SENATE DOCKET, NO. 1120 FILED ON: 1/15/2025

SENATE . . . . . No. 2096

The Commonwealth of Massachusetts

PRESENTED BY:

John C. Velis

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:	
John C. Velis	*Hampden and Hampshire*	
Sal N. DiDomenico	*Middlesex and Suffolk*	*2/26/2025*
Michael O. Moore	*Second Worcester*	*3/6/2025*
Kelly W. Pease	*4th Hampden*	*3/21/2025*

SENATE DOCKET, NO. 1120 FILED ON: 1/15/2025

SENATE . . . . . No. 2096

By Mr. Velis, a petition (accompanied by bill, Senate, No. 2096) of John C. Velis, Sal N. DiDomenico and Michael O. Moore for legislation to establish a means tested senior citizen property tax exemption. Revenue.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. *1894* OF 2023-2024.]

The Commonwealth of Massachusetts

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

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:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

manager or city council would otherwise be exceeded, the benefits shall be allocated by raising the income percentage as required in subsection (b) as necessary to not exceed the cap. In the event the cap exceeds the need for the exemption, the total cap on the exemptions granted by this section shall be reduced to meet the need.

(e) A person who seeks to qualify for the exemption under subsection (b) 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. The application shall be filed each year for which the applicant seeks the exemption.

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

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