

HOUSE No. 2882

The Commonwealth of Massachusetts

PRESENTED BY:

Adrian C. Madaro

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act promoting housing affordability through tax relief.

PETITION OF:

| NAME: | DISTRICT/ADDRESS: | DATE ADDED: |
|-------------------------|--------------------|------------------|
| <i>Adrian C. Madaro</i> | <i>1st Suffolk</i> | <i>1/20/2023</i> |

HOUSE No. 2882

By Representative Madaro of Boston, a petition (accompanied by bill, House, No. 2882) of Adrian C. Madaro relative to promoting housing affordability through tax relief. Revenue.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Third General Court
(2023-2024)

An Act promoting housing affordability through tax relief.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 6 of chapter 62 of the General Laws, as amended by chapter 179 of
2 the acts of 2022, is hereby amended by inserting after subsection (bb) the following subsection:-

3 (cc)(1) As used in this subsection, the following words shall have the following meanings
4 unless the context clearly requires otherwise:

5 “Department”, the United States Department of Housing and Urban Development.

6 “Qualified residential rental property”, any unsubsidized 2- to 4-unit residential rental
7 property located in the commonwealth.

8 “Qualified rental unit”, a tenant-occupied unit in a qualified residential rental property
9 with a rent, including utilities, that does not exceed the maximum HOME rent limits for the
10 participating jurisdiction as defined by the Department; provided, however, that “qualified rental
11 unit” shall not include a unit rented to immediate family members or dependents of the qualified
12 residential rental property owner.

13 “Qualified tenant”, a household with an income no greater than 70 per cent of the area
14 median income as defined by the Department, an individual 62 years of age or older or a
15 household with at least 1 member under the age of 18.

16 (2) Any resident who is an owner of a qualified residential rental property and who is not
17 a dependent of another taxpayer shall be allowed a credit for the difference between the
18 maximum HOME rent limit for the participating jurisdiction as defined by the Department and
19 the amount charged in rent; provided, however, that the credit shall not exceed \$2,000 for each
20 qualified rental unit; provided further, that the resident shall not be allowed a credit under this
21 subsection for more than 6 qualified rental units; provided further, that the credit allowed under
22 this subsection may be in addition to any other credits, exemptions or other tax benefits allowed
23 by federal or state law and local ordinances. The credit shall be calculated based on the number
24 of months the qualified rental unit is rented to a qualified tenant; provided, however, that joint
25 owners of a qualified residential rental property shall share any credit available to the property
26 under this subsection in the same proportion as their ownership interest.

27 Any taxpayer entitled to this credit for any taxable year, the amount of which exceeds the
28 taxpayer’s total tax due for the then current taxable year, may carry over the excess amount, as
29 reduced from year to year, and apply the excess amount to the taxpayer’s tax liability for any 1
30 or more of the next succeeding 3 taxable years; provided, however, that in no taxable year may
31 the amount of the credit allowed exceed the total tax due of the taxpayer for the relevant taxable
32 year.

33 (3) The commissioner shall promulgate regulations necessary to carry out this subsection.

34 SECTION 2. The second paragraph of section 62A of chapter 60 of the General
35 Laws is hereby amended by striking out the words “25 per cent” and inserting in place thereof
36 the following words: -up to 25 per cent of the amount needed to redeem the parcel or such lesser
37 percentage as the ordinance or bylaw may specify.

38 SECTION 3. This act shall be effective for tax years beginning on or after
39 January 1, 2023.