

SENATE No. 1894

The Commonwealth of Massachusetts

PRESENTED BY:

Susan L. Moran

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>Susan L. Moran</i>	<i>Plymouth and Barnstable</i>	
<i>Michael O. Moore</i>	<i>Second Worcester</i>	<i>2/15/2023</i>
<i>Bruce E. Tarr</i>	<i>First Essex and Middlesex</i>	<i>4/3/2023</i>

SENATE No. 1894

By Ms. Moran, a petition (accompanied by bill, Senate, No. 1894) of Susan L. Moran and Michael O. Moore for legislation to establish a means tested senior citizen property tax exemption. Revenue.

The Commonwealth of Massachusetts

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

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 SECTION 1. Section 5 of chapter 59 of the General Laws, as appearing in the 2020
2 Official Edition, is hereby amended by inserting after the word “household”, in line 1124, the
3 following words:- or \$80,000, whichever is greater.

4 SECTION 2. Said chapter 59 is hereby further amended by inserting after section 5N the
5 following section:-

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

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

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

12 (b) In any city or town that accepts the provisions of this section, with respect to each
13 qualifying parcel of real property classified as Class one, residential there shall be an exemption
14 from the property tax equal to the total amount of tax that would otherwise be assessed without
15 this exemption less the sum of: (i) 10 per cent of income, or such other percentage of income as
16 determined under subsection (d); and (ii) the circuit breaker income tax credit under subsection
17 (k) of section 6 of chapter 62 the applicant was eligible to receive in the year prior to the
18 application being filed. In no event shall property taxes be reduced by more than 50 per cent by
19 this exemption.

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

24 (1) the real property is owned and occupied by a person whose prior year's income did
25 not exceed the income limit established in clause (i) of paragraph (3) of subsection (k) of section
26 6 of chapter 62 and adjusted pursuant to paragraph (4) of subsection (k) of section 6 of chapter
27 62 for the prior year, whichever such income limit applies to the individual's filing status;

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

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

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

35 (5) the maximum assessed value of the domicile does not exceed (i) the prior year's
36 average assessed value of a single family residence for the city or town plus 10 per cent; and (ii)
37 the valuation limit established in clause (ii) of paragraph (3) of subsection (k) of section 6 of
38 chapter 62 and adjusted pursuant to paragraph (4) of said subsection (k) of said section 6 of said
39 chapter 62 for the prior year; and

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

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

55 event the cap exceeds the need for the exemption, the total cap on the exemptions granted by this
56 section shall be reduced to meet the need.

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

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

65 (g) The exemption under this section shall expire every three years after its acceptance or
66 re-acceptance; provided, however, that a city or town which has accepted this section may re-
67 accept this section for additional 3-year intervals by a vote of the legislative body of said city or
68 town.