

SENATE No. 2525

The Commonwealth of Massachusetts

—
In the One Hundred and Ninety-First General Court
(2019-2020)
—

SENATE, February 4, 2020.

The committee on Revenue to whom was referred the petition (accompanied by bill, Senate, No. 2243) of Patrick M. O'Connor and Joan Meschino (by vote of the town) for legislation relative to the establishment of a Hingham means-tested property tax exemption, reports recommending that the accompanying bill (Senate, No. 2525) ought to pass.

For the committee,
Adam G. Hinds

SENATE No. 2525

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In the One Hundred and Ninety-First General Court
(2019-2020)

An Act relative to the establishment of a Hingham means-tested 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 SECTION 1. With respect to each qualifying parcel of real property classified as class
2 one, residential according to the classification by the Board of Assessors for the town of
3 Hingham (a “Qualifying Parcel”), there shall be a senior, means-tested exemption from the
4 property tax otherwise payable with respect to such Qualifying Parcel in an amount to be
5 determined annually by the Board of Selectmen, provided in section 3 of this act. For the
6 purposes of this act, a Qualifying Parcel shall mean a unit of real property as defined by the
7 Board of Assessors under the deed for the property and shall include a condominium unit. The
8 exemption provided for herein shall be in addition to any other exemptions allowed under the
9 General Laws.

10 SECTION 2. The Board of Assessors may deny an application if they find the applicant
11 has excessive assets that place them outside of the intended recipients of the senior exemption
12 created by this act. The Board of Assessors shall adopt by regulation criteria for approvals and
13 denials of applications. A taxpayer shall qualify for the exemption under section 1 if all of the
14 following criteria are met:

(i) The Qualifying Parcel is owned and occupied by one or more persons who qualified for the circuit breaker income tax credit the previous calendar year under subsection (k) of section 6 of chapter 62 of the General Laws;

(ii) The Qualifying Parcel is owned by: (i) a single taxpayer age 65 or older; or (ii) jointly by taxpayers so long as one owner is age 65 or older and the joint owner is age 60 or older, as determined as of December 31st of the previous calendar year;

(iii) The Qualifying Parcel is the domicile of the taxpayer(s);

(iv) The applicant taxpayer or at least one of the joint applicants has been domiciled and owned a residential unit of real property in the town of Hingham for at least ten (10) consecutive years prior to filing an application for this exemption;

(v) The maximum assessed value of the domicile is no greater than the prior fiscal year's maximum assessed value for qualification for the circuit breaker income tax credit under subsection (k) of section 6 of chapter 62 of the General Laws as adjusted annually by the department of revenue;

(vi) Property taxes shall not be reduced by more than 50 percent by this exemption; and

(vii) The Board of Assessors has approved the application for the exemption.

SECTION 3. The Board of Selectmen shall annually set the exemption amount provided for in section 1; provided that the amount of the exemption shall be within a range of 50 per cent to 100 per cent of the amount of the circuit breaker income tax credit under subsection (k) of section 6 of chapter 62 of the General Laws which the applicant qualified in the previous year.

The total amount exempted by this act shall be either allocated proportionally within the tax levy

on all taxpayers, funded by an appropriation or transfer from existing funds while not exceeding 1% of the municipality's tax levy or combination of the allocation and the appropriation or transfer.

SECTION 4. A person who seeks to qualify for the exemption under section 1 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 the applicant's income and assets as described in the application including a copy of the filed income tax return of the applicant showing the Circuit Breaker tax credit. The application shall be filed each year for which the applicant seeks the exemption.

SECTION 5. No exemption shall be granted under this act until the department of revenue certifies a residential tax rate for the applicable tax year where the total exemption amount is raised by either a burden shift within the tax levy, an appropriation or transfer from existing funds or a combination of the burden shift and appropriation or transfer from existing funds.

SECTION 6. This act shall expire 3 years after the effective date of this act; provided, however that the town of Hingham may reaffirm by a vote of the Town Meeting.

SECTION 7. This act shall take effect upon its passage.