HOUSE DOCKET, NO. 2088 FILED ON: 1/20/2011

HOUSE . . . . . No. 2567

The Commonwealth of Massachusetts

PRESENTED BY:

Chris Walsh

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 establishing a tax incentive for small property improvements.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Chris Walsh	*6th Middlesex*
James J. Dwyer	*30th Middlesex*
Richard Bastien	*2nd Worcester*
Russell E. Holmes	*6th Suffolk*
Thomas P. Kennedy	
Karen E. Spilka	
Benjamin Swan	*11th Hampden*

HOUSE DOCKET, NO. 2088 FILED ON: 1/20/2011

HOUSE . . . . . No. 2567

By Mr. Walsh of Framingham, a petition (accompanied by bill, House, No. 2567) of Chris Walsh and others establishing a property tax incentive for small property improvements. Revenue.

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act establishing a tax incentive for small property improvements.

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. Chapter 59 of the General Laws is hereby amended by adding the following new section after section 2D:

Section 2E. (1) Any city or town that accepts the provisions of this section by a vote of the local legislative body shall allow any property owner, within that city or town, where in any fiscal year the real estate by that property owner is assessed at $500,000 or less and is improved by the property owner such that the next fiscal year's assessed value increases due to such improvements, a deduction from their assessed property tax liability as follows:

(a)For the first fiscal year after the improvement is completed, any increase in the tax liability due to the improvement may be deducted from the tax liability based on the original assessed property value prior to the completion of the improvement

(b)For the second fiscal year after the improvement is completed, half of the increase in the tax liability due to the improvement may be deducted from the tax liability based on the original assessed property value prior to the completion of the improvement

14 (c)For the third fiscal year after the improvement is completed, any increase in the tax
15 liability due to the improvement may be deducted from the tax liability based on the current
16 assessed property value

17 (d)For the fourth fiscal year after the improvement is completed, half of the increase in
18 the tax liability due to the improvement shall be added to the tax liability based on the original
19 assessment property value prior to the completion of the improvement

20 (e)For the fifth fiscal year after the improvement is completed and all subsequent fiscal
21 years, the property owner's tax liability shall reflect the fully assessed property value.

22 (2) Should a city or town adopt the provisions in clause (1) of this section, the assessor
23 must include on each property tax bill or notice, as referenced in Section 3A of Chapter 60,
24 reasons for any increase in the assessed value of a property from one fiscal year to another,
25 including but not limited to the increased value of a property due to improvements made by the
26 property owner.

27 SECTION 2: Only one credit may be in use concurently.

28 SECTION 3: The sections of this bill shall take effect upon passage.