



## FY2019 Sewer Rate Relief Awards

Gerry Cole - Bureau of Accounts Public Finance Section

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### In this issue:

- **FY2019 Sewer Rate Relief Awards**
- **Ask DLS: The "BRAVE Act"**
- **Data Highlight of the Month: Veterans, Blind Persons, Surviving Spouses, and Elderly Persons Property Tax Exemptions**

### Important Dates & Information

#### **SAVE THE DATE: 2019 New Officials Finance Forum Set for June 6th**

The Division of Local Services offers a seminar for recently elected or appointed officials every spring. With an emphasis on the basics, this course is designed to foster a team approach to the various offices by developing an understanding of the responsibilities of the various offices as well as their

In March, the Division of Local Services (DLS) announced the FY2019 distribution from the Commonwealth Sewer Rate Relief Fund, established in 1993 under the provisions of [Ch. 29, §2Z of the Massachusetts General Laws](#).

This year, funds totaling \$1.1 million have been awarded to 48 Massachusetts governmental entities to mitigate sewer rate increases due to debt service obligations for qualified sewer construction projects.

DLS issued the annual program announcement and application form as Bul-2018-6 in October of 2018. November 2, 2018 was stipulated as the requested date for submission of completed applications.

Applications were processed by DLS and the Department of Environmental Protection (MassDEP). MassDEP provided determinations of eligible indebtedness which is dependent upon the nature of a given project and its' financing. The statute requires that eligible indebtedness be debt issued on or after January 1, 1990 which has a final date of maturity more than 5 years after the date of issuance and which is incurred to finance or refinance the cost of planning, design or construction of a water pollution abatement project. DLS and MassDEP require that a debt service schedule be submitted for any loan for which eligibility is requested.

Projects receiving state grants are ineligible and certain other projects have their eligibility defined in §2Z. After full review, only a small number of projects/debt service

interrelationship.

The 2019 New Officials Finance Forum will be held on Thursday, June 6th at the College of the Holy Cross in Worcester. DLS will provide additional information including the registration form shortly. We hope to see you there!

#### **Massachusetts Dredging Program Grants**

The Executive Office of Housing and Economic Development is seeking proposals from coastal communities for [Massachusetts Dredging Program Grants](#), which provide construction-phase funding for saltwater dredging.

These competitive grants for municipalities focus on shovel-ready projects that contribute to the economic significance, recreational value, public safety, and/or coastal resiliency of the Commonwealth's coastal harbors. Potential applicants are invited to attend an information session on April 17 at 11:00AM at One Ashburton Place, 21st Floor, Conference Room 3, Boston.

Please RSVP to [eoheadgrants@mass.gov](mailto:eoheadgrants@mass.gov) with the subject line "Dredging Info Session." Applications are due by May 1. See [How to Apply](#) for details.

#### **EEA Municipal Vulnerability Preparedness Program Action Grants**

The Executive Office of Energy and Environmental Affairs (EEA) is pleased to announce \$10 million dollars of funding available for action grant proposals for [Municipal Vulnerability Preparedness \(MVP\) Program](#).

These grants will provide designated MVP Communities funding and technical assistance to implement

submitted was deemed ineligible. The Sewer Rate Relief Fund is distributed on the same pro-rata basis to all eligible applicants. This percentage is then applied to the total eligible debt service of each applicant to calculate the award.

Awards are legally capped at 20% of eligible debt service, but for many years, the distribution has been based on the amount appropriated by the Legislature. For FY2019, applications listing 393 project loans and debt service were approved and grants were awarded to:

- the Massachusetts Water Resources Authority (MWRA) = \$890,239
- 3 local water and sewer commissions = \$46,328
- 2 sewer districts = \$10,500
- 42 cities and towns = \$152,933

Since FY94, the sewer rate relief program has distributed close to \$500 million to governmental entities throughout Massachusetts.

## **Ask DLS: The "Brave Act"**

This month's *Ask DLS* features frequently asked questions concerning municipal finance issues resulting from "An Act Relative to Veterans' Benefits, Rights, Appreciation, Validation and Enforcement," also known as the "BRAVE Act." Please let us know if you have other areas of interest or send a question to [cityandtown@dor.state.ma.us](mailto:cityandtown@dor.state.ma.us). We would like to hear from you.

### **What is the "BRAVE Act"?**

In 2018, Governor Charlie Baker signed [An Act Relative to Veterans' Benefits, Rights, Appreciation, Validation and Enforcement](#) at the Soldiers' Home in Chelsea. Known as the "BRAVE Act," the legislation provides additional support for members of the veterans' community and their families, including tax credits and enhanced educational opportunities.

### **What changes were made to personal real estate tax exemptions under [G.L. c. 59, § 5](#)?**

priority adaptation actions identified through the MVP planning process, or similar climate change vulnerability assessment and action planning that has led to MVP designation. Projects that propose nature-based solutions or strategies that rely on green infrastructure or conservation and enhancement of natural systems are preferred.

Applicants can request up to \$2,000,000 in funding (regional proposals may request up to \$5,000,000), and a 25 percent match of the total project cost is required. For more information, see the [MVP Action Grant Eligibility Criteria](#).

To view the RFR and download required forms, see the [COMMBUYS website](#). Proposals are due by 4:00pm on April 19<sup>th</sup>, 2019.

#### **Latest Issue of *Buy the Way* Now Available**

Don't miss the March 2019 edition of *Buy the Way*, the monthly Newsletter of the Operational Services Division (OSD).

Click [here](#) to get news and updates from OSD delivered to your inbox.

#### **Bulletin 2019-1: FY2020 Budget Issues and Other Related Matters**

The Division of Local Services has posted [Bulletin 2019-1: FY2020 Budget Issues and Other Related Matters](#) to its 2019 [Bulletins page](#). This Bulletin addresses several issues that cities, towns, regional school and other districts should consider for FY2020 budgets and other related matters.

#### **BLA to Host Informational Workshops**

The Bureau of Local

- *Prisoners of war* are now eligible for Clause 22A exemptions. Local acceptance of this change is not required.
- *Surviving parents and guardians* of active duty military personnel and veterans who died as a proximate result of injury or disease suffered during active duty can receive a full exemption from real estate taxes on their domicile under a new local acceptance Clause 22H. It also requires their being domiciled in Massachusetts for 5 years unless the deceased was domiciled in Massachusetts 6 months before entering service.
- There are *reduced residency requirements*, beginning in fiscal year 2020, for veterans seeking exemption under Clauses 22, 22A, 22B, 22C, 22E and 22F and surviving spouses must meet changed residency requirements under Clause 22D. The service member or veteran must have been domiciled in Massachusetts for 6 months before entering military service OR the veteran or surviving spouse must have been domiciled in Massachusetts for at least 2 years rather than the current 5 years before the tax year begins. This does not apply to the new local acceptance statute Clause 22H mentioned above. The local option to reduce residency requirements to 1 year still remains for Clauses 22, 22A, 22B, 22C, 22D, 22E and 22F.
- Clause 22G was also amended to clarify that real estate that is the domicile of applicants for exemption under Clauses 22, 22A, 22B, 22C, 22D, 22E and 22F is eligible if it is owned *by a trustee, conservator or other fiduciary for the applicant's benefit*. The veteran can receive an exemption if they meet all other eligibility requirements. This does not apply to the new local acceptance statute Clause 22H mentioned above.
- The cap on the local option statute concerning *veteran work-off abatements* has been raised from \$1,000 to \$1,500. [G.L. c. 59, § 5N](#). Local reacceptance is not required for the increased cap to apply; however, if the city or town has adopted local rules, such rules may need to be amended. (Consult with local counsel.)

#### **When is a qualifying person eligible for the above-referenced exemptions?**

Assessment (BLA) will conduct three regional workshops and a webinar in March and April highlighting various topics including updates to the Certification Standards IGR, what to expect if in certification this year, improving New Growth review, interim year review, FY20 State-Owned Land review, and an update on reviewing the utility class - use code 504. Advanced registration is required for all workshops including the webinar.

Sandwich - April 10, 2019  
34 Quaker Meeting House  
Road, Sandwich  
10am - Noon

Webinar - April 17, 2019  
Test link: <https://zoom.us/test>

Please email your site choice, name, community, email address, and phone number to [bladata@dor.state.ma.us](mailto:bladata@dor.state.ma.us).

*The Massachusetts Association of Assessing Officers (MAAO) will grant two (2) continuing education credits to assessors attending the Local Assessment Workshops.*



#### Other DLS Links:

[Local Officials Directory](#)

The "BRAVE Act" became effective on November 7, 2018. Exempt status for real estate is determined as of July 1, which is the beginning of the fiscal year. [M.G.L. c. 59, § 5](#). As such, eligible exemptions under the "BRAVE Act" are effective for fiscal year 2020, which begins July 1, 2019.

## Data Highlight of the Month: Veterans, Blind Persons, Surviving Spouses, and Elderly Persons Property Tax Exemptions

### DLS Municipal Databank

All municipal board of assessors must annually submit a request for reimbursement of the property tax exemptions they have granted to certain disabled veterans, blind persons, surviving spouses, and elderly persons under [MGL Ch. 59 §5](#). This request is submitted using forms found in [DLS Gateway](#) in the Miscellaneous Forms module.

There are multiple local option clauses in Ch. 59 §5 that a community can adopt to grant exemptions for eligible blind persons, surviving spouses, and elderly persons. To see what local option your community has adopted, see the [Property Tax Exemption Clause](#) report on the DLS website. This report allows you to view information for all 351 communities and can be downloaded to Excel. Local options recorded in this report are based on [Notifications of Acceptance](#) forms submitted to the Municipal Databank by local clerks. In addition, information reported on the [MDM-1](#) form is a summary of all exemptions granted to eligible veterans, blind persons, surviving spouses and elderly persons.

The Municipal Databank is in the processing of developing additional online reports for this dataset, and we will announce them through the Databank Highlight.

[Municipal Databank](#)

[Information Guideline  
Releases \(IGRs\)](#)

[Bulletins](#)

[Publications & Training  
Center](#)

[Tools and Financial  
Calculators](#)

In the meantime, if you would like more information, please send a request to [databank@dor.state.ma.us](mailto:databank@dor.state.ma.us), and we will respond to your data needs.

### April Municipal Calendar

- |   |           |  |
|---|-----------|--|
| 1 | Collector | <b>Mail 2nd Half Semiannual Tax Bills</b><br>By this date, collectors in communities using the regular semiannual billing system mail the 2nd half actual tax bills or, if using optional preliminary bills, mail the actual tax bills.  |
| 1 | Collector | <b>Mail 4th Quarter Tax Bills</b><br>Collector mails these bills if the 4th quarter bills were not included in the December mailings.  |
| 1 | Taxpayer  | <b>Deadline to Pay Semiannual Bill</b><br><a href="#">M.G.L. c. 59, § 57C</a> sets this as the deadline to pay the actual tax without interest in communities using the annual preliminary tax billing system on a semiannual basis, unless the bills were mailed after December 31. If mailed after December 31, payment is due either May 1 or 30 days from the date of the mailing, whichever is later. |
| 1 | Taxpayer  | <b>Deadline to Apply for Property Tax Exemptions for Persons, Residential Exemptions, and Small Commercial Exemptions</b><br>This is the deadline to apply to the assessors if actual tax bills are mailed on or before January 1. If mailed after January 1, taxpayers have 3 months from the mailing date to file exemption applications.  |

30 State Treasurer **Notification of Monthly Local Aid Distributions**, see [IGR 17-17](#) for more cherry sheet payment information, monthly breakdown by program is available [here](#).

To view the municipal calendar in its entirety, please [click here](#).

**Editor:** Dan Bertrand

**Editorial Board:** Sean Cronin, Linda Bradley, Paul Corbett, Theo Kalivas, Ken Woodland and Tony Rassias

Contact *City & Town* with questions, comments and feedback by emailing us at [cityandtown@dor.state.ma.us](mailto:cityandtown@dor.state.ma.us).

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