

SENATE NO. 1845

AN ACT TO PROVIDE PROPERTY TAX RELIEF TO LOW AND MODEST INCOME ELDERS

*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 1. Section 5 of Chapter 59 of the General Laws is hereby amended by inserting after

2 Clause forty first D the following new section:

3 Forty-first E, Real Property, to the amount of four thousand dollars of taxable valuation or the
4 sum of one thousand dollars, whichever would amount in an exemption of the greater amount of
5 taxes due, of a person who has reached his sixty-fifth birthday prior to the fiscal year for which
6 an exemption is sought and occupied by said person as his domicile, or of a person who owns
7 the same jointly with his spouse, either of whom has reached his sixty-fifth birthday prior to the
8 year for which an exemption is sought and occupied by them as their domicile, or for a person
9 who has reached his sixty-fifth birthday prior to the fiscal year for which an exemption is sought
10 who owns the same jointly or as a tenant in common with a person not his spouse and occupied
11 by him as his domicile; provided: (A) that such person has been domiciled in the
12 commonwealth for the preceding five years, (2) has so owned and occupied such real property
13 or other real property in the commonwealth for three years, or (3) is a surviving spouse who
14 inherits such real property and has occupied such real property in the commonwealth for three
15 years and who otherwise qualified under this clause; (B) that such person had, in the preceding
16 year gross receipts from all sources of less than thirteen thousand dollars, or if married,

17 combined gross receipts with his spouse of less than fifteen thousand dollars, provided that in
18 computing the gross receipts of an applicant under this clause ordinary business expenses and
19 losses may be deducted, but not personal or family expenses; and provided further, that there
20 shall be deducted from the total amount received by the applicant under the federal social
21 security or railroad retirement and from any annuity, pension or retirement plan established for
22 employees of the United States government, the government of the commonwealth, or the
23 government of any city, town, county, or special district, included in such gross receipts, an
24 amount equivalent to the minimum payment then payable under said federal social security law,
25 as determined by the commissioner of revenue, to a retired worker sixty-five years of age or
26 over, if the applicant is unmarried, or to a retired worker and spouse, both of whom are sixty-
27 five years of age or over, if the applicant is married; and (C) that such person had a whole
28 estate, real and personal, not in excess of twenty-eight thousand dollars, or if married, not in
29 excess of thirty thousand dollars, provided that the real property occupied as his domicile shall
30 not be included in computing the whole estate except for any portion of said property which
31 produces income and exceeds two dwelling units; and that there shall be further deducted from
32 the total amount of the whole estate the fair market value of one private passenger motor
33 vehicle, as defined in regulations of the Massachusetts registry of motor vehicles, per exemption
34 granted, regardless of its value, as selected by the person or persons seeking to receive the
35 exemption, if it is registered to and for the use of one or more persons seeking to receive the
36 property tax exemption. In the case of real property owned by a person jointly or as a tenant in
37 common with a person not his spouse, the amount of his exemption under this clause shall be
38 that proportion of four thousand dollars valuation or the sum of one thousand dollars, whichever
39 would result in an exemption of the greater amount of taxes due, which the amount of his

40 interest in such property bears to the whole tax due, provided: (A) that no exemption shall be
41 granted to any joint tenant or tenant in common unless the gross receipts from all sources
42 whatsoever of each joint tenant or tenant in common is less than thirteen thousand dollars, or if
43 married, the combined gross receipts from all sources whatsoever, of each joint tenant or tenant
44 in common and his spouse is less than fifteen thousand dollars, provided, however, that in
45 computing the gross receipts of an applicant under this clause ordinary business expenses and
46 losses may be deducted, but not personal or family expenses; and provided, further, that there
47 shall be deducted from the total amount received by the applicant under the federal social
48 security or railroad retirement and from any annuity, pension, or retirement plan established for
49 employees of the United States government, the government of the commonwealth, or the
50 government of any city, town, county, or special district, included in such receipts, an amount
51 equivalent to the minimum payment then payable under said federal social security law, as
52 determined by the commissioner of revenue, to a retired worker sixty five years of age or older,
53 if the applicant is unmarried, or to a retired worker and spouse, both of whom are sixty five
54 years of age or over, if the applicant is married; (B) that the combined whole estate, real and
55 personal, of each joint tenant or tenant in common is less than twenty-eight thousand dollars or,
56 if married, the combined whole estate, real and personal of each joint tenant or tenant in
57 common and his spouse does not exceed thirty thousand dollars, provided that real property
58 occupied as their domicile shall not be included in computing the whole estate except for any
59 portion of the property which produces income and exceeds two dwelling units; and that there
60 shall be further deducted from the total amount of the whole estate the fair market value of one
61 private passenger motor vehicle, as defined in regulations of the Massachusetts registry of
62 motor vehicles, per exemption granted, regardless of its value, as selected by the person or

63 persons seeking to receive the exemption, if it is registered to and for the use of one or more
64 persons seeking to receive the property tax exemption. Notwithstanding the foregoing
65 provisions, a city, by vote of its council and approval of its mayor, or a town, by vote of town
66 meeting, may adjust one or more of the following factors contained in these provisions by: 1/
67 increasing the amounts contained in subclause (B) of the first sentence of this section from
68 thirteen thousand dollars to not more than twenty five thousand dollars and from fifteen
69 thousand dollars to not more than forty thousand dollars; 2/ increasing the amounts contained in
70 subclause (C) of said first sentence whenever they appear in said subclause from twenty eight
71 thousand dollars to not more than forty thousand dollars and from thirty thousand dollars to not
72 more than fifty five thousand dollars; 3/ increasing the amounts in subclause (A) of the second
73 sentence from thirteen thousand dollars to not more than twenty five thousand dollars and from
74 fifteen thousand dollars to not more than forty thousand dollars; 4/ increasing the amounts in
75 subclause (B) of the second sentence whenever they appear from twenty eight thousand dollars
76 to not more than forty thousand dollars and from thirty thousand dollars to not more than fifty
77 five thousand dollars; and 5/ by further excluding from the determination of the whole estate up
78 to three dwelling units. No proportion of the exemption shall be denied to any applicant
79 otherwise qualified for the reason that another joint tenant or tenant in common receives a
80 portion of the total exemption. Household furnishings and property already exempt under the
81 clauses Twelfth, Twentieth, Thirty-First and Thirty-Fifth shall not be included in computing the
82 whole estate for purposes of this section. Where a portion of the property occupied as a
83 domicile of an applicant under this clause is located within a municipality other than the
84 municipality in which the applicant is domiciled, and where the value of said property, or the
85 taxes, assessed by the municipality in which such applicant is domiciled would result in his

86 receiving less than the maximum exemption provided by this clause, that part of the property of
87 such applicant within such other municipality shall be exempt to a value, or to an amount of tax,
88 sufficient to grant the applicant the total maximum exemption provided by this clause. This
89 clause is to take effect in any city or town upon its acceptance by such city or town for fiscal
90 years commencing on or after July first, two thousand and six, or for fiscal years commencing
91 on or after such later July first as the city or town may elect. In those cities which accept the
92 provisions of this clause, the provisions of clause Forty-first, Forty first B and Forty first C shall
93 not be applicable; provided however, that any amount of money annually appropriated by the
94 commonwealth for the purpose of reimbursing cities and towns for taxes abated under this
95 clause, clause Forty-first, Forty-first B and Forty-first C shall be distributed as provided in
96 clause Forty-first.

97 SECTION 2: Clause Forty-first D of Section 5 of Chapter 59 of the General Laws as inserted
98 by section 2 of chapter 380 of the Acts of 2000 is hereby amended by striking the words “B and
99 Forty-first C, ” in line two thereof and inserting in place thereof the following language: - “B,
100 Forty-first C and Forty first E,”.

