

SENATE No. 2124

The Commonwealth of Massachusetts

In the One Hundred and Ninetieth General Court
(2017-2018)

SENATE, July 20, 2017

The committee on Rules to whom was referred the Senate Bill relative to senior citizen property taxes (Senate, No. 1503) (also based on Senate, Nos. 1514, 1543, 1583, 1607 and 1644),-- reports, that the matter be placed on the Orders of the Day for July 24, 2017 with an recommended amendment substituting a new draft entitled “An Act improving real property tax abatements, application deadlines, and deferrals” (Senate, No. 2124)

For the committee,
Mark C. Montigny

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In the One Hundred and Ninetieth General Court
(2017-2018)

An Act improving real property tax abatements, application deadlines, and deferrals

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, as appearing in the 2016
2 Official Edition, is hereby amended by striking out, in line 11, the words “or Fifty-seventh” and
3 inserting in place thereof the following words:- , Fifty-seventh, Fifty-ninth or Sixtieth.

4 SECTION 2. Clause Eighteenth A of said section 5 of said chapter 59, as so appearing, is
5 hereby amended by striking out the last paragraph and inserting in place thereof the following
6 paragraph:-

7 In addition to the remedies provided by this clause, the recorded statement of the
8 assessors provided for in this clause shall have the same force and effect as a valid taking for
9 nonpayment of taxes pursuant to section 53 of chapter 60, except that: (i) interest shall accrue at
10 the rate provided in subclause (1) until the conveyance of the property or the death of the person
11 whose taxes have been deferred, after which time interest shall accrue at the rate provided in
12 section 62 of said chapter 60 or at a lesser rate as may be determined by the legislative body of
13 the city or town, subject to its charter, not later than the beginning of the fiscal year to which the
14 tax relates; provided, however, that a city or town may also, by vote of its legislative body, allow

15 the interest to accrue at the rate provided in said subclause (1) for 1 year after the death of the
16 person whose taxes have been deferred; (ii) no assignment of the municipality's interest under
17 this clause may be made pursuant to section 52 of said chapter 60; and (iii) a petition pursuant to
18 section 65 of said chapter 60 to foreclose the lien may be filed if at least 1 year has passed since
19 the conveyance of the property or the death of the person whose taxes have been deferred.

20 SECTION 3. Clause Forty-first A of said section 5 of said chapter 59, as so appearing, is
21 hereby amended by striking out, in lines 1121 to 1124, inclusive, the words "the amount of
22 income determined by the commissioner of revenue for the purposes of subsection (k) of section
23 6 of chapter 62, for a single person who is not a head of household" and inserting in place thereof
24 the following figure:- \$80,000.

25 SECTION 4. Said clause Forty-first A of said section 5 of said chapter 59, as so
26 appearing, is hereby further amended by striking out the last paragraph and inserting in place
27 thereof the following paragraph:-

28 In addition to the remedies provided by this clause, the recorded statement of the
29 assessors provided for in this clause shall have the same force and effect as a valid taking for
30 nonpayment of taxes pursuant to section 53 of chapter 60, except that: (i) interest shall accrue at
31 the rate provided in subclause (1) of the third paragraph until the conveyance of the property or
32 the death of the person whose taxes have been deferred, after which time interest shall accrue at
33 the rate provided in section 62 of said chapter 60 or at a lesser rate as may be determined by the
34 legislative body of the city or town, subject to its charter, not later than the beginning of the
35 fiscal year to which the tax relates; provided, however, that a city or town may also, by vote of
36 its legislative body, allow the interest to accrue at the rate provided in said subclause (1) of the

37 third paragraph for 1 year after the death of the person whose taxes have been deferred; (ii) no
38 assignment of the municipality's interest pursuant to this clause may be made pursuant to section
39 52 of chapter 60; and (iii) a petition pursuant to section 65 of chapter 60 to foreclose the lien may
40 be filed if at least 1 year has passed since the conveyance of the property or the death of the
41 person whose taxes have been deferred.

42 SECTION 5. Said section 5 of said chapter 59, as so appearing, is hereby further
43 amended by adding the following 2 clauses:-

44 Fifty-ninth, Real property, to the amount of \$5,000 of the taxable valuation of that
45 property, or the sum of \$437.50, whichever would result in an abatement of the greater amount
46 of actual taxes due, of a person who is deaf, as defined in section 191 of chapter 6, and is a legal
47 resident of the commonwealth, whether that property is owned by that person separately or
48 jointly or as a tenant in common, if that property is occupied by that person as the person's
49 domicile. Such property shall not be exempt if it was conveyed to the deaf person to evade
50 taxation. This clause shall take effect upon its acceptance by a city or town.

51 Sixtieth, The sum of \$500 of the actual taxes due on the real property of a person who is
52 deaf, as defined in section 191 of chapter 6, and is a legal resident of the commonwealth,
53 whether that property is owned by that person separately or jointly or as a tenant in common, if
54 that property is occupied by that person as the person's domicile. No such property shall be
55 exempt if it was conveyed to the person who is deaf to evade taxation. This clause shall take
56 effect upon its acceptance by a city or town. In a city or town that accepts this clause, clause
57 Fifty-ninth shall not apply.

58 SECTION 6. Section 59 of said chapter 59, as so appearing, is hereby amended by
59 striking out, in line 48, the words “and Fifty-seventh” and inserting in place thereof the following
60 words:- , Fifty-seventh, Fifty-ninth and Sixtieth.

61 SECTION 7. Section 2 of chapter 61 of the General Laws, as so appearing, is hereby
62 amended by striking out the second paragraph and inserting in place thereof the following
63 paragraph:-

64 When, in the judgment of the assessors, land which is classified as forest land or which is
65 the subject of an application for such classification is not being managed under a program, is
66 being used for purposes incompatible with forest production or does not otherwise qualify under
67 this chapter, the assessors may, not later than February 1 in any year, file an appeal in writing
68 mailed by certified mail to the state forester requesting a denial of application or, in the case of
69 classified forest land, requesting removal of the land from such classification. The appeal shall
70 state the reasons for the request. A copy of the appeal shall be mailed by the assessors by
71 certified mail to the owner of the land. The state forester may initiate, not later than December 1
72 of any year, a proceeding to remove land from classification, sending notice of the action by
73 certified mail to the assessors and the owner of the land. The state forester may deny the owner's
74 application, may withdraw all or part of the land from classification or may grant the application,
75 imposing terms and conditions that the state forester deems reasonable to carry out this chapter,
76 and shall notify the assessors and the owner of that decision not later than March 1 of the
77 following year. If the owner or the assessors are aggrieved by a decision of the state forester they
78 may, not later than June 15, give notice to the state forester of a claim of appeal. Not later than
79 30 days after receipt of a notice of appeal, the state forester shall convene a panel in the region in
80 which the land is located. The panel shall consist of 3 members, 1 of whom shall be named by

81 the state forester, 1 of whom shall be named by the assessors and 1 of whom shall be named by
82 the state forester and the assessors. The panel shall give notice of the date, time and place of the
83 hearing in writing to the parties not less than 7 days before the date of that hearing. The panel
84 shall furnish the parties, in writing, with a notice of its decision not later than 10 days after the
85 adjournment of the hearing. Decisions of the panel shall be by majority vote of its members. If
86 the owner or the assessors are aggrieved by a decision of the panel, they may, not more than 45
87 days after receipt of the decision, petition either the superior court in the county in which the
88 land is located for a review of the decision, pursuant to chapter 30A, or the appellate tax board,
89 pursuant to chapter 58A; provided further, that the land shall not be classified or withdrawn from
90 classification until the final determination of such petition. The state forester may adopt such
91 regulations as the state forester deems necessary to carry out this chapter.

92 SECTION 8. Said section 2 of said chapter 61, as so appearing, is hereby further
93 amended by striking out, in line 40, the word "October" and inserting in place thereof the
94 following word:- December.

95 SECTION 9. Chapter 61A of the General Laws is hereby amended by striking out section
96 6, as so appearing, and inserting in place thereof the following section:-

97 Section 6. The eligibility of land for valuation, assessment and taxation pursuant to
98 section 4 shall be determined separately for each tax year. An application for eligibility shall be
99 submitted to the board of assessors in the city or town in which the land is situated by not later
100 than December 1 preceding each tax year for which the valuation, assessment and taxation are
101 being sought. The application shall not be withdrawn after it is submitted. An application shall
102 be made on a form prescribed by the commissioner of revenue and provided to applicants by the

103 board of assessors. The form shall provide for the reporting of information pertinent to this
104 chapter and to Article XCIX of the Articles of Amendment to the Constitution of the
105 Commonwealth and for certification by the applicant that the applicant will immediately, but not
106 later than December 1 of the following year, notify the board of assessors in writing of any
107 subsequently developing circumstance within the applicant's control or knowledge which may
108 cause a change in use of the land covered by the form. An application submitted pursuant to this
109 section for leased land shall be accompanied by a written statement of the lessee's intent to use
110 the land for the purposes in the application and shall be signed by the lessee. The landowner shall
111 certify, in a manner prescribed by the commissioner, that under the penalties of perjury the
112 information in the landowner's application is true. If the application is allowed pursuant to
113 section 9, then the classification of the land as actively devoted to agricultural, horticultural or
114 agricultural and horticultural use shall take effect on January 1 preceding the beginning of the tax
115 year to which the application relates and taxation pursuant to this chapter shall commence with
116 that tax year.

117 SECTION 10. Section 7 of said chapter 61A, as so appearing, is hereby amended by
118 striking out, in line 3, the words "October first and June thirtieth of the year" and inserting in
119 place thereof the following words:- December 1 and June 30.

120 SECTION 11. Said chapter 61A is hereby further amended by striking out section 8, as
121 so appearing, and inserting in place thereof the following section:-

122 Section 8. Notwithstanding any provision of this chapter to the contrary, in any tax year
123 for which a city or town has undertaken and completed a program of revaluation of all property
124 in that city or town, applications by landowners for the valuation, assessment and taxation of

125 their lands on the basis of being actively devoted to agricultural, horticultural or agricultural and
126 horticultural use that are filed with the board of assessors by not later than the last day for filing
127 an application for abatement of the tax assessed on the new valuation shall be deemed to have
128 been timely made for the tax year of the revaluation program. If the application is approved and
129 the lands qualify for valuation, assessment and taxation as lands actively devoted to agricultural,
130 horticultural or agricultural and horticultural use in that tax year, then the portion of any tax
131 assessed for that year which is in excess of the tax that would have been assessed on the lands, if
132 the application had been timely made and approved, shall be abated.

133 SECTION 12. Section 14 of said chapter 61A, as so appearing, is hereby amended by
134 striking out the eighteenth paragraph and inserting in place thereof the following paragraph:-

135 The assignment shall be for the purpose of maintaining not less than 70 per cent of the
136 land in use as forest land as defined in section 1 of chapter 61, as land in agricultural or
137 horticultural use as defined in sections 1 and 2 or as recreational land as defined in section 1 of
138 chapter 61B, and in no case shall the assignee develop a greater proportion of the land than was
139 proposed by the developer whose offer gave rise to the assignment. All land other than land that
140 is to be developed shall then be bound by a permanent deed restriction that meets the
141 requirements of chapter 184.

142 SECTION 13. Chapter 61B of the General Laws is hereby amended by striking out
143 section 3, as so appearing, and inserting in place thereof the following section:-

144 Section 3. The eligibility of land for valuation, assessment and taxation pursuant to this
145 chapter shall be determined separately for each tax year. An application for eligibility shall be
146 submitted to the board of assessors in the city or town in which the land is situated by not later

147 than December 1 preceding each tax year for which the valuation, assessment and taxation is
148 being sought. The application shall be made on a form prescribed by the commissioner of
149 revenue and provided to applicants by the board of assessors. The form shall provide for the
150 reporting of information pertinent to this chapter and for certification by the applicant that the
151 applicant will immediately, but not later than the December 1 of the following year, notify the
152 board of assessors in writing of any subsequent circumstance within the applicant's control or
153 knowledge which may cause a change in use of the land covered by the form. An application
154 submitted pursuant to this section for leased land shall be accompanied by a written statement of
155 the lessee's intent to use the land for the purposes in the application and shall be signed by the
156 lessee. The landowner shall certify, in a manner prescribed by the commissioner, that under the
157 penalties of perjury the information in the landowner's application is true. If the application is
158 allowed pursuant to section 6, then the classification of the land as recreational land shall take
159 effect on January 1 preceding the beginning of the tax year to which the application relates and
160 taxation pursuant to this chapter shall commence with that tax year.

161 SECTION 14. Section 4 of said chapter 61B, as so appearing, is hereby amended by
162 striking out, in lines 2 and 3, the words "October first and June thirtieth of the year" and inserting
163 in place thereof the following words:- December 1 and June 30.

164 SECTION 15. Said chapter 61B is hereby further amended by striking out section 5, as so
165 appearing, and inserting in place thereof the following section:-

166 Section 5. Notwithstanding any provision of this chapter to the contrary, in any tax year
167 for which a city or town has undertaken and completed a program of revaluation of all property
168 in that city or town, applications by landowners for the valuation, assessment and taxation of

169 their lands on the basis of being maintained in recreational use, if filed with the board of
170 assessors by not later than the last day for filing an application for abatement of the tax assessed
171 on the new valuation, shall be deemed to have been timely made for the tax year of the
172 revaluation program. If the application is approved and the lands qualify for valuation,
173 assessment and taxation as lands actively devoted to agricultural, horticultural or agricultural and
174 horticultural use in that tax year, then the portion of a tax assessed for that year which is in
175 excess of the tax which would have been assessed on the lands, if the application had been timely
176 made and approved, shall be abated.

177 SECTION 16. Section 6 of said chapter 61B, as so appearing, is hereby amended by
178 striking out, in line 13, the words “a disallowance” and inserting in place thereof the following
179 words:- an allowance.

180 SECTION 17. Section 9 of said chapter 61B, as so appearing, is hereby amended by
181 striking out the eighteenth paragraph and inserting in place thereof the following paragraph:-

182 The assignment shall be for the purpose of maintaining not less than 70 per cent of the
183 land in use as forest land as defined in section 1 of chapter 61, as land in agricultural or
184 horticultural use as described in sections 1 and 2 of chapter 61A or as recreation land as
185 described in section 1 and the assignee shall not develop a greater proportion of the land than
186 was proposed by the developer whose offer gave rise to the assignment. All land other than land
187 that is to be developed shall then be bound by a permanent deed restriction that meets the
188 requirements of chapter 184.

189 SECTION 18. Sections 1 and 6 shall take effect on July 1, 2018.