

## DOR Information\* on Suggested Warrant Articles for Changes in G.L. c. 59 § 5

### (Regarding gross receipts and Clause 41A, the Property Tax Deferral option)

\*Excerpted from an email on 9/19/08

...With respect to the warrant article, it depends on what the town wants to do. As the guideline we issued indicates, it can vote a specific dollar amount for one or subsequent years. For example:

To vote a specific amount (e.g., \$49,000) for particular year:

VOTED: That the town increase the gross receipts that seniors may have in the prior calendar year to be eligible to defer property taxes under G.L. c. 59 § 5, Clause 41A from \$\_\_\_\_\_ to \$49,000 with such increase to be effective for deferrals granted for taxes assessed for the fiscal year beginning on July 1, \_\_\_\_\_.

To vote a specific amount for subsequent years until town meeting votes another amount:

VOTED: That the town increase the gross receipts that seniors may have in the prior calendar year to be eligible to defer property taxes under G.L. c. 59 § 5, Clause 41A from \$\_\_\_\_\_ to \$49,000 with such increase to be effective for deferrals granted for taxes assessed for any fiscal year beginning on or after July 1, \_\_\_\_\_.

Alternatively, the vote can be structured to have the gross receipts limit adjust automatically each year just like the circuit breaker limit. For example, if it wanted each year's limit to be the same as the applicable circuit breaker limit for that year, it could vote as follows:

VOTED: That the town increase the gross receipts that seniors may have in the prior calendar year to be eligible to defer property taxes under G.L. c. 59 § 5, Clause 41A from \$\_\_\_\_\_ to 100% of the amount established annually by the Commissioner of Revenue as the income limit for single seniors who are not heads of households to qualify for the "circuit breaker" state income tax credit for the preceding state tax year, with such increase to be effective for deferrals granted for taxes assessed for any fiscal year beginning on or after July 1, \_\_\_\_\_.

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