HOUSE DOCKET, NO. 3748 FILED ON: 5/17/2011

HOUSE . . . . . No. 3466

By Representative Atkins of Concord and Senator Eldridge, a joint petition (accompanied by bill, House, No. 3466) of Cory Atkins, James B. Eldridge and Jennifer E. Benson (by vote of the town) that the town of Acton be authorized to establish a means tested senior citizen property tax exemption. Revenue. [Local Approval Received.]

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act authorizing the Town of Acton to establish a means tested senior citizen property tax exemption.

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

SECTION 1. With respect to each parcel of real property qualifying pursuant to the criteria listed in Section 2 hereof and classified as class one, residential in the town of Acton there shall be a cap on property taxes equal to the sum of [l] 10 per cent of the total annual household income, and [2] the amount of the state's "circuit breaker" credit the applicant was eligible to receive in the year prior to the application being filed, except that if the cap described in Section 3 is exceeded by a higher percentage and except that in no event shall property taxes be reduced by more than 50 per cent by this exemption. The exemption shall be applied only to the principal residence of a taxpayer as used by the taxpayer for income tax purposes.

SECTION 2. The board of assessors may deny an application if they find the applicant has assets that exceed 200% of the limit as defined under the most recently accepted clause 41 of Section 5 of Chapter 59 of Massachusetts General Laws. The board of assessors may deny an application if they find the applicant has excessive assets that place them outside of the intended

recipients of the senior exemption created by this act. Real property shall qualify for the exemption set forth in section 1 if all the following criteria are met:

(a) the qualifying real estate is owned and occupied by a person or family where their prior year's income would make them income eligible for the Circuit Breaker income tax credit;

(b) the qualifying real estate is owned by a single applicant age 65 or above at the close of the previous year or if a joint application the second applicant was age 60 or above;

(c) the qualifying real estate is owned and occupied by the applicant or joint applicants as their principal residence for income tax purposes;

(d) the applicant or at least one of the joint applicants has resided in the town of Acton for at least 10 consecutive years before filing an application for the exemption;

(e) the maximum assessed value of the primary residence is no greater than the amount that would make them eligible for the Circuit Breaker income tax credit; and

(f) the board of assessors has approved the application.

SECTION 3. The exemption provided for in this act shall be in addition to any other exemption allowable under the General Laws except that this exemption shall not exceed $50,000, and shall be funded from the town's overlay account. To the extent qualifying requests for exemption exceed the cap of $50,000, all requests shall be prorated based on the $50,000 cap divided by the total dollar amount of the qualifying requests. This ratio up to a maximum of 1.0 will be multiplied by each citizen's qualifying request to determine the actual amount of the exemption for each qualifying request. For example, assume requests in one year total $75,000.

The cap amount of $50,000 is divided by $75,000 to determine a ratio of .667. This ratio shall be applied to each qualifying applicants' request to determine the amount of the actual exemption.

After the first year of enactment, the total cap on the exemptions granted by this act shall be set annually by the board of selectmen in consideration of the total overlay amount.

SECTION 4. A person who seeks to qualify for this exemption shall, before the deadline established by the board of assessors, file an application, on a form to be adopted by the board of assessors, with the supporting documentation of their income and assets as described in the application. The application shall be filed each year for which the applicant seeks the exemption.

SECTION 5. For the purposes of this act, "parcel" shall be a unit of real property as defined by the assessors in accordance with the deed for the property and shall include a condominium unit.

SECTION 6. Acceptance of this act by the town of Acton shall automatically expire after 3 years unless reaffirmed by the affirmative vote of a majority of the voters at a town meeting. Once reaffirmed, it shall take an affirmative vote by two-thirds of the voters at a regular or special election at which the question of revocation has been placed on the ballot by a two- thirds vote of then sitting members of the board of selectmen for this act to be revoked.

SECTION 7. The selectmen and/or the board of assessors may make technical and procedural changes, if they decide such changes will: (1) make the administration of the act more efficient, (2) make it easier to comply with the regulations of the Massachusetts Department of Revenue, or (3) for any other good reason. Such changes shall not require further approval by the legislature.