

Town of Southborough
FY'12
Property Tax Exemptions

An exemption releases an individual from the requirement to pay all or a fraction of their property tax obligations. Exemptions are available to those individuals that meet various program requirements.

CLAUSE 17D - \$227

Surviving spouses or persons who were 70 or older on July 1 and who occupied the residence at least 5 years. No income limit, but the whole estate must be less than \$51,811 excluding the value of the domicile.

CLAUSE 18 - VARIABLE AMOUNT

Applicants must be Aged, Infirm, and have Financial Hardship. These three conditions should be demonstrated through birth certificates, medical letters, and tax returns.

CLAUSE 37A - \$500

Blind persons as determined by the Massachusetts Commission for the Blind. A certificate of blindness must be filed yearly. There are no income or asset limits.

CLAUSE 22 TO 22E – VARIABLE AMOUNTS \$250 to 100% of TAX

An honorable discharged veteran who lived in Massachusetts 6 months prior to enrollment of 5 years prior to applications for exemption and has a war service connected disability of 10% or greater; or is recipient of the Purple Heart, Congressional medal of honor, Distinguished Service Cross; or is a parent or an unmarried surviving spouse of a veteran who lost their life in wartime service. There are no income or asset limits.

CLAUSE 41C - \$1,000

Persons 65 years or older by July 1, provided that the applicant has lived in Massachusetts for at least 10 years and has occupied such or other real estate in MA for 5 years, or is a surviving spouse who has inherited the real estate and occupied it 5 years. Income must not exceed \$20,000 and estate must not exceed \$40,000 for single. Income must not exceed \$30,000 and estate must not exceed \$55,000 for married (excluding domicile).

CLAUSE 41A – UP TO 100% OF TAXES

This program permits taxpayers to defer up to 100% of taxes. Deferred taxes will be collected upon transfer of the property with 4% simple interest. Persons over the age of 65 years as of July 1, provided that the applicant has lived in Massachusetts at least 10 years, or occupied such other real estate in MA for 5 years, or is a surviving spouse who has inherited the real estate and occupied it for 5 years. Income cannot exceed \$40,000 and there are no estate limits. *A tax deferral permits one to defer payment on property taxes. As opposed to an exemption, these deferred taxes must eventually be paid.*

Information and Applications Contact

Board of Assessors Southborough

(508) 485-0720

ADDITIONAL TAX REDUCTIONS

SENIOR TAX WORK-OFF PROGRAM

The Town of Southborough offers a program that allows senior homeowners willing to work part time for the various town departments to reduce their property tax. 112 hours of work is required for a **\$750 property tax reduction**.

To be eligible a senior must be at least 60 years old, be a Southborough resident, a homeowner, and own and occupy that property to which the credit will be applied. The participant must also agree to complete the entire 112 hours of work between May 1, 2010 and March 1, 2011. Sign up is scheduled for April 5, 2010.

30 positions are available and successful candidates will be selected on a first come basis. As the purpose of the program is to help those seniors having difficulty with rising property taxes it is restricted to seniors with a gross annual income of under \$45,000. That requirement may be waived should we have less than 30 participants apply. Selection of participants will be based upon the order in which they apply.

SENIOR "CIRCUIT BREAKER" TAX CREDIT

Massachusetts offers a state run program that offers a refundable tax credit of up to \$820 to seniors on their 2009 reported income for those who meet certain requirements. It applies to both those seniors renting and those who are homeowners.

ELIGIBILITY REQUIREMENTS

1. The taxpayer or spouse must be 65 years of age or older at the close of the 2009 tax year.
2. The taxpayer must own or rent residential property in Massachusetts and occupy the property as his or her principal residence.
3. The taxpayer's total income cannot exceed \$44,000 for a single filer who is not the head of household, \$55,000 for a head of household, or \$66,000 for taxpayers filing jointly.
4. For homeowners, the assessed valuation of their residence as of January 1, 2008, before residential exemptions but after abatements, cannot exceed \$441,000.
5. Massachusetts income tax form must be submitted to receive the refund.

For more information on these two programs call the Senior Center

(508) 229-4453