

By Mrs. Kehoe of Dedham, petition of Marie-Louise Kehoe that provision be made for the deduction of certain medical expenses in determining eligibility for real estate tax exemptions. Taxation.

The Commonwealth of Massachusetts

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

AN ACT PROVIDING FOR THE DEDUCTION OF CERTAIN MEDICAL EXPENSES
IN DETERMINING ELIGIBILITY FOR CERTAIN REAL ESTATE TAX
EXEMPTIONS.

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 2 of
3 chapter 73 of the acts of 1986, is hereby further amended by
4 striking out the last paragraph and inserting in place thereof the
5 following paragraph: —

6 Any amount of money annually appropriated by the
7 commonwealth for the purpose of reimbursing cities and towns
8 for taxes abated under this clause, clause Forty-first B, clause
9 Forty-first C, and clause Forty-first D, shall be distributed as
10 hereinafter provided. The commissioner of revenue shall divide
11 said sum by the number of exemptions under this clause, clause
12 Forty-first B, clause Forty-first C and clause Forty-first D granted
13 in the preceding fiscal year and distribute to each city and town
14 a pro rata share of said sum based upon the number of such
15 exemptions granted in each city and town. If a city or town has
16 elected to grant exemptions under clause Forty-first B, clause
17 Forty-first C or clause Forty-first D in lieu of this clause, the
18 number of exemptions granted in such city or town, for purposes
19 of this computation, shall not exceed the number of exemptions
20 granted under this clause in such city or town in the most recent
21 fiscal year in which such exemptions under this clause were
22 granted.

1 SECTION 2. Said section 5 of said chapter 59 is hereby
2 amended by inserting after clause Forty-first C, as inserted by
3 section 3 of said chapter 73, the following clause: —

4 Forty-first D, Real Property, to the amount of four thousand
5 dollars of taxable valuation or the sum of five hundred dollars,
6 whichever would amount in an exemption of the greater amount
7 of taxes due, of a person who has reached his seventieth birthday
8 prior to the fiscal year for which an exemption is sought and
9 occupied by said person as his domicile, or of a person who owns
10 the same jointly with his spouse, either of whom has reached his
11 seventieth birthday prior to the fiscal year for which an exemption
12 is sought and occupied by them as their domicile, or for a person
13 who has reached his seventieth birthday prior to the fiscal year
14 for which an exemption is sought who owns the same jointly or
15 as a tenant in common with a person not his spouse and occupied
16 by him as his domicile; provided: (A) that such person (1) has
17 been domiciled in the commonwealth for the preceding ten years,
18 (2) has so owned and occupied such real property or other real
19 property in the commonwealth for five years, or (3) is a surviving
20 spouse who inherits such real property and has occupied such real
21 property in the commonwealth five years and who otherwise
22 qualified under this clause; (B) that such person had, in the
23 preceding year gross receipts from all sources of less than thirteen
24 thousand dollars, or if married, combined gross receipts with his
25 spouse of less than fifteen thousand dollars, provided, however,
26 that in computing the gross receipts of an applicant under this
27 clause ordinary business expenses and losses may be deducted,
28 expenses of a nursing home, convalescent home, rest home or
29 other similar facility for a spouse may be deducted, but not other
30 personal or family expenses; and provided, further, that there shall
31 be deducted from the total amount received by the applicant under
32 the federal social security or railroad retirement and from any
33 annuity, pension, or retirement plan established for employees of
34 the United States government, the government of the common-
35 wealth, or the government of any city, town, county, or special
36 district, included in such gross receipts, an amount equivalent to
37 the minimum payment then payable under said federal social
38 security law, as determined by the commissioner of revenue, to
39 a retired worker seventy years of age or over, if the applicant is

40 unmarried, or to a retired worker and spouse, both of whom are
41 seventy years of age or over, if the applicant is married; and
42 (C) that such person had a whole estate, real and personal, not
43 in excess of twenty-eight thousand dollars, or if married, not in
44 excess of thirty thousand dollars, provided that real property
45 occupied as his domicile shall not be included in computing the
46 whole estate except for any portion of said property which
47 produces income and exceeds two dwelling units. In the case of
48 real property owned by a person jointly or as a tenant in common
49 with a person not his spouse, the amount of his exemption under
50 this clause shall be the proportion of four thousand dollars
51 valuation or the sum of five hundred dollars, whichever would
52 result in an exemption of the greater amount of taxes due, which
53 the amount of his interest in such property bears to the whole tax
54 due, provided: (A) that no exemption shall be granted to any joint
55 tenant or tenant in common unless the gross receipts from all
56 sources whatsoever of each joint tenant or tenant in common is
57 less than thirteen thousand dollars or, if married, the combined
58 gross receipts from all sources whatsoever, of each joint tenant
59 or tenant in common and his spouse is less than fifteen thousand
60 dollars, provided, however, that in computing the gross receipts
61 of an applicant under this clause ordinary business expenses and
62 losses may be deducted, expenses of a nursing home, convalescent
63 home, rest home or other similar facility for a spouse may be
64 deducted, but not other personal or family expenses; and
65 provided, further, that there shall be deducted from the total
66 amount received by the applicant under the federal social security
67 or railroad retirement and from any annuity, pension, or
68 retirement plan established for employees of the United States
69 government, the government of the commonwealth, or the
70 government of any city, town, county, or special district, included
71 in such receipts, an amount equivalent to the minimum payment
72 then payable under said federal social security law, as determined
73 by the commissioner of revenue, to a retired worker seventy years
74 of age or over, if the applicant is unmarried, or to a retired worker
75 and spouse, both of whom are seventy years of age or over, if the
76 applicant is married; and (B) that the combined whole estate, real
77 and personal, of each joint tenant or tenant in common is less
78 than twenty-eight thousand dollars or, if married, the combined

79 whole estate, real and personal of each joint tenant or tenant in
80 common and his spouse does not exceed thirty thousand dollars,
81 provided that real property occupied as their domicile shall not
82 be included in computing the whole estate except for any portion
83 of said property which produces income and exceeds two dwelling
84 units. No proportion of the exemption shall be denied to any
85 applicant otherwise qualified for the reason that another joint
86 tenant or tenant in common receives a proportion of the total
87 exemption. Household furnishings and property already exempt
88 under the clauses Twelfth, Twentieth, Thirty-first, and Thirty-fifth
89 shall not be included in computing the whole estate for purposes
90 of this section. Where a portion of the real property occupied as
91 a domicile of an applicant under this clause is located within a
92 municipality other than the municipality in which the applicant
93 is domiciled, and where the value of said property, or the taxes,
94 assessed by the municipality in which such applicant is domiciled
95 would result in his receiving less than the maximum exemption
96 provided by this clause, that part of the property of such applicant
97 within such other municipality shall be exempt to a value, or to
98 an amount of tax, sufficient to grant the applicant the total
99 maximum exemption provided by the clause. This clause shall
100 take effect in any city or town upon its acceptance by such city
101 or town for fiscal years commencing on or after July first, nineteen
102 hundred and eighty-seven, or for fiscal years commencing on or
103 after such later July first as the city or town may elect. In those
104 cities and towns which accept the provisions of this clause, the
105 provisions of clause Forty-first, Forty-first B and Forty-first C
106 shall not be applicable; provided, however, that any amount of
107 money annually appropriated by the commonwealth for the
108 purpose of reimbursing cities and towns for taxes abated under
109 this clause, clause Forty-first, clause Forty-first B and clause
110 Forty-first C shall be distributed as provided in said clause Forty-
111 first.