

## PROPERTY TAX EXEMPTION GUIDELINES FOR SENIORS

Clause	Qualifications
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### Senior Exemption

Persons 70 (or 65 by local option) or older may receive an exemption if they own\* and prove current occupancy of the home and occupancy for the past five years, and have been a resident of Massachusetts for at least the ten preceding years. Clause 41 was an early response to needs for assistance for qualified persons. Clauses 41B, 41C and 41C<sup>1/2</sup> are alternatives for Cities/Towns to accept by Town Meeting or City Council vote. If a City/Town accepts 41B, 41C or 41C<sup>1/2</sup>, the Clause most recently accepted establishes eligibility. If a City/Town has not accepted 41B, 41C or 41C<sup>1/2</sup>, Clause 41 prevails.

- 41 Persons 70 or older may receive a \$500 exemption. Maximum gross income, excluding Social Security or railroad retirement, and government pension, cannot exceed \$6,000 for a single person or \$7,000 for a married couple. Maximum assets\*\* cannot exceed \$17,000 for a single person or \$20,000 for a married couple.
- 41B Persons 70 or older may receive a \$500 exemption. Maximum gross income, excluding Social Security or railroad retirement, and government pension, cannot exceed \$10,000 for a single person or \$12,000 for a married couple. Maximum assets\*\* cannot exceed \$20,000 for a single person or \$23,000 for a married couple.
- 41C Persons 70 (or 65 by local option) or older may receive an exemption of up to \$1,000 per year. Income, asset and exemption limits are set by the City/Town. Maximum income and maximum assets\*\* vary by City/Town and are adjusted each year for cost of living.
- 41C<sup>1/2</sup> Persons 70 (or 65 by local option) or older may receive an exemption based on the average assessed value of residential parcels in the City/Town which will vary from year to year. The income limit is tied to the Massachusetts senior circuit breaker limit for the prior state tax year for single persons who are not heads of households. There is no asset limit.

### Deferral

- 41A Generally, persons 65 or older with age and income limits set by the City/Town (with some limits higher than \$50,000). Applicant must own\* and occupy the home currently and for the past five years and have been a resident of Massachusetts for at least the ten preceding years. The deferral becomes a lien and is recorded on the deed. The City/Town recovers the debt, plus interest, at the time the property is sold or inherited. The outstanding balance, plus interest, cannot exceed 50% of the property value. Cities/Towns set the interest rate which may not exceed 8%.

### Property Tax Work-Off Program

- K Many towns offer a program that allows seniors to work for the town and save up to \$1,000 off property taxes. Current minimum wage affects the number of hours required. Contact your Council on Aging for information on age and income requirements.

### Circuit Breaker Credit (or Cash, even if you do not owe taxes)

The Massachusetts Department of Revenue allows a Circuit Breaker refundable tax credit on personal income tax for qualifying home owners and renters. Eligibility income and home value are set by the Commonwealth each year. You need not owe taxes to file for this credit. This is not an exemption but should be investigated.

*See reverse for additional exemptions*

## ADDITIONAL EXEMPTIONS

Not limited to Seniors

Clause	Qualifications
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### Surviving Spouse/Elderly

17D Applicant must be a surviving spouse of any age who has not married, or a minor with a deceased parent, or the applicant must be age 70 or older on July 1 of the current fiscal year. Applicant must own\* and occupy home for at least 10 years. Assets, not including home, must not exceed \$40,000.

### Hardship

18 Any portion of the estate of persons who by reason of age, infirmity and financial condition are, in the judgment of the Assessors, unable to pay may be exempted.

### Veterans

22 Granted to veterans with 10% or more disability. An initial statement from the Veterans Administration is required. Veterans must have lived in Massachusetts either for six months prior to entry into service or five consecutive years before filing for this exemption and must live in the home on July 1 of the year to which the tax relates. Various exemptions, with varying amounts, are available to veterans, and, in some cases, to spouses and other family members. Contact your local Assessor for more information.

### Blind

37A Applicants must own\* and occupy property as their residence for the current fiscal year and provide an annual certificate of blindness from the Commission for the Blind.

### **NOTE:**

Some towns/cities have voted to allow more generous exemptions as in 41C and/or have approved increased eligibility criteria for income and assets as well as lower age limits. They also may have lowered the interest rate charged in the Deferral option (41A) to less than 8%. These changes may vary from year to year.

1. Check with your town's assessor on specifics about what your town offers.
2. Ask the assessors, Council on Aging, and selectmen/city council about warrant articles and votes needed to increase eligibility criteria, to maximize senior and other exemptions, and to lower the interest rate on deferrals.

Ask your COA to contact MCOA for more information or assistance if needed.

### \* Ownership

If the domicile is held in a trust, a person can only satisfy the ownership interest if he/she:

1. Is a trustee or co-trustee of that trust, and
2. Possesses a sufficient beneficial interest in the domicile through that trust. (Splitting the interest between multiple trusts does not qualify.)

\*\*Maximum assets - excludes the value of residence, registered motor vehicles, cemetery plot, personal effects.

### Source:

*These exemptions are granted under Massachusetts General Law Chapter 59, Section 5. In most cases, exemption amounts and eligibility criteria are at the discretion of the Town/City within limits set by the State.*