

HOUSE No. 2758

The Commonwealth of Massachusetts

PRESENTED BY:

Chris Walsh

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act establishing a tax incentive for small property improvements.

PETITION OF:

NAME:

DISTRICT/ADDRESS:

Chris Walsh

6th Middlesex

Bruce E. Tarr

First Essex and Middlesex

HOUSE No. 2758

By Mr. Walsh of Framingham, a petition (accompanied by bill, House, No. 2758) of Chris Walsh and Bruce E. Tarr relative to establishing a tax incentive for small property improvements. Revenue.

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

An Act establishing a tax incentive for small property improvements.

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. Chapter 59 of the General Laws is hereby amended by adding the following
- 2 new section after section 2D:
- 3
- 4 Section 2E. (1) Any city or town that accepts the provisions of this section by a vote of the
- 5 local legislative body shall allow any property owner, within that city or town, where in any
- 6 fiscal year the real estate by that property owner is assessed at \$500,000 or less and is improved
- 7 by the property owner such that the next fiscal year’s assessed value increases due to such
- 8 improvements, a deduction from their assessed property tax liability as follows:
- 9 (a) For the first fiscal year after the improvement is completed, any increase in the tax liability
- 10 due to the improvement may be deducted from the tax liability based on the original assessed
- 11 property value prior to the completion of the improvement
- 12
- 13 (b) For the second fiscal year after the improvement is completed, half of the increase in the tax
- 14 liability due to the improvement may be deducted from the tax liability based on the original
- 15 assessed property value prior to the completion of the improvement
- 16
- 17 (c) For the third fiscal year after the improvement is completed, any increase in the tax liability
- 18 due to the improvement may be deducted from the tax liability based on the current assessed
- 19 property value
- 20
- 21 (d) For the fourth fiscal year after the improvement is completed, half of the increase in the tax
- 22 liability due to the improvement shall be added to the tax liability based on the original

23 assessment property value prior to the completion of the improvement

24

25 (e) For the fifth fiscal year after the improvement is completed and all subsequent fiscal years,
26 the property owner's tax liability shall reflect the fully assessed property value.

27 (2) Should a city or town adopt the provisions in clause (1) of this section, the assessor must
28 include on each property tax bill or notice, as referenced in Section 3A of Chapter 60, reasons for
29 any increase in the assessed value of a property from one fiscal year to another, including but not
30 limited to the increased value of a property due to improvements made by the property owner.

31

32 SECTION 2: Only one credit may be in use concurrently.

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34 SECTION 3: The sections of this bill shall take effect upon passage.

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