This is my last communication to your taskforce, hope fully you will analyze and further review all of my observations concerning the fiscal and structural demise got itself into through many years of all administrations .

1. The main source of income for municipalities is their tax base..therefore I will be addressing this issue more than others, although we have to go to other areas. the 2010 crim(property tax agency at state level) payroll was 65% of #\$ million operational budget with 600 plus employees.

My recommendation is to give to localities this authority and let them tax, appraise, collect and regulate/enforce all tax laws at their local level. This way they will be responsible to raise their own funding, they will do it because the state will not give a dime as long they do not actualize their tax laws and enforce them, they may implement a practicable homestead exemption and lower the property tax because of the tax rolls will generate more money than what the state may have given to them. (see attach articles)

- 2. \$400 K properties on the tax list out of \$1.5 million reported in the 2010 census. In 1991 there were 711,000 taxed properties with value of \$7.2 million annually . In 2009 there are 400 K taxable properties valued at \$4.8 million, a reduction of 30 percent. 600 K properties without been appraised , therefore loosing around \$500 million annually, more or less the amount of money the state is setting aside annually to municipalities
- 3, As of 2016, the municipalities are owed \$704 million on expendable property and \$3 billion on and \$3 billion on non-expendable property ..therefore loosing a lot of money needed for their operations.
- 4. The Crim agency has a homestead exemption of \$150 K , they want to increase it to \$200 K , therefore increasing the not collection of money, increasing the exoneration of properties, even after not having all the properties in their tax rolls and the appraisals not been up to date .

Recommendation to be carried asap:

- Get rid of Crim at state regional level, decentralize financial/human resources currently at the agency to each municipality.therefore relieving the state to continue funding the local towns and agencies which have their own funding sources but unable or unwilling to do it because of their own political reasons.
- there are others like get rid of agencies at state level which were created by different administrations for their own political reasons and create a division/unit within the related state department agency, where ever the state has funding allocated to a state agency which is setting aside money to local towns, such as collecting sales tax that is a local role, etc, is to be reassigned reduce the state agency budget accordingly.

Thanks very much.

Juan Irizarry