Massachusetts Department of Revenue *Division of Local Services*
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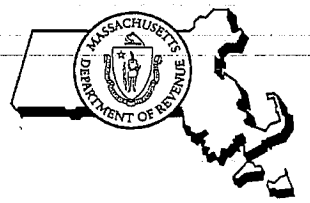

TAXPAYER'S GUIDE TO LOCAL PROPERTY TAX EXEMPTIONS

SENIORS
SURVIVING SPOUSES
MINOR CHILD (OF DECEASED PARENT)
Clauses 17, 17C, 17C½, 17D

The Department of Revenue (DOR) has created this fact sheet to provide general information about local property tax exemptions for seniors, surviving spouses and minor children of a deceased parent. It is not designed to address all questions or issues and does not change any provision of the Massachusetts General Laws. **To find out about the specific eligibility and application requirements in your city or town, you must contact your local board of assessors**. The DOR cannot advise you about your eligibility. Property taxes are assessed and collected by cities and towns, not by the DOR. Under state law, only your board of assessors, as the local tax administrator, can decide whether you qualify for an exemption. If you disagree with its decision, you may appeal to the state Appellate Tax Board (or county commissioners if your county's government has not been abolished).

INTRODUCTION

Cities and towns may give property tax exemptions to some individuals as defined by state law. An exemption discharges the taxpayer from the legal obligation to pay all or a portion of the tax. Exemptions are found in various clauses of Massachusetts General Laws Chapter 59, Section 5 (M.G.L. c. 59, § 5).

Clauses 17, 17C, 17C½ or 17D provide exemptions to (1) seniors, (2) surviving spouses, and (3) minor children with a deceased parent, who meet specific ownership, occupancy and asset requirements. Seniors 70 or older may, alternatively, qualify for an exemption under Clauses 41, 41B, 41C or 41C½, which provide a higher benefit, but have stricter eligibility requirements. Clause 17 is the basic exemption for the three categories of taxpayers. Over the years, as asset values rose, the Legislature enacted alternative exemptions (Clauses 17C, 17C½ and 17D), and options within those exemptions, that cities and towns may adopt.

Clause 17 applies unless the legislative body of your city or town has voted, subject to local charter, to accept another clause. The most recently accepted clause establishes eligibility rules.

EXEMPTION AMOUNT	$175 The amount may be increased annually up to the percentage increase in the Consumer Price Index (CPI), as determined by the DOR each year, if the legislative body has voted, subject to local charter, to accept this local option.

APPLICATIONS	You must file an application each year with the assessors in the city or town where your property is located. The application is due on December 15, or three months after the actual tax bills are mailed, whichever is later. ***Filing on time is required. By law, the assessors may not waive this filing deadline, nor act on a late application, for any reason.*** Filing an application does not entitle you to delay your tax payment.
DOCUMENTATION	You must provide the assessors with whatever information is reasonably required to establish eligibility. This information may include, but is not limited to: 1. Birth certificates. 2. Evidence of ownership, domicile and occupancy. 3. Bank and other asset account statements.
NUMBER OF EXEMPTIONS	With limited exceptions, you may only receive one exemption under M.G.L. c. 59, § 5. If you qualify for more than one, you will receive the one that provides the greatest benefit. You may receive an exemption and if qualified, defer all or a part of the balance of the reduced tax.
ELIGIBILITY REQUIREMENTS	You must satisfy tests relating to age or status, domicile, ownership and assets. All eligibility requirements must be met as of July 1 of the tax year. (*The fiscal year of cities and towns begins July 1 and ends the following June 30.*)
AGE AND STATUS	You must be 70 or older to be a senior. You must be younger than 18 to be a minor child. You must have been married to the decedent at the time of his or her death, <u>and</u> have never remarried, to be a surviving spouse.
OWNERSHIP AND DOMICILE	You must own and occupy the property as your domicile. If you are a senior, you must also have owned and occupied the property for any 10 years (Clauses 17, 17C or 17C½) or any 5 years (Clause 17D). 1. Your ownership interest must be worth at least $2,000. You may own this interest solely, as a joint owner or as a tenant in common. 2. If you hold a life estate in the domicile, you are considered the owner. 3. If your domicile is held in a trust, you are considered the owner only if: a. You are a trustee or co-trustee of that trust, <u>and</u> b. You have a sufficient beneficial interest in the domicile.

ASSET LIMITS	Your assets (whole estate) on July 1 cannot exceed a specified limit. Each clause has a different limit. **Whole estate means all assets to which you have legal title and access as sole, joint owner or trustee that contribute to your total worth.** The value of your cemetery plots, wearing apparel and household furniture and effects located in your domicile is not included in the calculation of your whole estate. In addition, depending on the clause, some of the value of your domicile and the unpaid mortgage balance is not included, but the part of your domicile over a certain number of units may be included. Your allowable whole estate can range from $20,000 (Clause 17) to $40,000 (Clauses 17C, 17C½ and 17D). It may increase annually by the CPI determined by the DOR each year, if the legislative body has voted, subject to local charter, to accept this local option.