

HOUSE No. 3125

By Mr. Sciortino of Medford, petition of Carl M. Sciortino, Jr., and others for legislation to provide for an income tax credit to landlords of rental properties used as affordable housing. Revenue.

The Commonwealth of Massachusetts

PETITION OF:

Carl M. Sciortino, Jr.	Kay Khan
Elizabeth A. Malia	Alice Hanlon Peisch
John D. Keenan	James E. Timilty
James B. Eldridge	

In the Year Two Thousand and Seven.

AN ACT RELATIVE TO TAX INCENTIVES FOR RENTAL PROPERTIES USED AS AFFORDABLE HOUSING.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- 1 Section 6 of Chapter 62 of the General Laws is hereby amended
2 by adding after subsection (l) the following subsection:—
3 (m)(1) As used in this subsection, the following words and terms
4 shall, unless the context clearly requires otherwise, have the
5 following meanings:—
6 “Eligible Income Person or Family”, A person or family whose
7 household income does not exceed 60% of the Area Median House-
8 hold Income, adjusted for family size, as determined by the United
9 States Department of Housing and Urban Development.
10 “Low-Income Rental Standards”, Rent for units leased as low-
11 income rental units shall not exceed 60% of the Fair Market Rent for
12 the region, as determined by the United States Department of
13 Housing and Urban Development.
14 “Landlord”, individual or corporation who owns residential real
15 estate available for rent
16 (2) The landlord of a unit rented to and occupied by an eligible
17 income person or family at a rental amount not exceeding low-
18 income rental standards shall be allowed a credit against taxes

19 imposed by this chapter on personal income if the landlord is an
20 individual, or against taxes imposed by Chapter 63 on a corporation
21 if the landlord is a corporation. The credit shall be equal to 100% of
22 the annual fair market rent for the region for the unit rented to the
23 person or family of low-income.

24 (3) The Department of Housing and Community Development
25 shall promulgate regulations for the application for and approval of
26 certification as an eligible income person or family.

27 (4) The Department of Housing and Community Development
28 shall set standards of adequate condition and suitability for any unit
29 rented under the terms of this subsection. The department shall fur-
30 ther promulgate a procedure of complaint and redress for tenants of
31 units that do not meet said standards.

32 (5) To qualify for the incentive set in paragraph 2 of this subsec-
33 tion, the landlord shall submit to Department of Housing and Com-
34 munity Development and the Massachusetts Department of Revenue
35 proof of a 1-year or greater lease with a previously approved person
36 or family of low income.