SENATE DOCKET, NO. 363 FILED ON: 1/13/2023

SENATE . . . . . No. 1762

The Commonwealth of Massachusetts

PRESENTED BY:

William N. Brownsberger

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 authorizing a local affordable housing surcharge.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
William N. Brownsberger	*Suffolk and Middlesex*

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SENATE . . . . . No. 1762

By Mr. Brownsberger, a petition (accompanied by bill, Senate, No. 1762) of William N. Brownsberger for legislation to authorize a local affordable housing surcharge. Revenue.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. *1804* OF 2021-2022.]

The Commonwealth of Massachusetts

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

An Act authorizing a local affordable housing surcharge.

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

The General Laws are hereby amended by inserting after chapter 44B, the following chapter:-

Chapter 44C: Local Affordable Housing Surcharge

(a) Notwithstanding chapter 59 or any other general or special law to the contrary, any city or town, which accepts this chapter in accordance with subsection (b), may impose an affordable housing surcharge on real property at a rate up to, but not exceeding, 2 per cent of the real estate tax levy against real property, as determined annually by the board of assessors. The amount of the surcharge shall not be included in a calculation of total taxes assessed for purposes of section 21C of chapter 59.

(b) This chapter shall only take effect upon approval by a two-thirds vote of the local appropriating authority of the city or town, as defined by section 21C of chapter 59, and acceptance by the voters as a ballot question at the next regular municipal or state election; provided, however, that this chapter shall take effect on July 1 of the fiscal year after such acceptance or a later fiscal year as the city or town may designate.

(c) All exemptions and abatements of real property authorized by chapter 59, or any other law for which a taxpayer qualifies as eligible, shall not be affected by this chapter. A taxpayer receiving an exemption of real property under a clause of section 5 of chapter 59 specifically listed in section 59 of chapter 59 shall be exempt from any surcharge on real property established under this chapter. The surcharge to be paid by a taxpayer receiving any other exemption or abatement of tax on real property authorized by chapter 59 or any other law shall be reduced in proportion to the amount of such exemption or abatement.

(d) Any amount of the surcharge not paid by the due date shall bear interest at the rate per annum provided in section 57 of chapter 59.

(e) The local appropriating authority, as defined by section 21C of chapter 59, may also vote to accept one or more of the following exemptions:

(1) for property owned and occupied as a domicile by a person who would qualify for low income housing or low or moderate income senior housing in the city or town;

(2) for class three, commercial, and class four, industrial, properties as defined in section 2A of chapter 59, in cities or towns with classified tax rates;

(3) for $100,000 of the value of each taxable parcel of residential real property; or

(4) for $100,000 of the value of each taxable parcel of class three, commercial property, and class four, industrial property as defined in section 2A of chapter 59.

(f) A person claiming an exemption provided under this chapter may apply to the board of assessors, in writing, on a form approved by the commissioner of revenue, on or before the deadline for an application for exemption under section 59 of chapter 59. Any person aggrieved by a decision of the assessors or by their failure to act upon such application may appeal, as provided in sections 64 to 65B, inclusive, of chapter 59. Applications for exemption under this chapter shall be open for inspection only as provided in section 60 of chapter 59.

(g) Notwithstanding section 53 of chapter 44 or any other general or special law to the contrary, a city or town that accepts this chapter shall deposit all monies collected from the surcharge, under this chapter, into an affordable housing trust adopted pursuant to section 55C of chapter 44 or special legislation.

(h) Upon acceptance of this chapter and upon the assessors' warrant to the tax collector, the accepted surcharge shall be imposed.

(i) After receipt of the warrant, the tax collector shall collect the surcharge in the amount and according to the computation specified in the warrant and shall pay the amounts so collected, quarterly or semi-annually, according to the schedule for collection of property taxes for the tax on real property, to the affordable housing trust. The tax collector shall cause appropriate books and accounts to be kept with respect to the surcharge, which shall be subject to public examination upon reasonable request.

(j) The remedies provided by chapter 60 for the collection of taxes upon real estate shall apply to the surcharge on real property pursuant to this chapter.

(k) A city or town that has accepted this chapter may revoke its acceptance, or amend the amount of the surcharge, in the manner outlined in subsection (b); provided, however, that it may not amend the applicable surcharge rate more often than once in any 12 month period. Any monies remaining upon revocation shall be transferred to an affordable housing trust.