

By Mr. Baddour, a petition (accompanied by bill, Senate, No. 2023) of Steven A. Baddour, Arthur J. Broadhurst, Sharon M. Pollard, mayor and others (with the approval of the mayor and the city council) for legislation to cap real estate taxes of senior citizens in the city of Methuen. Revenue. [Local approval received.]

The Commonwealth of Massachusetts

In the Year Two Thousand and Five.

AN ACT CAPPING THE REAL ESTATE TAXES OF SENIOR CITIZENS IN THE CITY OF METHUEN.

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. Notwithstanding the provisions of Chapter fifty-  
2 nine and any other applicable statutes the real property of a  
3 Methuen Citizen who has reached his/her sixty-sixth birthday  
4 shall be subject to a cap on the increase in his/her real estate taxes  
5 on property owned and occupied by said person as his/her domi-  
6 cile, or of a person who owns the same jointly with his spouse,  
7 either of whom has reached his/her sixty-sixth birthday prior to  
8 the applicable fiscal year and is occupied by them as their domi-  
9 cile. The cap shall be such that notwithstanding any increase in  
10 the total taxes otherwise set under Chapter 59 of the General Laws  
11 the increase shall not exceed 2 percent of the amount taxed on that  
12 property in the year in which either party turned age sixty-five.

13 Thereafter the tax bill may increase by 1.5 percent for the tax  
14 year in which either party turns sixty-seven, then 1 percent in the  
15 tax year in which either party turns sixty-eight and one-half of one  
16 percent in which either part turns sixty-nine. Upon either party  
17 reaching the age of seventy the taxes shall be capped at that  
18 amount last set when that person was sixty-nine.

19 In order to qualify for the exemption granted in this act the  
20 following conditions must be met; (A) that such person (1) has  
21 been domiciled in the commonwealth for the preceding ten years,

22 (2) has so owned and occupied such real property or other real  
23 property in the commonwealth for five years, or (3) is a surviving  
24 spouse who inherits such real property and has occupied such real  
25 property in the commonwealth for five years and who otherwise  
26 qualified under this clause; (B) that such person had, in the pre-  
27 ceding year gross receipts from all sources of less than thirteen  
28 thousand dollars, or if married, combined gross receipts with his  
29 spouse of less than fifteen thousand dollars; provided, however,  
30 that in computing the gross receipts of an applicant under this  
31 clause ordinary business expenses and losses may be deducted,  
32 but not personal or family expenses; and provided, further, that  
33 there shall be deducted from the total amount received by the  
34 applicant under the federal social security or railroad retirement  
35 and from any annuity, pension, or retirement plan established for  
36 employees of the United States government, the government of  
37 the commonwealth, or the government of any city, town, county,  
38 or special district, included in such gross receipts, an amount  
39 equivalent to the minimum payment then payable under said fed-  
40 eral social security law, as determined by the commissioner of  
41 revenue, to a retired worker seventy years of age or over, if the  
42 applicant is unmarried, or to a retired worker and spouse, both of  
43 whom are seventy years of age or over, if the applicant is married;  
44 and (C) that such person had a whole estate, real and personal, not  
45 in excess of twenty-eight thousand dollars, or if married, not in  
46 excess of thirty thousand dollars, provided that real property occu-  
47 pied as his domicile shall not be included in computing the whole  
48 estate except for any portion of said property which produces  
49 income and exceeds two dwelling units.

50 Any person who receives an exemption under the provisions of  
51 this clause shall not receive an exemption on the same property  
52 under any other provision of this section except clause Eighteen.

1 SECTION 2. This act shall become effective upon the Great  
2 and General Court providing full funding to the City of Methuen  
3 to reimburse the City as a result of the loss of revenue associated  
4 with and arising from the exemption.