

HOUSE No. 5114

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, November 21, 2024.

The committee on Ways and Means, to whom was referred the Bill relative to property tax classification in the city of Boston (House, No. 5099), reports recommending that the same ought to pass with an amendment substituting therefor the accompanying bill (House, No. 5114) [Local Approval Received].

For the committee,

AARON MICHLEWITZ.

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

An Act relative to property tax classification in the city of Boston.

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. Notwithstanding section 1A of chapter 58 of the General Laws or any other
2 general or special law to the contrary, the commissioner of revenue shall further adjust the
3 minimum residential factor of the city of Boston determined under said section 1A of said
4 chapter 58 for fiscal years 2025, 2026 and 2027, if adoption of such factor for any such year
5 would result in the residential property class bearing a higher percentage of the total property tax
6 levy than the percentage of the total property tax levy imposed on the residential property class
7 than in the prior fiscal year. The new minimum residential factor for such year shall be: (i) for
8 fiscal year 2025, 50 per cent subject to such adjustment upward as may be required to provide
9 that the percentage of the total tax levy imposed on any class of real or personal property shall
10 not exceed 181.5 per cent of the full and fair cash valuation of the taxable property of the class
11 divided by the full and fair cash valuation of all taxable real and personal property in the city of
12 Boston; (ii) in fiscal year 2026, 50 per cent subject to such adjustment upward as may be
13 required to provide that the percentage of the total tax levy imposed on any class of real or
14 personal property shall not exceed 180 per cent of the full and fair cash valuation of the taxable

15 property of the class divided by the full and fair cash valuation of all taxable real and personal
16 property in the city of Boston; and (iii) in fiscal year 2027, 50 per cent subject to such adjustment
17 upward as may be required to provide that the percentage of the total tax levy imposed on any
18 class of real or personal property shall not exceed 178 per cent of the full and fair cash valuation
19 of the taxable property of the class divided by the full and fair cash valuation of all taxable real
20 and personal property in the city of Boston. In fiscal year 2028 and thereafter, the determination
21 of the minimum residential factor shall be conducted in accordance with the provisions detailed
22 in section 1A of chapter 58. Payments made under section 38H of chapter 59 of the General
23 Laws, and similar provisions of special acts, that are included in the tax levy for purposes of
24 determining the minimum residential factor under said section 1A of said chapter 58 shall be so
25 included in the determination of any factor under this section.

26 SECTION 2. (a) Notwithstanding section 5 of chapter 59 of the General Laws or any
27 other general or special law to the contrary, the city of Boston may allow for an exemption from
28 taxation of personal property not in excess of \$30,000 of value.

29 (b) The city council of the city of Boston shall vote to establish a minimum value of
30 personal property subject to taxation. Said value shall be subject to limitation pursuant to
31 subsection (a).

32 SECTION 3. Notwithstanding the provisions of chapter 30B of the General Laws, or any
33 other general or special law, the city of Boston, for each fiscal year in which the total tax levy
34 imposed on the class of commercial property exceeds 175 per cent of the full and fair cash
35 valuation of the taxable property of the class of commercial property divided by the full and fair
36 cash valuation of all the taxable real and personal property in the city of Boston, shall be

37 authorized to expend up to \$15,000,000 to award grants and provide programs for the purpose of
38 supporting small businesses impacted by the shift of the tax levy beyond the aforementioned 175
39 per cent. The term “small business” as used in this section shall mean a business with its
40 principal place of business located in Boston, with fewer than 50 employees or less than
41 \$5,000,000 in annual revenue.

42 SECTION 4. This act shall take effect upon passage.