HOUSE . . . . . No. 1178

By Mr. Porter of Agawam, petition of George W. Porter that provision be made for exemption from taxation of the real estate of certain elderly persons. Taxation.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Sixty-Two.

AN ACT PROVIDING AN EXEMPTION FROM TAXATION OF THE REAL ESTATE OF CERTAIN ELDERLY PERSONS.

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
2 hereby amended by adding after clause Thirty-eighth the follow-
3 ing clause: —
4 *Thirty-ninth,* Real estate to the amount of ten thousand
5 dollars of persons over sixty-five years of age occupied by such
6 persons and owned by such persons individually or by tenancy
7 by the entirety, whose total annual income from all sources does
8 not exceed three thousand dollars if single or forty-five hundred
9 dollars if married, in which amount the total income of the
10 spouse from all sources shall be included; provided, however,
11 that the town shall take a lien on property thus exempted as a
12 condition of granting such exemption, and further provided that
13 such annual exemptions shall be terminated when, in the opinion
14 of the assessors, the sum of the exemptions granted plus all prior
15 mortgages on said real estate shall equal the full cash value of
16 such real estate, and that such exemption shall also be termi-
17 nated whenever the income of the owner or owners thereof shall
18 exceed three thousand dollars if single or forty-five hundred
19 dollars if married or if the title to said real estate has been trans-
20 ferred. The town shall place on record in the proper registry

of deeds, or registry district of the land court as the case may be, an instrument in writing and under seal and executed in common form and acknowledged in the same manner as deeds for real property creating a lien upon such real estate for the amount of taxes exempted under this clause, and including all amounts subsequently so exempted, which lien shall be prior to any lien thereafter recorded or registered and shall be notice to a subsequent purchaser, assignee or encumbrancer of the existence and nature of such lien. The instrument shall be recorded or registered without fee. Such lien shall be enforceable by a bill in equity filed in the superior court for the county wherein the real estate is situated. The subpoena shall be returnable not more than sixty days subsequent to the entry of the bill and shall contain a brief description of the property sufficient to identify it, and a statement of the amount alleged to be due. At any time before a final decree, upon the suggestion of any party in interest that any other person is, or may be, interested in the suit, or of its own motion, the court may issue a subpoena to such person or a precept directing him to appear in said court on or before a day certain or be forever barred from any rights thereunder. The court may in its discretion provide for notice to absent parties in interest. As used in this section the term "party in interest" shall include mortgagees and attaching creditors. Upon reimbursement for the amount due under the terms of such lien, the town shall, through its appropriate official, execute and deliver a satisfaction thereof, and upon its being filed the lien shall be dissolved as of the date of such filing. It shall be the duty of the board of assessors of the town to take action, upon the death of the person to whom tax exemption was granted under this clause, to enforce the lien taken on account of such exemption, but no such lien shall be enforced against any real property so long as the surviving spouse of said person continues to reside thereon.

SECTION 2. Chapter 44 of the General Laws is hereby amended by adding after section 6A the following new section: —

Section 6B. Cities and towns may, by majority vote, incur debt outside the debt limit to an amount not greater than the accumulated taxes exempted under the provisions of the thirty-ninth clause of section five of chapter fifty-nine of the General

7 Laws. As long as any notes or bonds issued under the provisions
8 of said section remain unpaid any receipts from the dissolution
9 of liens authorized by said clause thirty-ninth of section five of
10 chapter fifty-nine of the General Laws shall be applied to the
11 payment of such notes or bonds.