

SENATE No. 1506

The Commonwealth of Massachusetts

PRESENTED BY:

Julian Cyr

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 relative to the establishment of a means tested senior citizen property tax exemption.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
<i>Julian Cyr</i>	<i>Cape and Islands</i>	
<i>Carmine L. Gentile</i>	<i>13th Middlesex</i>	<i>1/24/2017</i>
<i>Dylan Fernandes</i>	<i>Barnstable, Dukes and Nantucket</i>	<i>1/31/2017</i>

SENATE No. 1506

By Mr. Cyr, a petition (accompanied by bill, Senate, No. 1506) of Julian Cyr, Carmine L. Gentile and Dylan Fernandes for legislation relative to the establishment of a means tested senior citizen property tax exemption. Revenue.

The Commonwealth of Massachusetts

**In the One Hundred and Ninetieth General Court
(2017-2018)**

An Act relative to the establishment of 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:

1 Chapter 59 of the General Laws, as appearing in the 2014 official edition, is hereby
2 amended by inserting after section 5N the following section:-

3 Section 5O. (a) As used in this section, the following words shall have the following
4 meanings:--

5 “Parcel”, a unit of real property as defined by the assessors of the city or town under the
6 deed for the property, including a condominium unit.

7 “Income”, taxpayer’s total income for the purposes of the circuit breaker income tax
8 credit, as defined in paragraph (1) of subsection (k) of section 6 of chapter 62 of the General
9 Laws.

10 (b) In any city or town that accepts the provisions of this section, with respect to each
11 qualifying parcel of real property classified as Class one, residential there shall be an exemption

12 from the property tax equal to the total amount of tax that would otherwise be assessed without
13 this exemption less the sum of: (i) 10 per cent of the total income for purposes of circuit breaker
14 income tax credit under subsection (k) of section 6 of chapter 62; and (ii) the circuit breaker
15 income tax credit under said subsection (k) of said section 6 the applicant was eligible to receive
16 in the year prior to the application being filed. The percentage of total income may be raised
17 under subsection (d). In no event shall property taxes be reduced by more than 50 per cent by
18 this exemption. The exemption shall be applied to the domicile of the taxpayer only.

19 (c) The board of assessors may deny an application for an exemption pursuant to this
20 section if they find the applicant has excessive assets that place them outside of the intended
21 recipients of the senior exemption created by this section. Real property shall qualify for the
22 exemption under subsection (b) if all of the following criteria are met:

23 (1) the real property is owned and occupied by a person whose prior year's income did
24 not exceed the income limit established in clause (i) of paragraph (3) of said subsection (k) of
25 said section 6 of said chapter 62 and adjusted pursuant to paragraph (4) of said subsection (k) of
26 said section 6 of said chapter 62 for the prior year, whichever such income limit applies to the
27 individual's filing status, multiplied by a percentage, determined by the city or town, of no less
28 than 75 per cent and no greater than 125 per cent;

29 (2) the real property is owned by a single applicant age 65 or older at the close of the
30 previous year or jointly by persons either of whom is age 65 or above at the close of the previous
31 year and if the joint applicant is 60 years of age or older;

32 (3) the real property is owned and occupied by the applicant or joint applicants as their
33 domicile;

34 (4) the applicant or at least 1 of the joint applicants has been domiciled in the city or town
35 for at least 10 consecutive years before filing an application for the exemption;

36 (5) the maximum assessed value of the domicile does not exceed (i) the prior year's
37 average assessed value of a single family residence for the city or town plus 10 per cent; and (ii)
38 the valuation limit established in clause (ii) of said paragraph (3) of said subsection (k) of said
39 section 6 of said chapter 62 and adjusted pursuant to paragraph (4) of said subsection (k) of said
40 section 6 of said chapter 62 for the prior year, multiplied by a percentage, determined by the city
41 or town, of no less than 75 per cent and no greater than 125 percent; provided, that such
42 percentage may be different than the percentage determined by the city or town under paragraph
43 (1) of this subsection; and

44 (6) the board of assessors has approved the application.

45 (d) The exemption under subsection (b) shall be in addition to any other exemption
46 allowable under the General Laws, except that there shall be a dollar cap on all the exemptions
47 granted pursuant to this section equal to .5 per cent of the fiscal year's total residential property
48 tax levy for the city or town, including the levy for any regional high school if not included in the
49 city's or town's tax levy at some subsequent date with the total exemption amount granted by
50 this section allocated proportionally within the tax levy on all residential taxpayers. After the
51 first year of such exemption, the total cap on the exemptions granted pursuant to this section
52 shall be set annually by the board of selectmen, in the case of a town, the city manager, in the
53 case of a city under a Plan E form of government, or the city council, in the case of all other
54 cities, within a range of .5 to 1 per cent of the residential property tax levy for the city or town,
55 including the levy for any regional high school. In the event that benefits to the applicants may

56 be limited because the percentage established annually by the selectmen, city manager or city
57 council would otherwise be exceeded, the benefits shall be allocated by raising the income
58 percentage as required in subsection (b) as necessary to not exceed the cap. In the event the cap
59 exceeds the need for the exemption, the total cap on the exemptions granted by this section shall
60 be reduced to meet the need.

61 (e) A person who seeks to qualify for the exemption under subsection (b) shall, before the
62 deadline established by the board of assessors, file an application, on a form to be adopted by the
63 board of assessors, with the supporting documentation of the applicant's income and assets as
64 described in the application. The application shall be filed each year for which the applicant
65 seeks the exemption.

66 (f) No exemption shall be granted under this section until the department of revenue
67 certifies a residential tax rate for the applicable tax year where the total exemption amount is
68 raised by a burden shift within the residential tax levy.

69 (g) The exemption under this section shall expire every three years after its acceptance or
70 re-acceptance; provided, however, that a city or town which has accepted this section may re-
71 accept this section for additional three-year intervals by a vote of the legislative body of said city
72 or town.