

COMMITTEE ON REVENUE ~ HOUSE BILL SUMMARY

Bill Number: H.3252 (Similar to S.1953)

Name: AN ACT IMPROVING OLDER ADULT TAX RELIEF TO ADDRESS THE RISING COST OF HOMEOWNERSHIP

Sponsor(s): Rep. Thomas M. Stanley (Waltham)

Hearing Date: June 16, 2025

Reporting Date: August 15, 2025

Prior History: N/A

CURRENT LAW:

M.G.L. c. 62 § 6 – Credits: Massachusetts offers credits against personal income tax liability for individuals who meet certain thresholds and eligibility requirements. A tax credit is a dollar-for-dollar reduction in taxes due.

M.G.L. c. 59 – Property tax: All property, real and personal, situated within the Commonwealth is subject to local tax, unless expressly exempt.

M.G.L. c. 59 § 5 – Property tax exemptions: Real and personal property is taxed by the municipality where it is located based on its fair cash value. However, certain items of property or portions thereof are exempted from taxation. For example, residents meeting certain criteria, including age, income, disability and/or veteran status are able to obtain complete or partial property tax exemptions. Certain property may be exempt due to the purpose it serves, such as providing renewable energy. With limited exceptions, a taxpayer may only receive one exemption under M.G.L. c. 59, § 5 for each fiscal year. If a taxpayer qualifies for more than one exemption, they will receive the one that provides the greatest benefit.

PROPOSED CHANGE(S):

This bill modifies the definition of "Real estate tax payment" in Chapter 62, section 6 of the M.G.L. to provide expanded property tax relief for older adults by broadening what expenses can be included when calculating tax credits. 50% of homeowners insurance costs would now be allowed. The updated definition would allow taxpayers to include not just property taxes, but also 50% of water and sewer charges in communities where such charges are not separately assessed, *and 50% of homeowners insurance costs, regardless of whether the insurance is required by a mortgage lender.* For multi-unit dwelling owners, the calculation will include the proportional share of taxes, water and sewer charges, and *insurance costs for their specific unit*, with specific procedures to be established by tax authorities.