



February 22, 2024 - Jon Nahas Principal Assessor

Tax Exemption & Deferral Information

GOAL

Understand Tax
Relief Programs
available to the
Residents of the
Town of Truro

Or

Just Call us with
Questions!



Types of Tax Relief

(Massachusetts General Law Chapter 59 Section 5)

Exemptions

- Clause 41C & 17D-Seniors Meeting Strict Income & Asset Guidelines
- Clause 22, A-G; Disabled Veterans
- Clause 37- Legally Blind
- Clause 42/43- Surviving Spouses/Children of:
 - Soldiers killed in Combat
 - Fire Fighters & Police Officers killed in Line of Duty
- Residential

Abatements

- MGL Chapter 59 Section 5K-Senior Work off Program

Deferral

- Clause 41A-Seniors Meeting Income Guidelines

General Requirements

Ownership

- Own & occupy the property as of July 1
- Properties in Trust
 - Must be a Trustee & Beneficiary of Trust
- Life Estate, Tenants by the Entirety(Married), Joint Owner or Tenants in Common are OK.

Age (if required) is

65+

as of July 1

Domicile

- 41A/C (Seniors-meeting income & assets)
 - MA Resident for the preceding 10 years
 - Must own and occupy the property for at least 5 years
- 17D (Seniors-meeting Assets)
 - Own & occupy the property as of July1
 - MA Resident for 5 consecutive years before tax year
- 22 (Disabled Veteran)
 - Own & occupy the property as of July1
 - MA Resident for 5 consecutive years before tax year (OR-been domiciled in MA for at least 6 months before entering the service)

Senior Exemptions (65 & Older)

(Meeting Income & Asset Guidelines)

Statute 41C=\$1000.00

Statute 17D = \$311.35

- Seniors Meeting Income & Asset Guidelines

- FY24 Amounts:

- Income:

- Single: \$35,581
- Married: \$53,371

- Assets:

- Single: \$71,160
- Married: \$97,820

- Seniors Meeting Income & Asset Guidelines

- FY24 Amounts:

- Income:

- Single: N/A
- Married: N/A

- Assets:

- Single: \$71,160
- Married: N/A

- Seniors Meeting Income & Asset Guidelines

- FY24 Amounts: dependent on income

Disabled Veterans & Blind

| Veterans-Clause 22 | Blind-Clause 37 | Notes/Requirements |
|---|--|---|
| <ul style="list-style-type: none">• 7 Levels of Veteran Exemptions• Amounts from \$400 to Full Exemptions• Nearly all exemptions are \$400 (10% disability) or \$1,000 (100% disabled)• Annually must provide Veterans Administration statement of benefits document | <ul style="list-style-type: none">• Amount of Exemption is \$500.• Annually must provide statement from the MA Commission for the Blind | <ul style="list-style-type: none">• Own & Occupy Property as of July1• MA Resident for 5 Consecutive years before tax year begins or be domiciled for at least 6 consecutive months before entering the service• Meet the service-connected disability or awards criteria |

Tax Deferral

Tax Deferral-Clause 41A

- Age 65 & UP
- Income Limit: \$40,000 (single or married)
- Asset Limit: NONE
- Domicile Requirement: 10 Years in MA, 5 years as owner, at subject property as of July 1
- Must be approved by Mortgage company (most banks won't allow-so really only an option if no mortgage)

Notes

- A tax deferral permits a taxpayer (65 & older) to defer payment of all or a portion of their tax obligation. Unlike an exemption, which discharges a tax obligation, the deferred property taxes must eventually be paid to the town upon the death of the taxpayer or sale of the property. The interest rate is currently 4%. A lien is placed on the home until the taxes are paid. Upon death or sale of the home, the interest rate increases to 16% until taxes are paid.
- NOTE: the total of the deferred taxes and accrued interest ***may not exceed 50 percent of the applicant's proportional share of the fair cash value of the property.***

RESIDENTIAL EXEMPTION

REQUIREMENTS

- Must establish Truro was your Primary Domicile as of Jan 1, prior to the Fiscal Year.
 - Domicile is a legally defined term
 - Things Truro uses to assist in determining Domicile
 - Tax Returns-Federal & State with Address
 - MA Drivers License Address
 - Vehicle Registration & Excise Tax (Vehicle Garaging)
 - Street List(Census) & Voting List
 - Owners may have more than one residence but only one domicile
- All owners of the property must apply for the Exemption
- For Properties in Trust, owners must be a Trustee AND a Beneficiary of the Trust
- LLC's or INC's are not eligible as this is an exemption for persons not corporations

NOTES

- You do not have to reapply annually unless notified in writing by the Assessors (letter via USPS)
- The exemption must be approved annually by the Select Board at the Tax Classification Hearing in September annually
- The exemption amount changes annually if approved.
 - The amount is between 1-35% of the Average Residential Parcel Value. In FY24 the exemption amount is \$312,841 (30%) of \$1,042,804 (APV). This amount is exempted from property value (\$1,874).
- All properties receive the same exemption amount
- Non-Residents-can receive the Exemption if they rent out their home year-round to a Truro resident. (Expanded Residential Exemption Program)

How To Apply/Questions

- Applications for Exemption including all Supporting Documentation are due April 1 of the Fiscal Year.
 - Yes, we do require documentation of all accounts-statements of bank accounts, retirement accounts, insurance policies, etc.
(Exemption Applications are NOT open for public inspection)
- Applications are available on our Website, at the Assessors office at Town Hall, the COA, etc.
- Just give us a call and we can go over your specific situation.

QUESTIONS????

RECOMMENDATION

(NOT AFFILIATED w/Assessors)

- Senior Circuit Breaker MA Income Tax Credit
 - All Truro Seniors should be encouraged to research and file for the Senior Circuit Breaker on MA Income Taxes. This is an existing State program that provides a refundable tax credit for qualifying individuals.
 - This Credit is based on the value of the property (can't exceed \$1,025,000), annual Income (\$69,000) vs. the amount of property taxes/water-sewer paid must exceed 10% of MA income. (Even Renters may qualify)
 - Not everyone maybe aware of the Senior Circuit Breaker credit-especially those that DO NOT file taxes because of low incomes
 - The COA Outreach Workers and Tax Filing Assistance Programs can be a resource for these seniors so they can file for and receive the Senior Circuit Breaker Credit.
- <https://www.mass.gov/info-details/massachusetts-senior-circuit-breaker-tax-credit>

TOWN OF TRURO
Assessing Department
SUMMARY OF TAX EXEMPTION PROGRAMS FY2024

A tax exemption is a release from the obligation to pay all or a portion of a tax. Applications should be filed annually with the Board of Assessors on or before **April 1st, 2024**. Filing an application does not entitle the applicant to a delay in tax payment. If you have any questions, please call the Assessors Office at 508-349-7004 X117 or Outreach at the Council on Aging.

Ownership:

- Own and occupy the property as of July 1
- Trustee with a beneficial interest OR Life Estate OR
- Tenants by the Entirety, Joint Owner OR Tenants in Common

| Eligible Age | Clause (MGL Ch. 59, Sec. 5) | Basic Assistance Type | Income Limit | Assets Limit (not including residence) | Assistance Amount |
|--|-----------------------------------|--|---|---|---|
| ELDERLY PROGRAM TAX RELIEF | | | | | |
| Must own & occupy the property for at least 5 years, be a Massachusetts resident for the preceding 10 years and be 65 or older as of July 1 st of tax year | | | | | |
| 65 + | 18 | Financial Hardship (requirements – age, infirmity & poverty) | | | Exemption may be all or a portion. |
| 65 + | 41A | Defers payment of local property tax owed by senior until house sold or senior dies | \$40,000 Max | None | Can defer part or all of taxes annually up to 50% of assessed value. Annual interest applies. |
| 65 + | 41C | Reduces local property tax liability of senior | \$35,581 - Single * \$53,371 – Married * | \$71,160 - Single \$97,820 - Married | \$1,000 Elderly Exemption |
| 65+ | 17D | Reduces local property tax liability of senior, surviving spouse or minor child of a deceased parent | No Income limit | \$71,160 - Single | Amount is subject to annual cost of living increase. FY2024- \$311.35 |
| <i>* Can be increased by allowable Social Security Deduction. (FY2024 = \$5,653 for single or \$8,480 married)</i> | | | | | |
| SERVICE CONNECTED DISABLED VETERANS (or Surviving Spouse) | | | | | |
| 1) Must own & occupy the property as of July 1 of the tax year, 2) be a Massachusetts resident for 5 consecutive years before the tax year begins (or been domiciled in Massachusetts for at least 6 consecutive months before entering the service) and 3) meet the service-connected disability or awards criteria | | | | | |
| | 22a | 10% Service Related Disability - Purple Heart | None | None | \$400 Veterans Exemption |
| | 22A | Permanent loss of 1 foot OR hand OR eye | None | None | \$750 Veterans Exemption |
| | 22B | Permanent loss of both feet, hands, OR 1 foot and 1 hand, OR loss of both eyes | None | None | \$1250 Veterans Exemption |
| | 22C | Permanent & total disability. "special adapted housing" | None | None | \$1500 Veterans Exemption |
| | 22D | Surviving Spouse of soldier or sailor killed in combat. | None | None | Full for 5 years then \$2500 |
| | 22E | 100% disabled; incapable of working | None | None | \$1,000 Veterans Exemption |
| | PARA | Paraplegic | None | None | 100% Veterans Exemption |
| OTHERS | | | | | |
| | 37A | Legally Blind | None | None | \$500 Blind Exemption |
| | 42 | Surviving Spouse of Fire Fighter or Police Officer Killed in the Line of Duty | None | None | 100% Surviving Spouse Fire/Police Exemption |
| | 43 | Surviving Minor Children of Fire Fighter or Police Officer Killed in the Line of Duty | None | None | 100% Surviving Minor Children Fire/Police Exemption |

THANK YOU!

Jon Nahas-Principal Assessor
508.214.0917-direct line
jnahas@truro-ma.gov