

OP-ED: Flood Relief and Help with Rising Tides for Seniors

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FEMA's walk-in Disaster Recovery Centers where residents can apply for low-cost loans and other help to clean up after the floods are closing, but FEMA will continue to accept flood claims until the end of June. Older adults in Massachusetts who were hit by flooding, or by another rising tide of living costs – heat and utilities, medical and prescription bills, home care, property taxes and/or rents – have more places to turn for help: *follow the ABC's*.

Abatement: Homeowners can file for an abatement – a reduction in assessed value - *if they think their home is assessed at over its market value*. Inviting an assessor into your house can result in lower taxes, especially if you have white or avocado instead of stainless steel appliances, and don't have granite countertops, a Jacuzzi, or other high end amenities.

Circuit Breaker: Most senior renters and homeowners Massachusetts - except the wealthy and those with public housing or a rent subsidy – qualify for the MA Income Tax Senior Circuit Breaker Credit, with a maximum of up to \$960 in 2009. *Seniors can get the credit - even if they don't have enough income to owe or pay state income taxes in MA - as a rebate when property taxes, or the 25 percent of rent that covers property taxes, exceeds 10 percent of their income*. Qualifying seniors can still back file for 2007 and 2008 and get up to \$2,790 for three years if they qualify for the maximum. 69,942 seniors filed in 2008 - yet many times that amount are eligible. Filers in MA 14 largest cities range from Boston 2,457 and Quincy 1,457, to Fall River 374 and Lawrence 215.

Deferral: *The deferral program is the state's "best kept secret" for seniors in Massachusetts. Seniors can ask to defer – put off paying until the property is sold or transferred – all or part of their property tax bill each year, until the amount plus interest equals half of assessed value*. The interest rate varies by local option up to 8 percent – better than any credit card or installment loan. The deferral starts as savings of a few thousand dollars in the first year, and can conserve enough cash to cover major bills over many years – and avoid going into more costly debt. Income limits vary– it can be \$20,000, \$40,000, or \$51,000 - and age limits from 65 to 70 by local option. *Fewer than 1,250 MA seniors applied for the property tax deferral in FY2009 – none in Springfield, 6 in Worcester, 12 in Framingham, 13 in Boston, 30 in Lynn, 50 in Quincy, and 64 in Newton*. A municipal lien is filed, like the lien every day except the day you pay your property taxes, and better than a mortgage or reverse mortgage lien. If you don't want to leave your house to your children with a lien on it, ask for their help to pay your property taxes.

Exemption: The local assessor can also give information on the *senior property tax exemption, which ranges from \$500 to \$1,000 - as much as \$2,000 if the town elects to double all of its exemptions* - by local option. There are also exemptions for homeowners who are veterans, blind, disabled, widowed, or face hardship.

Work-off Program: About one-third of Massachusetts communities have a *senior property tax work-off program, in which seniors volunteer with a town department and get a property tax credit based on a minimum wage stipend of \$500, \$750 or \$1,000 by local option*. Call your Council on Aging or assessor about this program.

The Need: *The Census Bureau's Supplemental Poverty Measure finds that 18 percent older adults 65+ don't have enough income to cover living costs today – twice the official poverty rate of 9 percent among seniors – after taking into account higher medical costs, regional cost differences, and fewer help programs than for younger families*. The Elder Economic Security Standard shows that seniors in no county in Massachusetts can live on the average Social Security payment, maximum Supplemental Security Income (SSI) payment, or federal poverty guidelines.

Next Steps: Massachusetts Councils on Aging Property Tax Task Force, whose members include directors of councils on aging, assessors, and volunteers, works to broaden awareness, increase usage, and improve these programs. *File sharing among the Department of Revenue and municipalities, as in New Jersey, New York, and other states, can result in the Circuit Breaker credit being automatically offset as a deduction in the local property tax bill*. *Funded outreach - like for the Earned Income Tax Credit - is needed to reach more seniors having difficulty paying their bills and going deeper into debt*. *Please spread the word about these programs, and help your family, friend or neighbor face the rising tides ahead*. [Word Count for body text: 790 words.]

Pat Carty-Larkin and Norma Simons Fitzgerald are co-chairs of *Massachusetts Councils on Aging Property Tax Task Force*. Laura Henze Russell is a volunteer member and author of, *"Lifelines for Elders Living on Edge: How Elder Support Programs Compare to Living Costs."*