

COMMITTEE ON REVENUE ~ HOUSE BILL SUMMARY

Bill Number: H.3016

Name: AN ACT ESTABLISHING A HOMESTEAD EXEMPTION FOR DISABLED VETERANS

Sponsor(s): Rep. Bruce J. Ayers (Quincy)

Hearing Date: June 24, 2025

Reporting Date: August 23, 2025

Prior History: 2023-24 (H.2706): Reported Favorably; Accompanied H.4162, Referred to House Ways and Means
 2021-22 (H.2817): Ordered to a House Study
 2019-20 (H.2401): Ordered to a House Study
 2017-18 (H.3522): Ordered to a House Study

CURRENT LAW:

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 residents meeting certain criteria, including age, income, disability and/or veteran status.

Clause 22nd – Soldiers and sailors exemptions: Taxpayers may apply for an abatement of \$2,000 of assessed taxable valuation or \$400, whichever results in greater reduction of taxes due, subject to the following initial/threshold criteria:

- Veterans (last discharge must not have been dishonorable)
- Domiciled in Massachusetts for at least 6 months prior to entering military service or resided in the Commonwealth for 5 consecutive years next prior to date of filing for this exemption
- Real estate must be occupied in whole or in part as domicile

Clauses twenty-second A through twenty-second F all provide exemptions/abatements for soldiers and sailors and their spouses meeting certain criteria in addition to the base criteria required above, but with increasing exemption/abatement amounts as follows:

Clause	Additional Criteria	Exemption/Abatement Amount
Twenty-second A	Veterans (or spouses) who lost a foot, hand, or eye (or sight therein) OR who were awarded the congressional medal of honor, the distinguished service cross, the navy cross or the air force cross	\$4,000 of assessed taxable valuation or \$750, whichever results in greater reduction of taxes due
Twenty-second B	Veterans (or spouses) who lost permanent use of both feet, both hands, one foot and one hand, or sight in both eyes	\$8,000 of assessed taxable valuation or \$1,250, whichever results in greater reduction of taxes due

Twenty-second C	Veterans (or spouses) who suffered in the line of duty total disability and has specially adapted housing	\$10,000 of assessed taxable valuation or \$1,500, whichever results in greater reduction of taxes due
Twenty-second D	Surviving spouses of service member who suffered a service-related injury or illness, on active duty, which was the proximate cause of death or who is missing in action with a presumptive finding of death as a result of active duty service	Full amount of taxable valuation of real property
Twenty-second E	Veterans (or spouses) who suffered in the line of duty total disability and are incapable of working	\$6,000 of assessed taxable valuation or \$1,000, whichever results in greater reduction of taxes due
Twenty-second F	Veterans (or spouses) who are certified by the VA as paraplegic	Full amount of taxable valuation of real property

These clauses also include requirements that a portion of the cost of the exemption be borne by the municipality and the rest shall be reimbursed by the commonwealth.

PROPOSED CHANGE(S):

This legislation makes a number of comprehensive changes to M.G.L. c. 59 § 5 in regards to soldiers and sailors tax exemptions.

This bill would amend M.G.L. c. 59 § 5, cl. twenty-second C by removing the requirement that the veteran must have been domiciled in Massachusetts for at least 6 months prior to entering service or must have resided in Massachusetts for 5 consecutive years after entering service in order to receive the property tax exemption.

Further, the bill would remove the requirement that the veteran must have received assistance in acquiring “specially adapted housing” from the VA. The bill would also change the exemption amount to the full amount of taxable valuation of real property that is used as the residence or domicile of the veteran. Under this legislation, surviving spouses would continue to receive the exemption/abatement after the death of the veteran, until such time as the spouse remarries or sells the real estate, except that the surviving spouse may transfer an amount not to exceed the amount granted from the most recent tax year to real estate serving as the surviving spouses domicile. A letter from the U.S. Government or VA would be considered prima facie evidence that the veteran or surviving spouse is entitled to the exemption. Finally, the bill removes the reimbursement requirement for this clause.

The bill would add a requirement to M.G.L. c. 59 § 5, cl. Twenty-second D that the deceased veteran be a permanent resident of the Commonwealth on January 1 of the year in which they died. The bill would prevent a surviving spouse from receiving the exemption under this clause after they sell the real estate, except that the surviving spouse may transfer the exemption, not to exceed the amount granted in the most recent tax year, to real estate occupied by and serving as the surviving spouse’s domicile.

The bill would also allow a veteran (or their spouse) who is a hemiplegic (i.e. paralyzed in half of their body) or who must use a wheelchair for mobility to receive the exemption under M.G.L. c. 59 § 5, cl. Twenty-second F.