HOUSE . . . . No.

The Commonwealth of Massachusetts

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PRESENTED BY:

Tom Sannicandro

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To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act Relative to senior property tax credit.

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PETITION OF:

NAME:	DISTRICT/ADDRESS:
Tom Sannicandro	7th Middlesex

The Commonwealth of Massachusetts

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In the Year Two Thousand and Nine

_____

AN ACT RELATIVE TO SENIOR PROPERTY TAX CREDIT.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1   Chapter 59 of the General Laws is hereby amended by
2 inserting after section 5k the following section:-

3   Section 5L. In any city or town which accepts the
4 provisions of this section, the board of selectmen of a town or
5 in a municipality having a town council form of government, the
6 town council or the mayor with the approval of the city council
7 in a city may establish a program to allow persons over the age
8 of 65 to receive a credit on their property tax bill based on
9 the school expenditures for that city or town. In order to
10 qualify for this credit, the person must be 65 years of age or
11 older as of the year of application and who has been a resident
12 for 10 years or more in the town, has paid property taxes for 10
13 years or more and utilizes the property as his principal
14 residence and there is no one staying in the residence for more
15 than 60 days during the fiscal year who is either under the age
16 of 6 years old or who attends a public or private pre-school,
17 nursery school, elementary school, middle school, junior high
18 school or senior high school or similar school.

19   Applicants shall meet the following income and asset
20 requirements for eligibility, if single incomes of %50,000 or

21 less, if married %60,000 or less and assets of %75,000 or less
22 not including the primary residence and 1 motor vehicle
23 registered to the applicant. The assessments and tax rate
24 changes of senior qualified properties shall be recalculated on
25 an annual basis. The lesser of the calculations will prevail as
26 the property tax levy for that year. For the purpose of this
27 exemption, income means the "adjusted gross income" for federal
28 income tax purposes as reported on the applicant's latest
29 available federal or state income tax return for the applicable
30 income tax year, subject to any subsequent amendments or
31 revisions, reduced by distributions, to the extent included in
32 federal adjusted gross income, received from an individual
33 retirement account and an individual retirement annuity;
34 provided that if no such return was filed for the application
35 income tax year, income means the adjusted gross income that
36 would have been so reported if such a return had been filed.

37   The amount of the credit shall be calculated as follows:

38 (a)   The amount of the total tax due the municipality
39   from the qualifying senior shall be multiplied by
40   the amount the municipality pays for schools
41   divided by the amount of the total town budget
42   for that fiscal year, divided by 10. For
43   qualifying individuals, whose income is less than
44          $18,000 per year, the above credit shall be twice
45   that amount.
46 (b)   The city or town shall reduce the real property
47   tax obligations of such person over the age of 65
48   on his tax bills and any reduction so provided
49   shall be in addition to any exemption or
50   abatement to which any such person is otherwise
51   entitled.
52 (c)   Participation in this program is nullified when
53   the homeowner who is 65 or older moves
54   permanently from the property or the property is
55   sold and deeded to a new owner. The board of
56   assessors shall prepare a simple application for
57   participation in the program and shall oversee
58   its administration. In no instance shall the
59   amount by which this program reduces a person's
60   property tax liability be considered income for
61   the purpose of taxation.
62 (d)   Such cities and towns shall have the power to
63   create local rules and procedures for

64   implementing this section any way consistent with
65   the intent of this section.