



## INFORMATION ITEM MEMORANDUM

To: Mayor and Members of City Council

From: Kurt Firnhaber, Director, Housing & Human Services  
Elizabeth Crowe, Deputy Director, Housing & Human Services  
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Date: November 16, 2023

**Subject: Information Item: 2023 Food Tax Rebate Program**

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### EXECUTIVE SUMMARY

The [City of Boulder Food Tax Rebate Program](#) (FTRP) is a statutory program administered by the Housing & Human Services Department (HHS). HHS staff completed the 2023 FTRP process in August 2023, having implemented changes to the program that expanded eligibility and met increased demand for this program.

Staff believe that the FTRP program continues to serve the Boulder community with positive economic impacts, when FTRP recipients reinvest their rebate dollars back into city businesses; and socio-economic benefits for low-income community members through direct financial payments.

### BACKGROUND

Since 1967, the City of Boulder has provided rebates to compensate qualified lower income residents for the city sales tax they pay on food. Residents seeking a rebate in 2023 had to complete an application and meet required guidelines, including holding city residency for the entire 2022 calendar year. Residents eligible for this program must fall into one of the following categories: 1) an older adult age 62 or over for the entire calendar year; 2) a person with a disability; 3) or a family with children under 18 years of age. To qualify, all applicants must meet financial eligibility requirements established by the Department of Housing and Urban Development (HUD) shown below.

## 2023 Financial Eligibility Guidelines

Family Size	1	2	3	4	5	6	7	8
Income Limit	\$43,900	\$50,200	\$56,450	\$62,700	\$67,750	\$72,750	\$77,750	\$82,800

Since 2001, rebate amounts for qualified households are indexed each year for inflation based on the Consumer Price Index (CPI) tied to Boulder County. The statute for the program was updated in 2019, and the rebate amounts will continue to be indexed from 2019 levels to the CPI including the county moving forward.

In 2023, the rebate amount for families with children under 18 years of age was \$302 and the amount for individuals (either an older adult or a person with a disability) was \$99. In 2023, the FTRP received a total of 1241 applications. Of those 1241 applications, 148 were denied because they were incomplete, submitted past the deadline, or did not meet the established qualification guidelines. As a result, 1093 rebates were processed, and refunds were issued for a total amount of \$162,408. With \$23,716 in program administrative costs, the total FTRP fiscal impact for 2023 is \$186,124.

## **2023 PROGRAM MODIFICATIONS**

In 2023, in accordance with Colorado Revised Statutes 24-76.5-103 Verification of lawful presence was removed as a qualification for receiving the FTR in accordance with revised state laws around public benefits, allowing the program to reach more individuals and families in the community.

Applications were accepted March 1 through June 30. HHS staff worked to reach eligible low-income community members by:

- automatically mailing 2022 recipients a 2023 application;
- posting information on the city's social media outlets;
- providing bilingual applications, materials and staff support;
- sending program information through electronic newsletters the Senior Services Program Guide and to human services organizations;
- issuing press releases were issued at various intervals during the program period to keep the public apprised of any changes to the program and advised of any upcoming deadlines;
- posting program information online for the duration of the program (<https://bouldercolorado.gov/seniors/food-tax-rebate-program>); and
- accepting applications in person by appointments.

## **ANALYSIS**

In 2023 the total number of applicants increased by approximately 25% compared to 2022, one of the largest year-over-year changes in the history of the program. The number of families receiving rebate this year increased by about 46%, while the number of individuals with

disabilities and older adults (62 and older) receiving a rebate increased by 29% and 15% respectively. Overall, there was a 37% increase in the total amount rebated to the community through this program.

Below is the distribution of food tax rebate applications received in 2023 by eligibility category:

- 62% older adults
- 24% families with children under the age of 18
- 14% individuals with disabilities

One factor that contributed to the applicant increase was the passage of SB21-199 removing the legal residency requirement for applicants which allowed the program to be offered to a wider portion of the Boulder community. Additionally, the ending or reduction of related government support such as rent assistance and expanded SNAP benefits increased the need for financial relief in our community considering high levels of inflation. Of note, national media outlets picked up the FTRP press releases which resulted in a higher number of out of state, ineligible applications.

DESCRIPTION	NUMBER OF REBATES	AMOUNT
Families with children under the age of 18	267	\$80,634
Adults 62 years of age or older	679	\$67,221
Individuals with a disability	147	\$14,553
<b>TOTAL</b>	<b>1093</b>	<b>\$162,408</b>

#### Applicants by Category: 2019-2023

Year	Total Applicants	Total Unqualified Applicants	Total Qualified Applicants	Qualified Families	Qualified Older Adults	Qualified Individuals with Disabilities
2019	1008	71	937	129	661	146
2020	835	39	796	119	572	105
2021	878	43	835	111	614	110
2022	899	76	823	144	575	104
2023	1241	148	1093	267	679	147
<b>FIVE-YEAR TOTAL</b>	<b>4861</b>	<b>377</b>	<b>4484</b>	<b>770</b>	<b>3101</b>	<b>612</b>

#### NEXT STEPS

FTRP will be administered from March through June 2024, barring any changes to the program period deemed appropriate. Per statute, outreach efforts will begin in February 2024, and the program will re-open on March 1 for applications for rebates on food tax paid during the 2023 calendar year. Staff will continue to assess opportunities for more efficient and effective program outreach and administration.