

# HOUSE . . . . . No.

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## The Commonwealth of Massachusetts

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PRESENTED BY:

***Rob Consalvo***

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*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 property tax classification, the senior homeowner property tax exemption, and the personal property tax exemption in the city of Boston.

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PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Rob Consalvo</i>	<i>14th Suffolk</i>	<i>2/13/2025</i>
<i>Russell E. Holmes</i>	<i>6th Suffolk</i>	<i>5/19/2025</i>

# HOUSE . . . . . No.

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By Representative Consalvo of Boston, a petition (subject to Joint Rule 12) of Rob Consalvo (with the approval of the mayor and city council) relative to taxes in the city of Boston. Revenue. [Local Approval Received.]

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## The Commonwealth of Massachusetts

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In the One Hundred and Ninety-Fourth General Court  
(2025-2026)  
\_\_\_\_\_

An Act relative to property tax classification, the senior homeowner property tax exemption, and the personal property tax exemption 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 23 of chapter 59 of the General Laws, or any other  
2   general or special law to the contrary, for fiscal year 2025 the tax rates in the City of Boston shall  
3   be the rates that would have occurred were a 181.5% shift in place at the time of their setting.  
4   The residential tax rate for property in the City of Boston, which applies to residential real  
5   property and open space, shall be \$11.03 per \$1,000 of value, and the commercial tax rate for  
6   property in the City of Boston, which applies to commercial real property, industrial real  
7   property, and personal property, shall be \$26.92 per \$1,000 of value. In order to go into effect,  
8   this section must be enacted by the General Court prior to March 1, 2025.

9           SECTION 2: Notwithstanding section 1A of chapter 58 of the General Laws or any other  
10   general special law to the contrary, the commissioner of revenue shall further adjust the  
11   minimum residential factor of the City of Boston determined under said section 1A of said  
12   chapter 58 for fiscal years 2026, and 2027, if adoption of such factor for any such year would

13 result in the residential property class bearing a higher percentage of the total property tax levy  
14 than the percentage of the total property tax levy imposed on the residential property class in  
15 fiscal year 2024. The new minimum residential factor for such a year shall be (a) for fiscal year  
16 2026, 50 per cent subject to such adjustment upward as may be required to provide that the  
17 percentage of the total tax levy imposed on any class of real or personal property shall not  
18 exceed 180 per cent of the full and fair cash valuation of the taxable property of the class divided  
19 by the full and fair cash valuation of all taxable real and personal property in the City of Boston,  
20 (b) in fiscal year 2027, 50 per cent subject to such adjustment upward as may be required to  
21 provide that the percentage of the total tax levy imposed on any class of real or personal property  
22 shall not exceed 178 per cent of the full and fair cash valuation of the taxable property of the  
23 class divided by the full and fair cash valuation of all taxable real and personal property in the  
24 City of Boston, (c) in fiscal year 2028 and thereafter, the determination of the minimum  
25 residential factor shall be conducted in accordance with the provision detailed in section 1A of  
26 chapter 58. Payments made under section 38H of chapter 59 of the General Laws, and similar  
27 provisions of special acts, that are included in the tax levy for purposes of determining the  
28 minimum residential factor under said section 1A of said chapter 58 shall be so included in the  
29 determination of any factor under this section.

30 SECTION 3: Notwithstanding the provisions of chapter 30B of the General Laws, or any  
31 other general or special law, and subject to appropriation by the City of Boston, in each fiscal  
32 year in which the total tax levy imposed on the class of commercial property exceeds one  
33 hundred seventy five per cent of the full and fair cash valuation of that class divided by the full  
34 and fair cash valuation of all the taxable real and personal property in the City of Boston, the  
35 City of Boston is authorized to expend up to fifteen million dollars to make grants and provide

36 programs for the purpose of supporting small businesses impacted by the shift of the tax levy  
37 beyond the aforementioned one hundred seventy five per cent. The term “small business” as used  
38 in this section shall mean a business with its principal place of business located in Boston, with  
39 fewer than fifty employees or less than five million dollars in annual revenue.

40 SECTION 4: Notwithstanding clause 41C of section 5 of chapter 59 or any other general  
41 or special law to the contrary, with respect to real property in the City of Boston the following  
42 factors determining exemption for real property under clause 41C of section 5 of chapter 59 shall  
43 be adjusted as follows: (1) increasing the sum of \$500 contained in the first sentence of clause  
44 41C to \$1500; (2) increasing the amounts contained in subclause (B) of said first sentence  
45 whenever they appear in said subclause from \$13,000 dollars and from \$15,000 dollars to fifty  
46 percent of Area Median Income as adjusted for household size, as is published annually by the  
47 U.S. Department of Housing and Urban Development, as required by Section 8 of the Federal  
48 Housing Act of 1937 (42 USC Section 1437f), as amended, and the relevant year of the  
49 calculation shall be the most recent figure available as of July 1 of the start of the fiscal year to  
50 which the exemption is sought; and (3) increasing the amounts contained in subclause (C) of said  
51 first sentence whenever they appear in said subclause from \$28,000 dollars to not more than  
52 \$80,000 and from \$30,000 to not more than \$110,000. These adjustments shall not be further  
53 modified by the second sentence of clause 41C of section 5 of chapter 59.

54 SECTION 5: (a) Notwithstanding section 5 of chapter 59 of the General Laws or any  
55 other general or special law to the contrary, the City of Boston shall be permitted to allow for an  
56 exemption from taxation of personal property not in excess of \$30,000 of value.

(b) The city council of the City of Boston, with the approval of the mayor, shall vote to establish a minimum value of personal property subject to taxation. Said value shall be subject to limitation pursuant to subsection (a).

SECTION 6: Only in the event that the tax rates for the City of Boston for fiscal year 2025 are not changed by March 1, 2025, pursuant to Section 1 of this act, from the tax rates certified in December of 2024, and due to the fact that the residential tax levy in fiscal year 2025 increased from 41.67% of the overall tax levy to 44.07% of the overall tax levy, the largest percentage increase since 2007, the last year the City was authorized by statute to have a classification shift exceeding 175%, the City of Boston shall be authorized to issue rebates to those taxpayers who received the residential exemption in fiscal year 2025. In no event shall these rebates be issued in fiscal year 2025 unless the following conditions are met: the appropriation for said rebates would not cause the fiscal year's Generally Accepted Accounting Principles (GAAP) Unassigned Fund Balance to go below 15% of the fiscal year's GAAP General Fund Operating Expenditures, while maintaining a Statutory/Budgetary Unassigned Fund Balance at 10% or higher of Statutory/Budgetary Operating Expenses. These rebates shall be a uniform amount of money for each eligible taxpayer to be paid out of a pool of money appropriated by the City of Boston for this express purpose. The amount of the rebate shall be calculated, reviewed and approved by the City Council with the submission of an appropriation order, by the Collector-Treasurer of the City of Boston with the approval of the mayor of the City of Boston. This rebate shall be in addition to any exemptions allowed under chapter 59; provided, however, that in no instance shall the taxable valuation of such property after all applicable exemptions and this rebate be reduced below ten per cent of its full and fair cash

79 valuation, unless that is explicitly provided for in any specific section of chapter 59. In order to  
80 go into effect, this section must be enacted by the General Court prior to July 1, 2025.

81           SECTION 7: Effective Date. Sections 1,2,3, and 6 of this act shall take effect  
82 immediately upon passage. Sections 4 and 5 of this act shall take effect upon passage and be  
83 applicable to fiscal year 2026 and all following fiscal years.