

JOINT COMMITTEE ON REVENUE
194th General Court (2025-2026)
HOUSE BILL SUMMARY



Bill Number: H.3051

Name: AN ACT RELATIVE TO TAXES DUE UPON THE DEATH OF ACTIVE DUTY PERSONNEL AND THE ELDERLY

Sponsor(s): Rep. Michelle L. Ciccolo (Lexington)

Hearing Date: April 8, 2025

Reporting Date: June 7, 2025

Prior History: 2023-24 (H.2738): Reported favorably; referred to House Steering, Policy and Scheduling; ordered to a third reading
2021-22 (H.2849): Reported favorably; referred to House Steering, Policy and Scheduling; placed in Orders of the Day

Similar Matters: S.2010 (Sen. Friedman – Identical)

CURRENT LAW:

M.G.L. c. 59 § 5 cl. eighteenth and eighteenth A – Property tax deferral for active military personnel: Taxpayers or their surviving spouse may enter into a tax deferral agreement for taxes on real property that has served as their domicile for the past 10 years and has been owned by them, provided that they do not have the financial resources to pay the taxes due on the property as a result of a change to active military status (not including initial enlistment).¹

M.G.L. c. 59 § 5 cl. forty-first A – Assessment of local taxes; property, senior deferral: Taxpayers 65 years or older or their surviving spouse may enter into a tax deferral agreement for taxes on real property, if the

¹ Qualifications are established locally by the board of assessors.

real property or other real property in Massachusetts has served as their domicile for 5 years, if such property has been owned, or inherited by them.²

The deferral agreement requires: that unpaid taxes plus 8% interest be paid when the real property is sold before the death of a taxpayer; that the amount of unpaid taxes plus interest will not exceed 50% of the taxpayer's share of the property; that the taxpayer's heirs or assignees will pay the taxes themselves or the taxes will be recovered from the taxpayer's estate; and that any joint owner or mortgagee agrees to the tax deferment agreement. Deferred taxes are subject to an 8% annual interest rate or such lower rate as set by the municipality's legislative body.

To qualify for the senior deferral, the taxpayer and their spouse, if married, cannot have income in excess \$20,000. However, municipalities, via local option, can set a higher maximum income threshold to qualify for the deferral so long as it does not exceed the maximum income threshold to qualify for the senior circuit breaker tax credit (\$72,000 for a single individual, not the head of a household; \$91,000 for a head of household; or \$109,000 for married taxpayers filing jointly).

PROPOSED CHANGE(S):

This bill amends clauses 18A and 41A of section 5 of chapter 59, to create a one-year grace period for surviving spouses after the death of active military personnel or seniors that were participating in a tax deferral agreement. This delays the accrual of 8% interest on top of taxes due immediately upon death. Under current law, this rate begins immediately upon death of active duty personnel or the senior.

² The taxpayer must have been a resident of Massachusetts for at least 10 years. Surviving spouses who inherit the property must have occupied the property, or another Massachusetts property, for any five years.