

CLAUSE 17D – FY2020

Qualifications for Surviving Spouse – Minor Child – Elderly Person Exemption

INTRODUCTION

Cities and towns may give property tax exemptions to some individuals as defined by state law. An exemption discharges the taxpayer from the legal obligation to pay all or a portion of the tax assessed for the fiscal year. Exemptions are found in various clauses of Massachusetts General Laws Chapter 59, Section 5.

Clause 17D provides exemptions to three categories of persons who satisfy certain residency and whole estate or asset requirements.

1. Widows or Widowers (and have never remarried)
2. Minor children with one parent deceased
3. Person 70 years of age or older

APPLICATION

Applications must be filed annually with the Assessor's by April 1, 2020. **Filing an application does not entitle the applicant to a delay in tax payments.**

EXEMPTION AMOUNT

The exemption amount is \$264. This amount may be increased annually up to the percentage increase in the Consumer Price Index, as determined by the DOR each year.

ELIGIBILITY REQUIREMENTS

You must satisfy tests relating to age or status, domicile, ownership and assets. All requirements must be met as of July 1 of the tax year.

DOCUMENTATION

An applicant must provide to the Assessor's information to establish eligibility. This information may include, but is not limited to:

1. Birth certificate
2. Evidence of ownership, domicile and occupancy
3. Income tax returns
4. Bank and other asset account statements

AGE

You must be 70 or older to be a senior. You must be younger than 18 to be a minor child. You must have been married to the decedent at the time of his or her death and have never remarried, to be a surviving spouse.

OWNERSHIP AND DOMICILE

You must own and occupy the property as your domicile. If you are a senior, you must have owned and occupied the property for any 5 years.

1. Your ownership interest in the domicile must be worth at least \$2,000. You may own this interest solely, as a joint owner or as a tenant in common.
2. The holder of a life estate satisfies this requirement.
3. If the domicile is held in a trust, a person can only satisfy the ownership if:
 - a. You are a trustee or co-trustee of that trust AND
 - b. You have a sufficient beneficial interest in the domicile through that trust.

ASSET LIMITS

Your assets on July 1, 2019 cannot exceed **\$60,203**, excluding the total value of the subject property, not to exceed 3 dwelling units, and any unpaid mortgage balance on that property. For a property containing 4 or more dwelling units, the value of that portion exceeding 3 units must be included. The value of cemetery plots, wearing apparel, household furniture and effects located in your domicile is not included in the calculation of your whole estate.

INCOME LIMITS

This clause prescribes no limitations on annual income for exemption eligibility.

SALE OF DOMICILE

If you sell your home, you should make your attorney aware that you receive a property tax exemption that reduces the tax owed for the fiscal year. The sale is a private financial transaction and you are responsible for seeing that the exemption is properly credited at the closing. The Town is not responsible for seeing that you or the buyer allocate the property taxes so you get the benefit of the exemption.