

Exemptions

Property Taxes

Surviving Spouse (Widow/Widower), Minor Child of a Deceased Parent & Elderly (Clause 17E)

Applicants must meet the following requirements to be eligible for a Clause - 17D exemption:

- Have owned and occupied the property as of July 1st.
- Have owned and occupied the property for 5 years.
- Total Asset verification - if single, the whole estate both real and personal, minus the value of the domicile, cannot exceed \$73,108. Whole estate includes savings, stocks, bonds, and other real estate but does not include the assessed valuation of your residence, if it is of three dwelling units or less.
- Provide the death certificate for the deceased spouse, which must be dated prior to July 1st (Surviving Spouse).
- Provide a birth and/or death certificate and required financial documentation.
- Have reached the age of 70 and have owned the property for at least 5 years (Elderly).
- Exemption Amount: **\$368**.

Veteran with Service Connected Disability (Clause 22)

Applicants must meet the following requirements to be eligible for a Veteran - Clause 22 exemption:

- Have at least a 10% service connected disability.
- Have owned and occupied the property as of July 1st.
- Have lived in Massachusetts 6 months prior to entering service.
- Have lived in Massachusetts for two consecutive years before filing for clause.
- Must have certificate of proof from the Veterans Administration.
- Exemption Amount Granted: Minimum **\$400** (most exemptions), maximum **full exemption**.

Blind Exemption (Clause 37A)

Applicants must meet the following requirements to be eligible for a Blind - Clause 37A exemption:

- Have been declared legally blind as of July 1st.
- Applicant must be registered with and obtain a certificate from the Massachusetts Division of the Blind as of July 1st or present a letter from their physician stating that the applicant was legally blind as of July 1st.
- Have owned and occupied the property as of July 1st.
- Exemption Amount: **\$500.**

Elderly Exemption (Clause 41D)

Applicants must meet the following requirements to be eligible for an Elderly - Clause 41D exemption:

- Have reached their 70th birthday prior to July 1st or if the property is jointly owned with a spouse, either spouse has reached his/her 70th birthday prior to July 1st.
- Have owned and occupied the property as a primary domicile as of July 1st.
- Have been domiciled in the Commonwealth for the preceding ten years.
- Owned and occupied said property or other real property in the Commonwealth for five years.
- Provide a birth certificate and required financial documentation.
- Income verification - if single, gross income cannot exceed \$23,756 (\$28,957 with social security deduction). If married, gross income cannot exceed \$27,413 (\$36,759 with social security deduction). .
- Total Asset verification - if single, the whole estate both real and personal, minus the value of the domicile, cannot exceed \$51,172. If married, the combined whole estate cannot exceed \$54,826. Whole estate includes savings, stocks, bonds, and other real estate but does not include the assessed valuation of your residence, if it is of three dwelling units or less.
- Exemption Amount: **\$500.**

Senior Citizen Work-Off Abatement Program

Applicants must meet the following requirements to be eligible for Senior Citizen Work-Off Abatement Program

- The applicant must be 60 years of age or older.
- There are no restrictions on income.
- There are no restrictions on assets.
- The applicant can earn an abatement of \$600 (40 hours worked at \$15 per hour)
- Participant schedule begins on a fiscal year for volunteering their services to the Town.
- Varied volunteer jobs will be available.

Clause 41A—Tax Deferral

Applicants must meet the following requirements to be eligible for an Elderly - Clause 41A—Tax Deferral:

- The applicant must be 65 years of age or older.
- Income maximum is \$20,000
- There are no restrictions on assets.
- All or a portion of the real estate taxes can be deferred each year at 8% interest.
- This is considered a lien on the property and must be paid to the town, upon the sale of the property or death of the taxpayer.
- An applicant may qualify for other exemption programs listed herein in addition to the tax deferral program.

Aid for the Elderly & Disabled Program

Applicants must meet the following requirements to be eligible for Aid for the Elderly & Disabled Program

- The applicant must be 60 years of age or older.
- Income limits are \$24,980 for one, \$33,820 for two, and \$42,600 for three.
- Asset Limit \$48,000 - Excluding value of domicile
- Applicants must be the owner and reside full-time in their Stockbridge residence.
- The first half property taxes must be paid in full to be eligible for aid.
- Exemption Amount: **up to \$1,000.**

Clause 18A—Temporary Financial Hardship Property Tax Deferral

This temporary hardship deferral operates similarly to the Clause 41A deferral except that the taxpayer may be of any age. The financial hardship may be due to any number of reasons including a change to active military status. Clause 18A deferral can be granted for a maximum period of three consecutive years. At the end of that period, the deferred taxes must be paid.

Clause 18—Hardship

Any taxpayer who cannot meet his or her real estate tax obligation due to AGE, INFIRMITY AND POVERTY may apply for this exemption. To qualify, the applicant must present evidence to the Board of Assessors that corroborates their inability to pay the assessed tax as well as documentation on their infirmity and age. This exemption is granted at the Board of Assessors discretion and cannot be appealed.

PROGRAM NAME	BLIND EXEMPTION M.G.L. Ch 59 § 5	VETERANS EXEMPTION M.G.L. Ch 59 § 5 Various Clauses	ELDERLY EXEMPTION M.G.L. Ch 59 § 5 cl 41D	ELDERLY/ SURVIVING SPOUSE/ MINORS M.G.L. Ch. 59 § 5 cl 17E	ABATEMENT SENIOR WORK-OFF M.G.L. Ch. 59 § 5K	SENIOR DEFERRAL M.G.L. Ch 59 § 5 cl 41A	AID FOR THE ELDERLY & DISABLED
Assistance Type	Reduces local property tax liability	Reduces local property tax liability for veterans with a service related disability and /or certain medals. Also for the widows of eligible veterans.	Reduces local property tax liability of senior	Reduces local property tax liability of Senior, Surviving Spouses and Minors	Reduces local property tax liability of senior in exchange for volunteer service to municipality.	Defers payment of local property tax owed by senior until house is sold or until settlement of estate.	The town offers a direct reduction in real estate taxes owned by Seniors & Disabled.
Eligible Age as of July 1st	N/A	N/A	70	70 Senior - No age limit on Surviving Spouse	60	65	60
Income Limit	N/A	N/A	Income limit for single person is \$23,756. Income limit for married persons is \$27,413. Income limit for single person, social security, \$28,957. Income limit for married person, social security, \$36,759.	N/A	N/A	Currently \$20,000 Maximum	\$24,980 for one, \$33,820 for two, \$42,600 for three.
Asset Limit	N/A	N/A	Equity limit for single person is \$51,172 Equity limit for married persons is \$54,826 Excluding value of domicile	Asset Limit \$73,103 Excluding value of domicile	N/A	N/A	Asset Limit \$48,000 Excluding value of domicile
Assistance Amount	\$500 exemption	\$400 up to entire tax amount	\$500 exemption	\$368.00 exemption	\$600 based on \$15 per hour ~ max 40 hrs	Any amount up to maximum deferral	\$1000 exemption
Other Qualifications	* Must provide Certificate of Blindness from Massachusetts Commission for the Blind as of July 1st	* Must provide letter from Veteran's Administration showing service connected percent disability. *Residency, ownership requirements also apply *New - If property is in a Trust you must have Beneficial Interest, but do not need to be a Trustee.	* Must Own & Occupy prop for any 5 yrs * Have been MA resident for 10 consecutive yrs before application date	* Seniors Must Own and Occupy property as domicile for any 5 yrs. * Surviving spouse only own & occupy as of July 1st	* Must be Owner or current spouse * Must occupy property for which taxes are paid * Resident	* The interest rate is 8.00% * Own & occupy prop for 5 years * MA resident 10yrs	Applicants must be the owner and reside full-time in their Stockbridge residence. The first half property taxes must be paid in full.
Application Procedure	File annual application with local assessors	File annual application with local assessors	File annual application with local assessors	File annual application with local assessors.	Applications will be available in Town Manager's Office on October 1, 2021	File annual application with local assessors	File annual application with local assessors

Exemptions Granted - Stockbridge, MA

	<u>FY2020</u>	<u>FY2021</u>	<u>FY2022</u>
Clause 17E - Surviving Spouse & Elderly	14	12	10
Clause 22(s) - Veterans	7	8	9
Clause 37 - Blind	3	3	2
Clause 41D - Elderly	5	5	4

Possible Changes for Current Exemption

Elderly Exemption (Clause 41D)

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- Have reached their 70th birthday prior to July 1st or if the property is jointly owned with a spouse, either spouse has reached his/her 70th birthday prior to July 1st.
- Have owned and occupied the property as a primary domicile as of July 1st.
- Have been domiciled in the Commonwealth for the preceding ten years.
- Owned and occupied said property or other real property in the Commonwealth for five years.
- Provide a birth certificate and required financial documentation.
- Income verification - if single, gross income cannot exceed \$23,756 (\$28,957 with social security deduction). If married, gross income cannot exceed \$27,413 (\$36,759 with social security deduction). .
- Total Asset verification - if single, the whole estate both real and personal, minus the value of the domicile, cannot exceed \$51,172. If married, the combined whole estate cannot exceed \$54,826. Whole estate includes savings, stocks, bonds, and other real estate but does not include the assessed valuation of your residence, if it is of three dwelling units or less.
- Exemption Amount: **\$500.**

Elderly Exemption (Clause 41D)

Current Exemption – Options



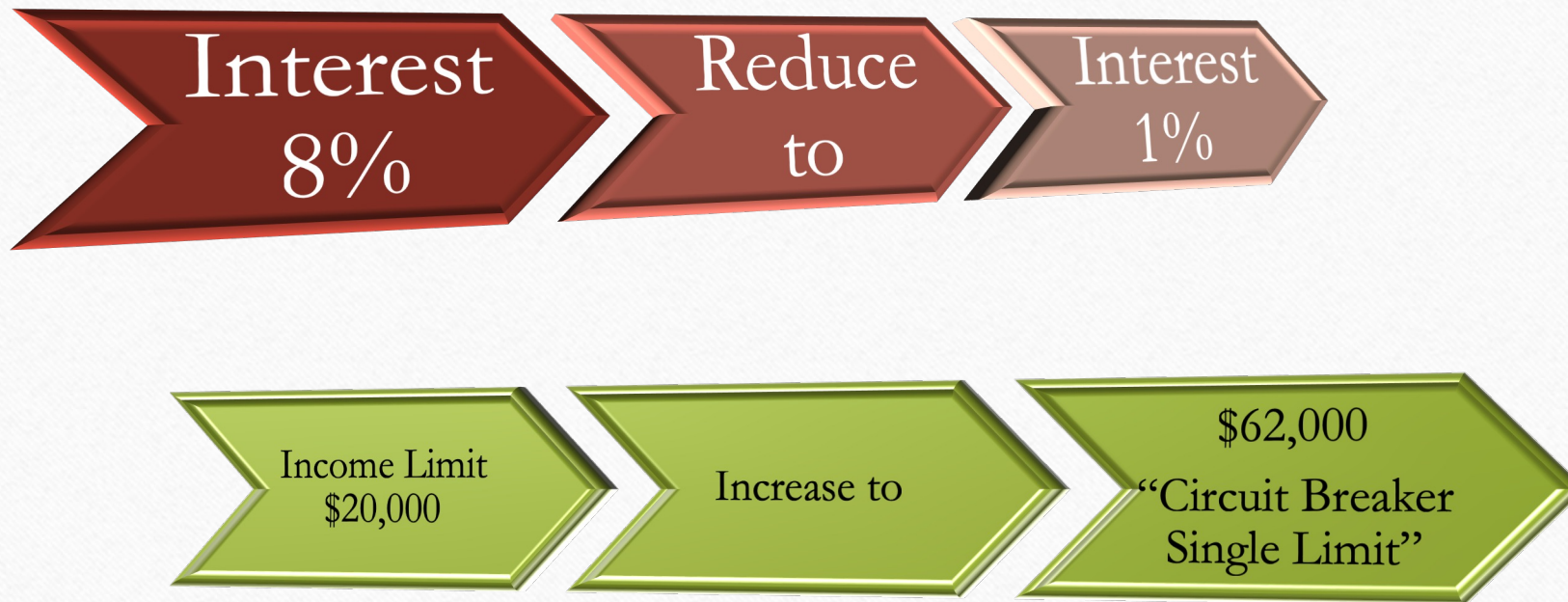
Clause 41A—Tax Deferral

Applicants must meet the following requirements to be eligible for an Elderly - Clause 41A—Tax Deferral:

- The applicant must be 65 years of age or older.
- Income maximum is \$20,000
- There are no restrictions on assets.
- All or a portion of the real estate taxes can be deferred each year at 8% interest.
- This is considered a lien on the property and must be paid to the town, upon the sale of the property or death of the taxpayer.
- An applicant may qualify for other exemption programs listed herein in addition to the tax deferral program.

Clause 41A—Tax Deferral

Applicants must meet the following requirements to be eligible for an Elderly - Clause 41A—Tax Deferral:



Other Options

Residential Exemption

What is the Residential Exemption?

Enacted 1979, the residential exemption is an option under property tax classification [MGL c. 59, sec. 5C](#) that shifts the tax burden within the residential class from owners of moderately valued residential properties to the owners of vacation homes, higher valued homes and residential properties not occupied by the owner, including apartments and vacant lands.

How It Works

Communities may authorize a residential exemption to all [Class One, Residential](#) properties that are principal residences of taxpayers. The exemptions cannot exceed 35% of the average assessed value of all Class One, Residential properties. Adopting a residential exemption increases the residential tax rate. This higher rate creates a shift within the class that reduces the taxes paid by homeowners with moderately valued properties. Those taxes are then paid by owners of rental properties, vacation homes and higher valued homes.

Residential Exemption - Annual Total

Assessment	FY22 Taxes	Resident	Change	Non-Resident	Change
\$ 300,000.00	\$ 2,814.00	\$ 948.60	\$ (1,865.40)	\$ 3,162.00	\$ 348.00
\$ 500,000.00	\$ 4,690.00	\$ 3,056.60	\$ (1,633.40)	\$ 5,270.00	\$ 580.00
\$ 700,000.00	\$ 6,566.00	\$ 5,164.60	\$ (1,401.40)	\$ 7,378.00	\$ 812.00
\$ 1,000,000.00	\$ 9,380.00	\$ 8,326.60	\$ (1,053.40)	\$ 10,540.00	\$ 1,160.00
\$ 1,500,000.00	\$ 14,070.00	\$ 13,596.60	\$ (473.40)	\$ 15,810.00	\$ 1,740.00
\$ 2,000,000.00	\$ 18,760.00	\$ 18,866.60	\$ 106.60	\$ 21,080.00	\$ 2,320.00
Based on a single family residential home valued at \$600,000			35% shift		

Senior Means-Tested Residential Exemption

“Senior Means-Tested Tax Exemption” for seniors who meet certain income and asset criteria. The goal of the new tax exemption is to provide targeted property tax relief to older homeowners and help them continue to be able to afford to live in Stockbridge.

Eligibility Requirements

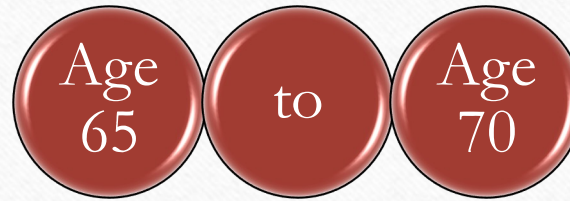
- **Age:** Must be 65 or older (co-owner must be 60 or older).
- **Residency:** Must have owned and occupied a residence in for at least 10 consecutive years
- **Income:** Annual income cannot exceed “Circuit Breaker” which is currently \$62,000 for Single Individuals, \$78,000 for Head of Household, or \$93,000 for Married Couples filing a joint return
- **Assessed value:** Annual Homeowner’s Principal Residence “Circuit Breaker”. Currently can not exceed \$884,000
- **Assets:** Applicant must not have excessive assets as determined by Board of Assessors
- **State Tax Return:** Must have claimed the MA State Circuit Breaker Tax Credit.
- **Exemption Amount:** Varies.

Massachusetts Model Means-Tested Exemption Laws

	Sudbury	Concord	Reading	Hopkinton	Wayland "Circuit Breaker Matching"
Income Limit	Per Circuit Breaker	Per Circuit Breaker	Per Circuit Breaker	Per Circuit Breaker	Per Circuit Breaker
Asset Limit	"Excessive"	"Excessive"	"Excessive"	"Excessive"	No test
Age	Per Circuit Breaker	Per Circuit Breaker	Per Circuit Breaker	Single 65+, joint 60+ allowed	Per Circuit Breaker
House Value	Average Single Family Home (SFH) +10%	< Median SFH	Per Circuit Breaker	Per Circuit Breaker	Per Circuit Breaker
Residency	10 year consecutive	10 year consecutive	10 year consecutive	10 year consecutive	10 year consecutive
Benefit	Exemption of the amount that property tax exceeds 10% of income, less the amount that the homeowner qualified for under the Circuit Breaker income limits.	Exemption of the amount that property tax exceeds 10% of income, less the amount that the homeowner qualified for under the Circuit Breaker income limits.	50% to 200% of the amount that the homeowner qualified for under the Circuit Breaker	Set annually by Selectmen- benefit is 50% to 200% of State Circuit Breaker	Up to 100% match of the Circuit Breaker
Benefit Cost Cap	Maximum total of benefits is .5 to 1 % of levy, pre rate-setting per Selectmen	Maximum total of benefits is .5 to 1 % of levy, pre rate-setting per Selectmen			none
Who funds?	Residential reallocation	Residential reallocation	Residential reallocation	Residential reallocation	Municipal Budget not reallocated

41C 1/2 Elderly Exemption

Change Current Exemption 41D to 41C ½



ELIGIBLE AGE	<p>70 as of July 1 (Same as Clauses 41, 41B and 41C)</p> <p><u>Allowable Adjustment:</u> 65 (Same as allowed under Clause 41C)</p>
OWNERSHIP	<p>Own the property on July 1 (Same as Clauses 41, 41B and 41C)</p> <p>Owned and occupied the property, or any other MA property, as domicile for any 5 years (Same as Clauses 41B and 41C)</p>
DOMICILE	<p>Occupy the property as domicile on July 1 (Same as Clauses 41, 41B and 41C)</p> <p>Domiciled in MA for 10 consecutive years before application date (Same as Clauses 41B and 41C)</p> <p><u>Allowable Adjustment:</u> Domiciled in MA for 5 consecutive years before application date</p>
GROSS RECEIPTS LIMIT	<p>Same as the income limit that applies for a single person who is not the head of a household to qualify for the “circuit breaker” state income tax credit for the prior calendar year (Different from Clauses 41, 41B and 41C)</p> <p>No social security deduction from gross receipts (Different from Clauses 41, 41B and 41C)</p> <p><u>Allowable Adjustment:</u> Adjust income limits to apply to combined household income: (1) in household with applicant and spouse, to limit for married couple, and (2) in household with applicant and person other than spouse, to limit for head of household, under the state circuit breaker income tax credit</p>
WHOLE ESTATE LIMIT	<p>None (Different from Clauses 41, 41B than 41C)</p>
EXEMPTION AMOUNT	<p>5% of average assessed residential valuation (Different from Clauses 41, 41B than 41C)</p> <p><u>Allowable Adjustment:</u> Up to 20% of average assessed residential valuation</p>

EXEMPTION AMOUNT

The exemption amount is five percent (can be adjusted up to 20%) of the average assessed value of residential parcels in the city or town. Average assessed value is determined by dividing the total valuation of all Class 1, Residential property by the total number of Class 1 parcels.

FY 2022		
Class 1 Value	Class 1 Homes	Average Assessed Value
\$ 883,535,320.00	1695	\$521,259.78

STATE REIMBURSEMENT

Subject to appropriation, cities and towns that accept Clause 41C½ will be reimbursed at the rate of the actual exemption amount or \$500, whichever is less, for each exemption granted up to the Clause 41 cap of 19 for the Town of Stockbridge.

Percent	Reduction	Tax Rate	Exemption
5%	\$ 26,062.99	\$ 9.38	\$ 244.47
6%	\$ 31,275.59	\$ 9.38	\$ 293.37
7%	\$ 36,488.18	\$ 9.38	\$ 342.26
8%	\$ 41,700.78	\$ 9.38	\$ 391.15
9%	\$ 46,913.38	\$ 9.38	\$ 440.05
10%	\$ 52,125.98	\$ 9.38	\$ 488.94
11%	\$ 57,338.58	\$ 9.38	\$ 537.84
12%	\$ 62,551.17	\$ 9.38	\$ 586.73
13%	\$ 67,763.77	\$ 9.38	\$ 635.62
14%	\$ 72,976.37	\$ 9.38	\$ 684.52
15%	\$ 78,188.97	\$ 9.38	\$ 733.41
16%	\$ 83,401.56	\$ 9.38	\$ 782.31
17%	\$ 88,614.16	\$ 9.38	\$ 831.20
18%	\$ 93,826.76	\$ 9.38	\$ 880.10
19%	\$ 99,039.36	\$ 9.38	\$ 928.99
20%	\$ 104,251.96	\$ 9.38	\$ 977.88