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Frederick S. Zimnoch: PILOT program a ‘slippery slope’ that needs more thought

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To the editor:

For many years I've enjoyed the cultural and academic benefits produced by Smith College along with the decided special ambiance it provides to Northampton that makes Northampton unique from the other Hamptons. It was with interest that I read Mayor David J. Narkewicz's proposal to create a Northampton PILOT (payment-in-lieu-of-taxes) program.

Some detail is omitted. For example there is no discussion of how a tax assessment of 25 percent was arrived at, or the basis for only 50 percent credit. Is it one size fits all? His comment that other cities benefit from Smith omits that fact that Northampton citizens also benefit from nonprofits in other cities. I would guess that the University of Massachusetts employs many residents of Northampton.

Most obvious is his omission of an explanation of the Boston PILOT program. Government policies often produce unintended consequences. A closer examination of the Boston program and its possible negative effects would be required for due diligence.

Of course the last omission is where does the money come from? It can't come from profits as it might from a for-profit corporation. Is it faculty and educational resources at Smith and physicians and wellness programs at Cooley Dickinson?

The schools in the Valley since the earliest of times have been an important industry to the area. Besides being non-polluting and recession proof, they have added an economically valuable and attractive setting to the area that's impossible to value.

Much of this has been due to their nonprofit status. It's clear to me that the previous pilot programs just opened the door to an expanded program of taxing nonprofits. If we adopt this new plan then in the future it'll be easier to raise their assessments, lower the credits, and the \$1 million dollar assessment will also change.

Taking on such a slippery slope in my mind jeopardizes these institutions and requires more consideration than appears in this plan.

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