

SENATE No. 1380

The Commonwealth of Massachusetts

PRESENTED BY:

Walsh, Marian (SEN)

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 to provide property tax relief to low and modest income elders.

PETITION OF:

NAME:

Marian Walsh

DISTRICT/ADDRESS:

Suffolk and Norfolk

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. S01845 OF 2007-2008.]

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

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
2 inserting after 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 the
7 same jointly with his spouse, either of whom has reached his sixty-fifth birthday prior to the year
8 for which an exemption is sought and occupied by them as their domicile, or for a person who
9 has reached his sixty-fifth birthday prior to the fiscal year for which an exemption is sought who
10 owns the same jointly or as a tenant in common with a person not his spouse and occupied by
11 him as his domicile; provided: (A) that such person has been domiciled in the commonwealth for
12 the preceding five years, (2) has so owned and occupied such real property or other real property
13 in the commonwealth for three years, or (3) is a surviving spouse who inherits such real property

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

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

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

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

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