

By Mr. Cerasoli of Quincy, petition of Robert A. Cerasoli relative to the taxation of real property of certain elderly persons. Taxation.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-Six.

AN ACT RELATIVE TO REAL PROPERTY 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. Clause Forty-first of Section 5 of Chapter 59 of
2 the General Laws, as most recently amended by Section 4 of
3 Chapter 653 of the Acts of 1982, is hereby further amended by
4 striking out the last sentence of the last paragraph.

1 SECTION 2. Section 5 of Chapter 59 of the General Laws, as
2 most recently amended by Section 5 of Chapter 653 of the Acts of
3 1982, is hereby amended by striking out Clause Forty-first B and
4 inserting in its place the following: —

5 Real property, to the amount of four thousand dollars of taxa-
6 ble valuation or the sum of five hundred dollars, whichever would
7 amount in an exemption of the greater amount of taxes due, of a
8 person who has reached his seventieth birthday prior to the fiscal
9 year for which an exemption is sought and owned and occupied by
10 said person and his domicile, or of a person who owns the same
11 jointly with his spouse, either of whom has reached his seventieth
12 birthday prior to the fiscal year for which an exemption is sought
13 and occupied by them as their domicile, or a person who has
14 reached his seventieth birthday prior to the fiscal year for which an
15 exemption is sought who owns the same jointly or as a tenant in
16 common with a person not his spouse and occupied by him as his
17 domicile; provided: A) that such person had, in the preceding year
18 gross receipts from all sources of less than ten thousand dollars, or
19 if married, combined gross receipts with his spouse of less than
20 twelve thousand dollars, provided, however, that in computing the
21 gross receipts of an applicant under this clause ordinary business

22 expenses and losses may be deducted, but not personal or family
23 expenses, and provided, further, that there shall be deducted from
24 the total amount received by the applicant under the federal social
25 security or railroad retirement and from any annuity, pension, or
26 retirement plan established for employees of the United States
27 government, the government of the commonwealth, or the
28 government of any city, town, county, or special district, included
29 in such gross receipts, an amount equivalent to \$1,940.40 for a
30 person, or if married, \$2,910.60 for the fiscal year 1983 in which an
31 exemption is sought which is an amount equivalent to the mini-
32 mum payment then payable under the federal social security law;
33 in each subsequent year the commissioner of revenue shall increase
34 these equivalent amounts based on fiscal year 1983 minimum
35 payments payable under said social security law by 5% over the
36 previous year's minimum amounts, to a retired worker seventy
37 years of age or over, if the applicant is unmarried, or to a retired
38 worker and spouse, both of whom are seventy years of age or over,
39 if the applicant is married; and B) that such person had a whole
40 estate, real and personal, not in excess of twenty thousand dollars,
41 or if married, not in excess of twenty-three thousand dollars,
42 provided that real property occupied as his domicile shall not be
43 included in computing the whole estate except for any portion of
44 said property which produces income. In the case of real property
45 owned by a person jointly or as a tenant in common with a person
46 not his spouse, the amount of his exemption under this clause shall
47 be that proportion of four thousand dollars valuation or the sum
48 of five hundred dollars, whichever would result in an exemption of
49 the greater amount of taxes due, which the amount of his interest
50 in such property bears to the whole tax due; provided: (A) that no
51 exemption shall be granted to any joint tenant or tenant in com-
52 mon unless the gross receipts from all sources whatsoever of each
53 joint tenant or tenant in common is less than ten thousand dollars
54 or, if married, the combined gross receipts from all sources what-
55 soever of each joint tenant or tenant in common and his spouse is
56 less than twelve thousand dollars, provided, however, that in
57 computing the gross receipts of an applicant under this clause
58 ordinary business expenses and losses may be deducted, but not
59 personal or family expenses, and provided, further, that there shall
60 be deducted from the total amount received by the applicant under

61 the federal social security or railroad retirement and from any
62 annuity, pension, or retirement plan established for employees of
63 the United States government, the government of the common-
64 wealth, or the government of any city, town, county, or special
65 district, included in such receipts, an amount equivalent to
66 \$1,940.40 for a person, or if married, \$2,910.60 for the fiscal year
67 1983 in which an exemption is sought which is an amount equiva-
68 lent to the minimum payment then payable under the federal social
69 security law; in each subsequent year the commissioner of revenue
70 shall increase these equivalent amounts based on fiscal year 1983
71 minimum payments payable under said social security law by 5%
72 over the previous year's minimum amounts, to a retired worker
73 seventy years of age or over, if the applicant is unmarried, or to a
74 retired worker and spouse, both of whom are seventy years of age
75 or over, if the applicant is married; and (B) that the combined
76 whole estate, real and personal, of each joint tenant or tenant in
77 common is less than twenty thousand dollars or, if married, the
78 combined whole estate, real and personal of each joint tenant or
79 tenant in common and his spouse does not exceed twenty-three
80 thousand dollars, provided that real property occupied as their
81 domicile shall not be included in computing the whole estate except
82 for portion of said property which produces income. No propor-
83 tion of the exemption shall be denied to any applicant otherwise
84 qualified for the reason that another joint tenant or tenant in
85 common receives a proportion of the total exemption. Household
86 furnishings and property already exempt under the twelfth, twen-
87 tieth, thirty-first, and thirty-fifth clauses of this section shall not be
88 included in computing the whole estate for purposes of this sec-
89 tion. Where a portion of the real property occupied as a domicile
90 of an applicant under this clause is located within a municipality
91 other than the municipality in which the applicant is domiciled,
92 and where the value of said property, or the taxes, assessed by the
93 municipality in which such applicant is domiciled would result in
94 his receiving less than the maximum exemption provided by this
95 clause, that part of the property of such applicant within such
96 other municipality shall be exempt to a value, or to an amount of
97 tax, sufficient to grant the applicant the total maximum exemp-
98 tion provided by the clause. This clause shall take effect upon its
99 acceptance by any city or town. In those cities and towns which

100 accept the provisions of this clause, the provisions of clause Forty-
101 first shall not be applicable.