\_  
*Town Clerk*