

By Mr. McCann, a petition (accompanied by bill, Senate, No. 1414) of Dominic Pallone and others for legislation to grant a property tax exemption for certain persons over sixty-five years of age who are collecting social security disability for a permanent handicap. Taxation.

## The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Seventy-nine.

AN ACT GRANTING PROPERTY TAX EXEMPTION FOR CERTAIN PERSONS OVER SIXTY-FIVE YEARS OF AGE WHO ARE COLLECTING SOCIAL SECURITY DISABILITY FOR A PERMANENT HANDICAP.

*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 striking out clause Forty-first, as most  
3 recently amended by Chapter 967 of the Acts of 1977, and in-  
4 serting in place thereof the following: —

5 Forty-first, Real property, to the amount of four thousand  
6 dollars valuation or the sum of five hundred dollars, which-  
7 ever would amount in an exemption of the greater amount of  
8 taxes due, of a person who has reached his seventieth birth-  
9 day prior to the fiscal year for which an exemption is sought  
10 and occupied by said person as his domicile, or of a person  
11 who owns the same jointly with his spouse, either of whom  
12 has reached his seventieth birthday prior to the fiscal year  
13 for which an exemption is sought and occupied by them as  
14 their domicile, or of a person who has reached his seventieth  
15 birthday prior to the fiscal year for which an exemption is  
16 sought who owns the same jointly or as a tenant in common  
17 with a person not his spouse and occupied by him as his domi-  
18 cile, or a person who is sixty-five years of age and is perma-  
19 nently disabled and collects disability social security for at  
20 least one year prior to his application; provided: (A) that such  
21 person (1) has been domiciled in the commonwealth for the  
22 preceding ten years (2) has so owned and occupied such real  
23 property or other real property in the commonwealth for five

24 years, or (3) is a surviving spouse who inherits such real  
25 property and has occupied such real property or other real  
26 property in the commonwealth for five years and who other-  
27 wise qualifies under this clause; (B) that such person had, in  
28 the preceding year, gross receipts from all sources of less than  
29 six thousand dollars, or, if married, combined gross receipts  
30 with his spouse of less than seven thousand dollars, provided,  
31 however, that in computing the gross receipts of an applicant  
32 under this clause ordinary business expenses and losses may  
33 be deducted, but not personal or family expenses, and provided,  
34 further, that there shall be deducted from the total amount  
35 received by the applicant under the federal social security or  
36 railroad retirement and from any annuity, pension, or retire-  
37 ment plan established for employees of the United States gov-  
38 ernment, the government of the commonwealth, or the govern-  
39 ment of any city, town, county, or special district, included  
40 in such gross receipts, an amount equivalent to the minimum  
41 payment then payable under said federal social security law,  
42 as determined by the state tax commission to a retired worker  
43 seventy years of age or over, if the applicant is unmarried,  
44 or to a retired worker and spouse, both of whom are seventy  
45 years of age or over, if the applicant is married; and (C) that  
46 such person had a whole estate, real and personal, not in ex-  
47 cess of seventeen thousand dollars, or if married, not in excess  
48 of twenty thousand dollars, provided that real property occu-  
49 pied as his domicile shall not be included in computing the  
50 whole estate except for any portion of said property which  
51 produces income, provided however that a taxpayer may, at  
52 this option, elect to include the value of real property occu-  
53 pied as his domicile in computing the value of his whole es-  
54 tate. If such real property is included in the whole estate,  
55 the value of the whole estate shall not exceed forty thousand  
56 dollars, or if married, forty-five thousand dollars. House-  
57 hold furnishings and property already exempt under the  
58 twelfth, twentieth, twenty-first, and thirty-fifth clauses of this  
59 section shall not be included in computing the whole estate.  
60 In the case of real estate owned by a person jointly or as a  
61 tenant in common with a person not his spouse, the amount  
62 of his exemption under this clause shall be that proportion of

63 four thousand dollars valuation or the sum of five hundred  
64 dollars, whichever would result in an exemption of the greater  
65 amount of taxes due, which the amount of his interest in such  
66 property bears to the whole tax due; provided that no ex-  
67 emption shall be granted to any joint tenant or tenant in  
68 common unless the gross receipts from all sources whatsoever  
69 of each joint tenant or tenant in common is less than six thou-  
70 sand dollars or, if married, the combined gross receipts from  
71 all sources whatsoever of each joint tenant or tenant in com-  
72 mon and his spouse is less than seven thousand dollars and  
73 unless the combined whole estate, real and personal, of each  
74 joint tenant or tenant in common is less than seventeen thou-  
75 sand dollars or, if married, the combined whole estate, real  
76 and personal of each joint tenant or tenant in common and  
77 his spouse does not exceed twenty thousand dollars; provided  
78 that real property occupied as their domicile shall not be in-  
79 cluded in computing the whole estate except for any portion  
80 of said property which produces income, provided however  
81 that a taxpayer may, at his option, elect to include the value  
82 of real property occupied as his domicile in computing the  
83 value of his whole estate; and provided, further, that no pro-  
84 portion of the exemption shall be denied to any applicant  
85 otherwise qualified for the reason that another joint tenant  
86 or tenant in common receives a proportion of the total ex-  
87 emption. If such real property is included in the whole estate,  
88 the value of the whole estate of each joint tenant or tenant  
89 in common shall not exceed \$40,000, or if married, the value  
90 of the whole estate of each joint tenant or tenant in common  
91 and his spouse shall not exceed \$45,000. Household furnish-  
92 ings and property already exempt under the twelfth, twenti-  
93 eth, twenty-first and thirty-fifth clauses of this section shall  
94 not be included in computing the whole estate.

95 In determining the total period of ownership of an appli-  
96 cant for exemption under this clause, the time during which  
97 the same property was owned by a husband or wife indi-  
98 vidually shall be added to the period during which such  
99 property was owned by said husband and wife jointly. Where  
100 a portion of the real property occupied as a domicile of an  
101 applicant under this clause is located within a municipality

102 other than the municipality in which the applicant is domi-  
103 ciled, and where the value of said property, or the taxes, as-  
104 sessed by the municipality in which such applicant is domi-  
105 ciled should result in his receiving less than the maximum  
106 exemption provided by this clause, that part of the property  
107 of such applicant within such other municipality shall be ex-  
108 empt to a value, or to an amount of tax, sufficient to grant the  
109 applicant the total maximum exemption provided by the  
110 clause. Any person who receives an exemption under the  
111 provisions of this clause shall not receive an exemption on the  
112 same property under any other provision of this section ex-  
113 cept clause Eighteen.

1 SECTION 2. The commonwealth commencing in fiscal year  
2 nineteen hundred and seventy-nine, shall annually appropri-  
3 ate a sum not to exceed six million dollars for the purpose of  
4 reimbursing municipalities for taxes abated under clause forty-  
5 first of section five of Chapter fifty-nine of the General Laws.  
6 The commissioner of corporations and taxation shall divide  
7 said sum by the number of clause forty-first exemptions  
8 granted in the preceding year and distribute to each city and  
9 town a pro rata share of said sum based on the number of  
10 exemptions granted in each city and town.

1 SECTION 3. This act shall apply to taxes levied for the fiscal  
2 year beginning July first, nineteen hundred and seventy-eight  
3 and thereafter.