

By Mr. Cahill of Beverly, petition of Michael P. Cahill and Carol C. Clevon that provision be made for a real estate tax exemption for certain elderly persons. Taxation.

The Commonwealth of Massachusetts

In the Year Two Thousand and One.

AN ACT PROVIDING FOR A REAL ESTATE TAX EXEMPTION FOR 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 5 of Chapter 59, as appearing in the 1998 Official
2 Edition of the General Laws, is hereby amended by striking out
3 Clause Forty-first C and inserting in place thereof the following
4 clause:—

5 Forty-first C. Real property to the amount of five thousand six
6 hundred fifty dollars of taxable valuation or the sum of seven hun-
7 dred dollars, whichever would amount in an exemption of the
8 greater amount of taxes due, of a person who has reached his sev-
9 entieth birthday prior to the fiscal year for which an exemption is
10 sought and occupied be said person as his domicile, or of a person
11 who owns the same jointly with his spouse either of whom has
12 reached his seventieth birthday prior to the fiscal year for which
13 an exemption is sought and occupied by them as their domicile or
14 for a person who has reached his seventieth birthday prior to the
15 fiscal year for which an exemption is sought who owns the same
16 jointly or as a tenant in common with a person not his spouse and
17 occupied by him as his domicile; provided: (A) that such person
18 (1) has been domiciled in the Commonwealth for the preceding
19 ten years, (2) has so owned and occupied such real property or
20 other real property in the Commonwealth for five years, or (3) is a
21 surviving spouse who inherits such real property and has occupied
22 such real property in the Commonwealth five years and who oth-
23 erwise qualified under this clause; (B) that such person had, in the

24 preceding year gross receipts from all sources of less than eight-
25 teen thousand three hundred and fifty dollars, or if married, com-
26 bined gross receipts with his spouse of less than twenty-one
27 thousand dollars, provided, however, that in computing the gross
28 receipts of an applicant under this clause ordinary business
29 expenses and losses may be deducted, but not personal or family
30 expenses; and provided, further, that there shall be deducted from
31 the total amount received by the applicant under the federal social
32 security or railroad retirement and from any annuity, pension, or
33 retirement plan established for employees of the United States
34 government, the government of the Commonwealth, or the gov-
35 ernment of any city, town, county, or special district, included in
36 such gross receipts, an amount equivalent to the minimum pay-
37 ment then payable under said federal social security law, as deter-
38 mined by the commissioner of revenue, to a retired worker
39 seventy years of age or over, if the applicant is unmarried, or to a
40 retired worker and spouse, both of whom are seventy years of age
41 or over, if the applicant is married; and (C) that such person had a
42 whole estate, real and personal not in excess of thirty-nine thou-
43 sand five hundred dollars, or if married not in excess of forty-two
44 thousand three hundred fifty 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 income
47 and exceeds two dwelling units. In the case of real property
48 owned by a person jointly or as a tenant in common with a person
49 not his spouse, the amount of his exemption under this clause
50 shall be that proportion of five thousand six hundred fifty dollars
51 valuation or the sum of seven 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 is less than eighteen thou-
57 sand three hundred and fifty dollars or, if married, the combined
58 gross receipts from all sources whatsoever, of each joint tenant or
59 tenant in common and his spouse is less than twenty-one thousand
60 dollars, provided, however, that in computing the gross receipts of
61 an applicant under this clause ordinary business expenses and
62 losses may be deducted, but not personal or family expenses; and

63 provided, further, that there shall be deducted from the total
64 amount received by the applicant under the federal social security
65 or railroad retirement and from any annuity, pension, or retirement
66 plan established for employees of the United States government,
67 the government of the Commonwealth, or the government of any
68 city, town, county, or special district, included in such receipts, an
69 amount equivalent to the minimum payment then payable under
70 said federal social security law, as determined by the commis-
71 sioner of revenue for a retired worker seventy years of age or
72 over, if the applicant is unmarried, or to a retired worker and
73 spouse, both of whom are seventy years of age or over, if the
74 applicant is married; and (B) that the combined whole estate, real
75 and personal, of each joint tenant or tenant in common is less than
76 thirty-nine thousand five hundred dollars or, if married, the com-
77 bined whole estate, real and personal of each joint tenant or tenant
78 in common and his spouse does not exceed forty-two thousand
79 three hundred fifty dollars provided that real property occupied as
80 their domicile shall not be included in computing the whole estate
81 except for any portion of said property which produces income
82 and exceeds two dwelling units. No proportion of the exemption
83 shall be denied to any applicant otherwise qualified for the reason
84 that another joint tenant or tenant in common receives a propor-
85 tion of the total exemption. Household furnishings and property
86 already exempt under the clauses Twelfth, Twentieth, Thirty-first
87 and Thirty-fifth shall not be included in computing the whole
88 estate for purposes of this section. Where a portion of the real
89 property occupied as a domicile of an applicant under this clause
90 is located within a municipality other than the municipality in
91 which the applicant is domiciled and where the value of said prop-
92 erty, or the taxes, assessed by the municipality in which such
93 applicant is domiciled would result in his receiving less than the
94 maximum exemption provided by this clause, that part of the
95 property of such applicant within such other municipality shall be
96 exempt to a value or to an amount of tax, sufficient to warrant the
97 applicant the total maximum exemption provided by the clause.
98 This clause shall take effect in any city or town upon its accep-
99 tance by such city or town for fiscal years commencing on or after
100 July first, nineteen hundred and eight-six, or for fiscal years com-
101 mencing on or after such later July first as the city or town may

102 elect. In those cities and towns which accept the provisions of this
103 clause, the provisions of clause Forty-first and Forty-first B shall
104 not be applicable; provided, however, that any amount of money
105 annually appropriated by the Commonwealth for the purpose of
106 reimbursing cities and town for taxes abated under this clause
107 Forty-first and clause Forty-first B shall be distributed as provided
108 in said clause Forty-first.