



Expanded Truro Residential Exemption Requirements and Application

Exemption for taxpayers renting year-round to Truro Residents.

In 2019 at Town Meeting, a home Rule Petition was submitted to propose to expand the Truro Residential Exemption. It was expanded to include: **“a residential parcel occupied by a resident of the Town of Truro, other than the taxpayer, occupied on a year-round basis and used as his or her principal residence for income tax purposes.”** This exemption will exempt a portion of the taxes of owners who rent on a year-round basis to residents of Truro who use the rental as their principal residence for income tax purposes. This was approved by the Massachusetts Legislature in January 2021 to go into effect in Fiscal Year 2022.

The Select Board must vote to adopt a Residential Exemption as part of the Tax Rate setting process. Acceptance by the Select Board enables both versions of the Exemption. The exemption is revenue neutral; no additional revenue is raised by this action.

To qualify under the expanded version of the exemption for **FY 2024**, the applicant must provide either:

1. A signed (landlord and tenant) year-round lease beginning on or before **January 1, 2023, and** a copy of the first page of the renters **2022 Federal 1040 and State Income Tax Form 1 filing listing Truro as the mailing address**. Inclusion of the tax forms is for residency verification only. All financial information can and should be redacted. **OR:**
2. A signed (landlord and tenant) year-round lease beginning on or before **January 1, 2023, and** a copy of the tenant’s Driver’s License listing the rental property address. Additionally, the tenant must satisfy **two** of the following: a 2023 motor vehicle excise bill paid; be registered to vote in Truro as of Jan 1, 2023; be on the Town Census as of Jan 1, 2023 or provide a copy of a December 2022 utility bill in the tenant’s name for the rental address.

As with a traditional Residential Exemption, properties receiving the Expanded Residential Exemption, the taxable value will be lowered by a fixed amount before the tax rate is applied. For FY 2023, the amount was \$218,295. Here is an example of how the exemption works:

Property A with residential exemption		Property A no residential exemption	
Assessed value of	\$1,000,000	Assessed value of	\$1,000,000
Residential exemption of	<u>(\$218,295)</u>	Residential exemption of	<u>(\$0)</u>
Taxable Valuation of	\$781,705	Taxable Valuation of	\$1,000,000
Tax rate per thousand of	<u>\$6.54</u>	Tax rate per thousand of	<u>\$6.54</u>
Property Tax =	\$5,112.35	Property Tax =	\$6,540.00

In addition to a completed, signed application form, the required supporting documentation must be included as listed above. It is recommended tenants are asked to immediately register with the Clerk to register for Voting and Census lists as well as updating their address and vehicle garaging with the Registry of Motor Vehicles. If tenant’s tax returns are used as supporting documentation and a post office box is their primary mailing address, the tax return page showing the PO Box must accompany the application, along with a copy of both sides of their driver’s license. This documentation is required to be in place prior to/as of Jan 1, 2023. **Please understand there can be no exceptions to ensure everyone is treated fairly and equally. This exemption is not automatic; applications must be completed annually to receive the Expanded Residential Exemption.**

Applications received prior to August 31, 2023, will be applied to the Fall 2023 tax bill. Qualifying applications received between Sept 1, 2023, and April 1, 2024, will be handled as a standard exemption and will have their adjustment applied to the Spring 2024 Tax Bill. Please call the Assessors' office at 508-214-0917 with questions, or email jnahas@truro-ma.gov.

FISCAL YEAR 2024

EXPANDED RESIDENTIAL EXEMPTION

THE COMMONWEALTH OF MASSACHUSETTS

TRURO



All information on this form must be completed in full and required documentation must be attached in order the application to be considered complete. Under statute, the application for residential exemption must be filed no later than April 1, 2024, or 3 months after the date the actual tax bill is issued, whichever is later.

The undersigned being aggrieved by the failure to receive an expanded residential exemption on real estate situated at _____ for fiscal year 2024 hereby applies for such an exemption.

 Number Street

STATEMENT OF FACTS

- 1) Name(s) of record owner / taxpayers(s) _____
 2) Name of Resident / Renters(s) _____
 3) Date Property Acquired by Owner: _____
 4) Was the parcel *owned* by you, and an agreement for year-round rental in place as of January 1, 2023? YES _____ NO _____

NOTE: If no, then you do not qualify for the exemption.

5) Please provide the required verification documentation: a signed (landlord and tenant) year-round lease beginning on or before January 1, 2023, and a copy of the first page of your renters 2022 Federal 1040 and Massachusetts Income Tax Form 1 filings listing the above parcel as the mailing address. Inclusion of the tax forms is for residency verification only. All financial information can and should be redacted. **OR:** a signed (landlord and tenant) year-round lease beginning on or before January 1, 2023, and a copy of your tenant's Driver's License listing the rental property address. In addition, **your tenant must have two of the following: be registered to vote in Truro; be on the Town Census or provide a copy of a December 2022 utility bill in the tenant's name for the rental address.**

If the tax return shows a PO Box, please provide a copy of both sides of current driver's license along with the above verification information.

PLEASE READ THE FOLLOWING INFORMATION CAREFULLY!

You MUST file your Expanded Residential Exemption application EACH YEAR as we need to verify the lease and rental information each year.

- **Failure to re-apply each year will result in loss of the exemption.** *Signing this form under the penalties of perjury has the legal effect of swearing under oath to the truthfulness of the information contained herein. All items on this form must be completed as indicated. In addition to other sanctions provided by law, intentional misrepresentation of facts in this application may result in disqualification of this exemption and the subsequent issuance of an omitted bill for the exempted value involved for the current fiscal year. Verification of the truthfulness of the information contained herein may include visitation of the rental property and include an interview with the renters.*

9) Signature of Applicant: _____

10) Mailing Address): _____

Email Address: _____ Phone Number: _____

ASSESSOR'S USE ONLY

KEY# _____ Parcel ID: _____	GRANTED: _____ DENIED: _____
DATE: _____	CERTIFICATE #: _____ AMOUNT ABATED: _____
Renter MV Bill # _____	Renter Census List: _____ Y/N _____ Renter Voter List: _____ Y/N _____
Tax Return: _____ Y/N _____	Entered in PK: _____ Recorded in Excel: _____
Copy of ID: _____ Y/N _____	Checked in ATLAS: _____ Y/N _____ Munis Outstanding: _____