

Minnesota Women's Consortium

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College Feminists Connect

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* Executive Committee

March 25, 2011

TO: Senate Committee on Taxes

FR: Bonnie Watkins, Executive Director

We ask you not to cut the Renter's Credit. Thank you for the proposed increase to the property tax refund for homeowners, which will be helpful. However, the proposed cuts to the Renter's Credit would be especially harmful to older women - a group already at great risk of economic insecurity.

The Consortium board of directors has taken this position based on research from our Elder Economic Security Index (MinnEESI) study released last year. Maintaining the Renter's Credit was one of the policy recommendations based on those findings.

Elder Index data for your county are attached to this letter, for your information. Here is a summary of the statewide findings:

- * The Elder Index - or true cost of living on a bare bones budget - is \$19,090 for a single elder renter in Minnesota, almost twice the federal poverty level of \$10,400.
- * There is no county in the state where average Social Security benefits for women (\$11,233 on average) are equal to the Elder Index figure.

- * Median Minnesota women's income in retirement from all sources, \$12,691, is far below the Elder Index standard of economic adequacy. Since the median is defined as below which half the population falls, this means that ***a very large number of older women have incomes far below the "bare bones" level.***

- * For older people in good health, the highest cost in every county is for housing.

- * We estimate there are about 70,000 older Minnesota women renters eligible for the Renter's Credit.

- * Researchers at the University of Boston, using Minnesota data, found that ***the Renter's Credit increased the typical income for an older woman from 61% to 93% of the cost of living on a bare bones budget.***

We urge you to restore the Renter's Credit tax refund, which benefits older Minnesota women. Thank you so much.



31 years!

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