

City of Cambridge

AMENDED REPORT

THE VETERANS' COMMITTEE MEMBERS
Councillor Timothy J. Toomey, Jr., Chair
Councillor Marjorie C. Decker
Vice Mayor David P. Maher

In City Council April 2, 2001

The Veterans' Committee conducted a public meeting on Friday, March 16, 2001 at 12:45 p.m. in the Ackermann Room.

The purpose of the meeting was to review the veteran's statutory abatement and any and all business that may come before the committee.

Present at the meeting were: Councillor Toomey, Chair of the Committee, Vice Mayor Maher, Councillor Decker, Robert Stevens, Director of Veteran Services, Stephen A. Vesce, Deputy Director of Veteran Services, James Maloney, Assistant City Manager for Fiscal Affairs, James Monagle, Acting City Auditor, Faith McDonald, Principle Assessor, Donna Pritchard, Executive Assistant, Assessors Department, James Ryan, Superintendent of the Cemetery and Donna P. Lopez, Deputy City Clerk. Also present at the meeting was Mr. Lawrence Sullivan.

Councillor Toomey opened the meeting and stated the purpose. He requested the Auditor to explain Clause 22 to the committee. Mr. Monagle stated that Clause 22 is a federal clause. This clause provides for a 10% veteran's exemption for service connected disability. The maximum abatement under this clause is \$250.00. (**ATTACHMENT A**). Under Clause 22E (**ATTACHMENT B**) a veteran with 100% disability with 10% being service connected is entitled to a maximum statutory exemption from real estate of \$600.00 for a single family dwelling. Veterans, he said, need to apply for the abatement each year. Abatements are not listed on the tax bill, he said. Vice Mayor Maher asked if this is a city or state statute. Mr. Monagle responded it is a state statute.

Mr. Robert Stevens, Veteran Service Director, stated that some disabled veteran abatements are reduced. A re-certification process must be done annually and the veteran must prove their disability. The Veterans' Administration can reduce the compensation. Mr. Stephen Vesce, Deputy Director of Veteran Services, stated that twenty years must be locked in so that the percentage cannot be reduced.

Vice Mayor Maher asked can the City of Cambridge file a home rules petition to overrule the state statute. Mr. Monagle stated that one-half of the real estate bills must be paid and then the reduction takes place on the second half of the bill.

Mr. Stevens stated that 99% of assessment from the Veterans' Administration (VA) does not change. It is a burden for the veteran to file for the abatement annually.

Vice Mayor Maher asked how many people do not get the paper work done on time. Ms. Pritchard, Executive Assistant, Assessors Department, replied that about 50 people do not file the necessary application on time. Vice Mayor Maher asked are these 50 people denied an abatement. Ms. Pritchard responded in the affirmative. The forms, she said, are automatically mailed to the veteran. Vice Mayor Maher asked what happens in the case of a medical emergency. Ms. Pritchard stated that these cases are submitted to the Board of Assessors and the board makes a decision. Ms. Faith McDonald, Principle Assessor, stated that in the case of a late filing due to a medical emergency a statement is needed from a doctor stating the veterans is ill and the Board of Assessors generally approve these cases.

Vice Mayor Maher asked if there was a problem if the veteran did not have to file for the abatement yearly. Ms. McDonald stated that the city does not know the status of the applicant. The yearly filing requirement is the only way the city knows the applicant's status. Tax bills, she said, are sent to the owner of the property and are based on the category of the property. Vice Mayor Maher asked why the credit cannot be placed on the first-half tax bills. Ms. Pritchard responded that there is not enough time between the setting of the tax rate and the printing of the tax bills.

Vice Mayor Maher asked how many veteran abatement applications are filed. Ms. Pritchard responded 300-400. Vice Mayor Maher asked what are the other types of abatements. Ms. Pritchard stated that the other types of abatements are:

- the blind;
- the elderly; and
- low-income.

Vice Mayor Maher stated that disability is made retroactive from the VA. Is there any adjustment made to the exemption on the city tax roll? Mr. Monagle responded in the negative. He further stated that Mr. Sullivan was sent a letter from the Assessors Department informing him that the city has not retroactive provision. Property, he said, must be taxed on what is the category at the time. The Department of Revenue (DOR) will only recognize the 100% disability from the VA.

The committee heard from Mr. Lawrence Sullivan, 453 Huron Avenue, who stated that he was 80% disabled prior to 1992. In 1992 he was classified 100% disabled. He stated that he receives payment under Clause 22E, but he filed for the abatement under Clause 22. He is a *Purple Heart* recipient. Councillor Toomey asked Mr. Sullivan if he was getting an abatement for the *Purple Heart*. Mr. Sullivan stated that he did not know. He informed the committee that the only certification he filed was the letter for

the *Purple Heart* and the VA informed him that he did not have to file a letter annually regarding the *Purple Heart*. Councillor Toomey stated that the *Purple Heart* abatement is separate from the other abatements. He asked Mr. Sullivan what clause does his 80% abatement fall under and when did this occur. Mr. Sullivan stated that his 10% disability was increased to 50% in 1980. Ms. McDonald stated that the Assessing Department notified Mr. Sullivan in September 2000 of his 100% disability from the VA. A VA sample letter is attached. (ATTACHMENT C). Cambridge is not affected until a letter is received from the VA. The September 2000 letter from the VA is the notification of declaring the disability under Clause 22E and to not tax the person at 100%.

Vice Mayor Maher asked what is the amount of the abatement for 100% under Clause 22E. Mr. Monagle stated \$600.00. Ms. McDonald stated that Mr. Sullivan technically was not eligible for the abatement under 2002, but was given the abatement this year.

Councillor Toomey stated that he was confused because Mr. Sullivan stated that he was disabled since 1992. Ms. McDonald stated that Mr. Sullivan was disabled since 1992 for VA purposes, not for property tax purposes.

Vice Mayor Maher asked if it was common for the VA to handle retroactive cases similar to the way that Mr. Sullivan's case was handled. Mr. Stevens stated that veterans could apply for an upgrade in disability. This process can take a long time. In Mr. Sullivan's case this took a long time. Councillor Toomey asked if the VA gave Mr. Sullivan a retroactive amount. Mr. Stevens responded yes, including interest and cost of adjustments since 1992. Councillor Decker stated that this is a VA problem. The VA has put off people for years, she said. If the VA did what it should have in 1992 this would not have happened. This committee should write a letter to the VA to indicate the hardship this delay causes our citizens. Councillor Decker informed Mr. Sullivan that it is not in the city's control to give him a retroactive refund.

Mr. Stevens stated that Clause 22 has been amended. Years ago all of the exemption clauses were not included in the law. Vice Mayor Maher asked about the *Purple Heart*. Mr. Stevens stated that the law stated that no evidence of the *Purple Heart* is required; the *Purple Heart* can never change. Categories and percentages of disabilities have changed, he said. The *Purple Heart* is different as is the Gold Star Mothers, he said.

Mr. Sullivan asked where did he get his post-traumatic stress. He filed for disability under Chapter 59, Section 5, Clause 22 over forty years ago. He received \$350.00 from the VA and \$500.00 from the city.

Vice Mayor Maher asked what does Mr. Sullivan need to do to make sure that he gets \$600.00 each year. Ms. McDonald stated that \$600.00 is the maximum abatement for a single-family dwelling. If Mr. Sullivan's assessment drops he will get less. He must file for the abatement each year. ***Mr. Sullivan lives in a multi-family dwelling and is entitled by state law to 50% of the maximum abatement for the fiscal year.***

Mr. Sullivan stated that he wanted to know how his disability and filing became Clause 22E when he filed for disability under Clause 22. Ms. Pritchard stated that the VA letter indicated Clause 22E.

Mr. Sullivan stated that in 1954 he purchased his house. He stated that he knew he was entitled to an abatement because of his *Purple Heart*, which did not require any evidence. I have been declared 100% disabled and if there is any retroactive funds I am entitled to I want the funds, he said. Councillor Toomey stated that the state law prohibits the city giving retroactive funds back to 1992. Mr. Sullivan stated that he could not find the state law that states this provision.

Mr. Stevens stated that as long as Mr. Sullivan remains 100% disabled that he would be entitled to the abatement. Vice Mayor Maher stated that Mr. Sullivan must apply for the disabled veteran's abatement every year with proper documentation, such as a physician's letter stating that he is incapable of working. Mr. Stevens informed the committee that his department provides assistance to veterans if the veteran needs assistance. The veteran only needs to contact his office and whatever assistance is needed will be provided to the veteran by members of his department.

Mr. Sullivan stated that he is upset about his disability provision being Clause 22E. Councillor Toomey informed Mr. Sullivan that the VA can go back and give retroactive payments, but the city of Cambridge is prohibited by state law to go back and give retroactive payments. Vice Mayor Maher stated that the committee wants to make sure that Mr. Sullivan is given the maximum abatement allowed by law. Mr. Stevens stated that the Veteran Services Department is handling Mr. Sullivan's case and he has met with the Assessing Department who guaranteed that Mr. Sullivan will received the maximum exemption under the state law.

Vice Mayor Maher stated that this committee now has a better understanding of the problem that veterans are facing about filing an abatement and the City Council can advocate to change the law.

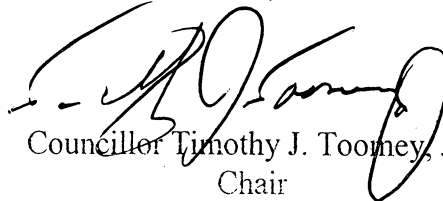
Councillor Toomey stated that Mr. Sullivan would be provided with a copy of the Committee Report.

Vice Mayor Maher stated that an abatement form would be sent from the Assessors Department to Mr. Sullivan. Mr. Sullivan should contact Mr. Stevens who would start the paperwork for the Assessors Department.

Councillor Toomey thanked all attendees.

The meeting adjourned at 1:50 p.m.

For the Committee,

A handwritten signature in black ink, appearing to read "Timothy J. Toomey, Jr.", written over the printed name and title.

Councillor Timothy J. Toomey, Jr.
Chair

ATTACHMENT A

STATUTORY EXEMPTIONS

CLAUSE 22 Veterans

- a. 10% service connected disability (veterans of the Lebanese peace keeping force, Grenada rescue mission, Panamanian intervention force December 20, 1989 to January 31, 1990, or the Persian Gulf War commencing August 2, 1990 to present, must, in addition to the 10% certificate from the Veterans' Administration, show receipt of a campaign medal).
- b. veterans (honorable) of the Spanish War, the Philippine Insurrection, and the Chinese Relief Expedition.
- c. Purple Heart
- d. unremarried surviving spouse of veterans under this clause
- e. natural parents and parents by adoption of soldiers and sailors who lost their lives in wartime service.
- f. unremarried surviving spouse of veterans serving from April 16, 1917 to November 11, 1918 or holders of Victory Medal WW1 (estate must not exceed \$20,000).

REQUIREMENTS:

Must be domiciled in Massachusetts at least six months prior to entry into service or resided in Massachusetts five consecutive years next to date of filing.

EXEMPTION = \$250.00

ATTACHMENT B.

STATUTORY EXEMPTIONS

CLAUSE 22E

Veterans having 100% disability at least 10% of which is service connected.

REQUIREMENTS:

Residency same as Clause 22

Must* be incapable of working and must not be employed for any part of previous year.

Must file annually:

- (1) a V.A. certificate
- (2) a physician's letter stating he/she is incapable of working
- (3) a statement of employment.

EXEMPTION = \$600.00*

Department of
Veterans Affairs

ATTACHMENT C

J F KENNEDY FED BLDG
BOSTON MA 02203

JULY 1, 1999

In Reply Refer To: 27

File Number:

15 329 066

THE FOLLOWING INFORMATION IS BEING FURNISHED FOR YOUR USE IN OBTAINING A STATUTORY EXEMPTION FROM REAL ESTATE TAXES UNDER THE LAWS PERTAINING TO THE COMMONWEALTH OF MASSACHUSETTS:

VETERANS ADMINISTRATION RECORDS DISCLOSE THAT THE VETERAN NAMED HEREON HAS A WAR SERVICE CONNECTED DISABILITY PAYABLE AT THE 100% COMPENSATION RATE AS OF THE ABOVE DATE.

QUESTIONS REGARDING QUALIFICATIONS FOR EXEMPTION SHOULD BE DIRECTED TO THE BOARD OF ASSESSORS IN YOUR CITY OR TOWN.

T. O'BRIEN
ADJUDICATION OFFICER

City of Cambridge

THE VETERANS' COMMITTEE MEMBERS

Councillor Timothy J. Toomey, Jr., Chair

Councillor Marjorie C. Decker

Vice Mayor David P. Maher

In City Council April 2, 2001

The Veterans' Committee conducted a public meeting on Friday, March 16, 2001 at 12:45 p.m. in the Ackermann Room.

The purpose of the meeting was to review the veteran's statutory abatement and any and all business that may come before the committee.

Present at the meeting were: Councillor Toomey, Chair of the Committee, Vice Mayor Maher, Councillor Decker, Robert Stevens, Director of Veteran Services, Stephen A. Vesce, Deputy Director of Veteran Services, James Maloney, Assistant City Manager for Fiscal Affairs, James Monagle, Acting City Auditor, Faith McDonald, Principal Assessor, Donna Pritchard, Executive Assistant, Assessors Department, James Ryan, Superintendent of the Cemetery and Donna P. Lopez, Deputy City Clerk. Also present at the meeting was Mr. Lawrence Sullivan.

Councillor Toomey opened the meeting and stated the purpose. He requested the Auditor to explain Clause 22 to the committee. Mr. Monagle stated that Clause 22 is a federal clause. This clause provides for a 10% veteran's exemption for service connected disability. The maximum abatement under this clause is \$250.00. (**ATTACHMENT A**). Under Clause 22E (**ATTACHMENT B**) a veteran with 100% disability with 10% being service connected is entitled to a maximum statutory exemption from real estate of \$600.00 for a single family dwelling. Veterans, he said, need to apply for the abatement each year. Abatements are not listed on the tax bill, he said. Vice Mayor Maher asked if this is a city or state statute. Mr. Monagle responded it is a state statute.

Mr. Robert Stevens, Veteran Service Director, stated that some disabled veteran abatements are reduced. A re-certification process must be done annually and the veteran must prove their disability. The Veterans' Administration can reduce the compensation. Mr. Stephen Vesce, Deputy Director of Veteran Services, stated that twenty years must be locked in so that the percentage cannot be reduced.

Vice Mayor Maher asked can the City of Cambridge file a home rules petition to overrule the state statute. Mr. Monagle stated that one-half of the real estate bills must be paid and then the reduction takes place on the second half of the bill.

Mr. Stevens stated that 99% of assessment from the Veterans' Administration (VA) does not change. It is a burden for the veteran to file for the abatement annually.

Vice Mayor Maher asked how many people do not get the paper work done on time. Ms. Pritchard, Executive Assistant, Assessors Department, replied that about 50 people do not file the necessary application on time. Vice Mayor Maher asked are these 50 people denied an abatement. Ms. Pritchard responded in the affirmative. The forms, she said, are automatically mailed to the veteran. Vice Mayor Maher asked what happens in the case of a medical emergency. Ms. Pritchard stated that these cases are submitted to the Board of Assessors and the board makes a decision. Ms. Faith McDonald, Principal Assessor, stated that in the case of a late filing due to a medical emergency a statement is needed from a doctor stating the veteran is ill and the Board of Assessors generally approve these cases.

Vice Mayor Maher asked if there was a problem if the veteran did not have to file for the abatement yearly. Ms. McDonald stated that the city does not know the status of the applicant. The yearly filing requirement is the only way the city knows the applicant's status. Tax bills, she said, are sent to the owner of the property and are based on the category of the property. Vice Mayor Maher asked why the credit cannot be placed on the first-half tax bills. Ms. Pritchard responded that there is not enough time between the setting of the tax rate and the printing of the tax bills.

Vice Mayor Maher asked how many veteran abatement applications are filed. Ms. Pritchard responded 300-400. Vice Mayor Maher asked what are the other types of abatements. Ms. Pritchard stated that the other types of abatements are:

- the blind;
- the elderly; and
- low-income.

Vice Mayor Maher stated that disability is made retroactive from the VA. Is there any adjustment made to the exemption on the city tax roll? Mr. Monagle responded in the negative. He further stated that Mr. Sullivan was sent a letter from the Assessors Department informing him that the city has no retroactive provision. Property, he said, must be taxed on what is the category at the time. The Department of Revenue (DOR) will only recognize the 100% disability from the VA.

The committee heard from Mr. Lawrence Sullivan, 453 Huron Avenue, who stated that he was 80% disabled prior to 1992. In 1992 he was classified 100% disabled. He stated that he receives payment under Clause 22E, but he filed for the abatement under Clause 22. He is a *Purple Heart* recipient. Councillor Toomey asked Mr. Sullivan if he was getting an abatement for the *Purple Heart*. Mr. Sullivan stated that he did not know. He informed the committee that the only certification he filed was the letter for the *Purple Heart* and the VA informed him that he did not have to file a letter annually

regarding the *Purple Heart*. Councillor Toomey stated that the *Purple Heart* abatement is separate from the other abatements. He asked Mr. Sullivan what clause does his 80% abatement fall under and when did this occur. Mr. Sullivan stated that his 10% disability was increased to 50% in 1980. Ms. McDonald stated that the Assessing Department notified Mr. Sullivan in September 2000 of his 100% disability from the VA. A VA sample letter is attached. (ATTACHMENT C). Cambridge is not affected until a letter is received from the VA. The September 2000 letter from the VA is the notification of declaring the disability under Clause 22E and to not tax the person at 100%.

Vice Mayor Maher asked what is the amount of the abatement for 100% under Clause 22E. Mr. Monagle stated \$600.00. Ms. McDonald stated that Mr. Sullivan technically was not eligible for the abatement under 2002, but was given the abatement this year.

Councillor Toomey stated that he was confused because Mr. Sullivan stated that he was disabled since 1992. Ms. McDonald stated that Mr. Sullivan was disabled since 1992 for VA purposes, not for property tax purposes.

Vice Mayor Maher asked if it was common for the VA to handle retroactive cases similar to the way that Mr. Sullivan's case was handled. Mr. Stevens stated that veterans could apply for an upgrade in disability. This process can take a long time. In Mr. Sullivan's case this took a long time. Councillor Toomey asked if the VA gave Mr. Sullivan a retroactive amount. Mr. Stevens responded yes, including interest and cost of adjustments since 1992. Councillor Decker stated that this is a VA problem. The VA has put off people for years, she said. If the VA did what it should have in 1992 this would not have happened. This committee should write a letter to the VA to indicate the hardship this delay causes our citizens. Councillor Decker informed Mr. Sullivan that it is not in the city's control to give him a retroactive refund.

Mr. Stevens stated that Clause 22 has been amended. Years ago all of the exemption clauses were not included in the law. Vice Mayor Maher asked about the *Purple Heart*. Mr. Stevens stated that the law stated that no evidence of the *Purple Heart* is required; the *Purple Heart* can never change. Categories and percentages of disabilities have changed, he said. The *Purple Heart* is different as is the Gold Star Mothers, he said.

Mr. Sullivan asked where did he get his post-traumatic stress. He filed for disability under Chapter 59, Section 5, Clause 22 over forty years ago. He received \$350.00 from the VA and \$500.00 from the city.

Vice Mayor Maher asked what does Mr. Sullivan need to do to make sure that he gets \$600.00 each year. Ms. McDonald stated that \$600.00 is the maximum abatement for a single-family dwelling. If Mr. Sullivan's assessment drops he will get less. He must file for the abatement each year.

Mr. Sullivan stated that he wanted to know how his disability and filing became Clause 22E when he filed for disability under Clause 22. Ms. Pritchard stated that the VA letter indicated Clause 22E.

Mr. Sullivan stated that in 1954 he purchased his house. He stated that he knew he was entitled to an abatement because of his *Purple Heart*, which did not require any evidence. I have been declared 100% disabled and if there is any retroactive funds I am entitled to, I want the funds, he said. Councillor Toomey stated that the state law prohibits the city giving retroactive funds back to 1992. Mr. Sullivan stated that he could not find the state law that states this provision.

Mr. Stevens stated that as long as Mr. Sullivan remains 100% disabled that he would be entitled to the abatement. Vice Mayor Maher stated that Mr. Sullivan must apply for the disabled veteran's abatement every year with proper documentation, such as a physician's letter stating that he is incapable of working. Mr. Stevens informed the committee that his department provides assistance to veterans if the veteran needs assistance. The veteran only needs to contact his office and whatever assistance is needed will be provided to the veteran by members of his department.

Mr. Sullivan stated that he is upset about his disability provision being Clause 22E. Councillor Toomey informed Mr. Sullivan that the VA can go back and give retroactive payments, but the city of Cambridge is prohibited by state law to go back and give retroactive payments. Vice Mayor Maher stated that the committee wants to make sure that Mr. Sullivan is given the maximum abatement allowed by law. Mr. Stevens stated that the Veteran Services Department is handling Mr. Sullivan's case and he has met with the Assessing Department who guaranteed that Mr. Sullivan will receive the maximum exemption under the state law.

Vice Mayor Maher stated that this committee now has a better understanding of the problem that veterans are facing about filing an abatement and the City Council can advocate to change the law.

Mr. Stevens stated that as of this year Mr. Sullivan would be entitled to the maximum exemption amount of \$600 for a single-family dwelling. The \$500.00 that Mr. Sullivan received was based on last years tax bill, said Ms. McDonald.

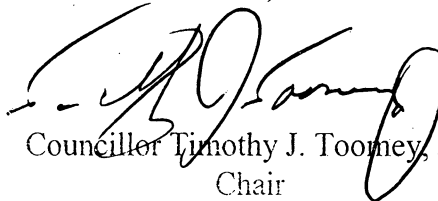
Councillor Toomey stated that Mr. Sullivan would be provided with a copy of the Committee Report.

Vice Mayor Maher stated that an abatement form would be sent from the Assessors Department to Mr. Sullivan. Mr. Sullivan should contact Mr. Stevens who would start the paperwork for the Assessors Department.

Councillor Toomey thanked all attendees.

The meeting adjourned at 1:50 p.m.

For the Committee,

A handwritten signature in black ink, appearing to read "Timothy J. Toomey, Jr.", written in a cursive style.

Councillor Timothy J. Toomey, Jr.
Chair

ATTACHMENT A

STATUTORY EXEMPTIONS

CLAUSE 22

Veterans

- a. 10% service connected disability (veterans of the Lebanese peace keeping force, Grenada rescue mission, Panamanian intervention force December 20, 1989 to January 31, 1990, or the Persian Gulf War commencing August 2, 1990 to present, must, in addition to the 10% certificate from the Veterans' Administration, show receipt of a campaign medal).
- b. veterans (honorable) of the Spanish War, the Philippine Insurrection, and the Chinese Relief Expedition.
- c. Purple Heart
- d. unremarried surviving spouse of veterans under this clause
- e. natural parents and parents by adoption of soldiers and sailors who lost their lives in wartime service.
- f. unremarried surviving spouse of veterans serving from April 16, 1917 to November 11, 1918 or holders of Victory Medal WW1 (estate must not exceed \$20,000).

REQUIREMENTS:

Must be domiciled in Massachusetts at least six months prior to entry into service or resided in Massachusetts five consecutive years next to date of filing.

EXEMPTION = \$250.00

ATTACHMENT B

STATUTORY EXEMPTIONS

CLAUSE 22E

Veterans having 100% disability at least 10% of which is service connected.

REQUIREMENTS:

Residency same as Clause 22

Must be incapable of working and must not be employed for any part of previous year.

Must file annually:

- (1) a V.A. certificate
- (2) a physician's letter stating he/she is incapable of working
- (3) a statement of employment.

EXEMPTION = \$600.00*

Department of
Veterans Affairs

ATTACHMENT C

J F KENNEDY FED BLDG
BOSTON MA 02203

JULY 1, 1999

In Reply Refer To: 27

File Number:

15 329 066

THE FOLLOWING INFORMATION IS BEING FURNISHED FOR YOUR USE IN OBTAINING A STATUTORY EXEMPTION FROM REAL ESTATE TAXES UNDER THE LAWS PERTAINING TO THE COMMONWEALTH OF MASSACHUSETTS:

VETERANS ADMINISTRATION RECORDS DISCLOSE THAT THE VETERAN NAMED HEREON HAS A WAR SERVICE CONNECTED DISABILITY PAYABLE AT THE 100% COMPENSATION RATE AS OF THE ABOVE DATE.

QUESTIONS REGARDING QUALIFICATIONS FOR EXEMPTION SHOULD BE DIRECTED TO THE BOARD OF ASSESSORS IN YOUR CITY OR TOWN.

T. O'BRIEN
ADJUDICATION OFFICER



OFFICE OF THE CITY CLERK

CITY OF CAMBRIDGE

(617) 349-4260

FAX (617) 349-4269

tty/TDD (617) 492-0235

D. MARGARET DRURY
CITY CLERK

DONNA P. LOPEZ
DEPUTY CITY CLERK

April 3, 2001

Mr. Lawrence Sullivan
453 Huron Avenue
Cambridge, MA 02138

Dear Mr. Sullivan:

Pursuant to the request made at the Veterans' Committee meeting held on Friday, March 16, 2001, enclosed you will find a copy of the committee report that was accepted by the City Council at its meeting held on Monday, April 2, 2001.

I hope that this information is beneficial to you.

Very truly yours,

A handwritten signature in cursive script that reads "Donna P. Lopez".

Donna P. Lopez
Deputy City Clerk

Enc. Committee Report # 7 - 4/2/01

cc: Councillor Toomey

Vice Mayor Maher asked how many people do not get the paper work done on time. Ms. Pritchard, Executive Assistant, Assessors Department, replied that about 50 people do not file the necessary application on time. Vice Mayor Maher asked are these 50 people denied an abatement. Ms. Pritchard responded in the affirmative. The forms, she said, are automatically mailed to the veteran. Vice Mayor Maher asked what happens in the case of a medical emergency. Ms. Pritchard stated that these cases are submitted to the Board of Assessors and the board makes a decision. Ms. Faith McDonald, Principal Assessor, stated that in the case of a late filing due to a medical emergency a statement is needed from a doctor stating the veteran is ill and the Board of Assessors generally approve these cases.

Vice Mayor Maher asked if there was a problem if the veteran did not have to file for the abatement yearly. Ms. McDonald stated that the city does not know the status of the applicant. The yearly filing requirement is the only way the city knows the applicant's status. Tax bills, she said, are sent to the owner of the property and are based on the category of the property. Vice Mayor Maher asked why the credit cannot be placed on the first-half tax bills. Ms. Pritchard responded that there is not enough time between the setting of the tax rate and the printing of the tax bills.

Vice Mayor Maher asked how many veteran abatement applications are filed. Ms. Pritchard responded 300-400. Vice Mayor Maher asked what are the other types of abatements. Ms. Pritchard stated that the other types of abatements are:

- the blind;
- the elderly; and
- low-income.

Vice Mayor Maher stated that disability is made retroactive from the VA. Is there any adjustment made to the exemption on the city tax roll? Mr. Monagle responded in the negative. He further stated that Mr. Sullivan was sent a letter from the Assessors Department informing him that the city has no retroactive provision. Property, he said, must be taxed on what is the category at the time. The Department of Revenue (DOR) will only recognize the 100% disability from the VA.

The committee heard from Mr. Lawrence Sullivan, 453 Huron Avenue, who stated that he was 80% disabled prior to 1992. In 1992 he was classified 100% disabled. He stated that he receives payment under Clause 22E, but he filed for the abatement under Clause 22. He is a *Purple Heart* recipient. Councillor Toomey asked Mr. Sullivan if he was getting an abatement for the *Purple Heart*. Mr. Sullivan stated that he did not know. He informed the committee that the only certification he filed was the letter for the *Purple Heart* and the VA informed him that he did not have to file a letter annually

regarding the *Purple Heart*. Councillor Toomey stated that the *Purple Heart* abatement is separate from the other abatements. He asked Mr. Sullivan what clause does his 80% abatement fall under and when did this occur. Mr. Sullivan stated that his 10% disability was increased to 50% in 1980. Ms. McDonald stated that the Assessing Department notified Mr. Sullivan in September 2000 of his 100% disability from the VA. A VA sample letter is attached. **(ATTACHMENT C)**. Cambridge is not affected until a letter is received from the VA. The September 2000 letter from the VA is the notification of declaring the disability under Clause 22E and to not tax the person at 100%.

Vice Mayor Maher asked what is the amount of the abatement for 100% under Clause 22E. Mr. Monagle stated \$600.00. Ms. McDonald stated that Mr. Sullivan technically was not eligible for the abatement under 2002, but was given the abatement this year.

Councillor Toomey stated that he was confused because Mr. Sullivan stated that he was disabled since 1992. Ms. McDonald stated that Mr. Sullivan was disabled since 1992 for VA purposes, not for property tax purposes.

Vice Mayor Maher asked if it was common for the VA to handle retroactive cases similar to the way that Mr. Sullivan's case was handled. Mr. Stevens stated that veterans could apply for an upgrade in disability. This process can take a long time. In Mr. Sullivan's case this took a long time. Councillor Toomey asked if the VA gave Mr. Sullivan a retroactive amount. Mr. Stevens responded yes, including interest and cost of adjustments since 1992. Councillor Decker stated that this is a VA problem. The VA has put off people for years, she said. If the VA did what it should have in 1992 this would not have happened. This committee should write a letter to the VA to indicate the hardship this delay causes our citizens. Councillor Decker informed Mr. Sullivan that it is not in the city's control to give him a retroactive refund.

Mr. Stevens stated that Clause 22 has been amended. Years ago all of the exemption clauses were not included in the law. Vice Mayor Maher asked about the *Purple Heart*. Mr. Stevens stated that the law stated that no evidence of the *Purple Heart* is required; the *Purple Heart* can never change. Categories and percentages of disabilities have changed, he said. The *Purple Heart* is different as is the Gold Star Mothers, he said.

Mr. Sullivan asked where did he get his post-traumatic stress. He filed for disability under Chapter 59, Section 5, Clause 22 over forty years ago. He received \$350.00 from the VA and \$500.00 from the city.

Vice Mayor Maher asked what does Mr. Sullivan need to do to make sure that he gets \$600.00 each year. Ms. McDonald stated that \$600.00 is the maximum abatement for a single-family dwelling. If Mr. Sullivan's assessment drops he will get less. He must file for the abatement each year.

Mr. Sullivan stated that he wanted to know how his disability and filing became Clause 22E when he filed for disability under Clause 22. Ms. Pritchard stated that the VA letter indicated Clause 22E.

Mr. Sullivan stated that in 1954 he purchased his house. He stated that he knew he was entitled to an abatement because of his *Purple Heart*, which did not require any evidence. I have been declared 100% disabled and if there is any retroactive funds I am entitled to, I want the funds, he said. Councillor Toomey stated that the state law prohibits the city giving retroactive funds back to 1992. Mr. Sullivan stated that he could not find the state law that states this provision.

Mr. Stevens stated that as long as Mr. Sullivan remains 100% disabled that he would be entitled to the abatement. Vice Mayor Maher stated that Mr. Sullivan must apply for the disabled veteran's abatement every year with proper documentation, such as a physician's letter stating that he is incapable of working. Mr. Stevens informed the committee that his department provides assistance to veterans if the veteran needs assistance. The veteran only needs to contact his office and whatever assistance is needed will be provided to the veteran by members of his department.

Mr. Sullivan stated that he is upset about his disability provision being Clause 22E. Councillor Toomey informed Mr. Sullivan that the VA can go back and give retroactive payments, but the city of Cambridge is prohibited by state law to go back and give retroactive payments. Vice Mayor Maher stated that the committee wants to make sure that Mr. Sullivan is given the maximum abatement allowed by law. Mr. Stevens stated that the Veteran Services Department is handling Mr. Sullivan's case and he has met with the Assessing Department who guaranteed that Mr. Sullivan will receive the maximum exemption under the state law.

Vice Mayor Maher stated that this committee now has a better understanding of the problem that veterans are facing about filing an abatement and the City Council can advocate to change the law.

Mr. Stevens stated that as of this year Mr. Sullivan would be entitled to the maximum exemption amount of \$600 for a single-family dwelling. The \$500.00 that Mr. Sullivan received was based on last years tax bill, said Ms. McDonald.

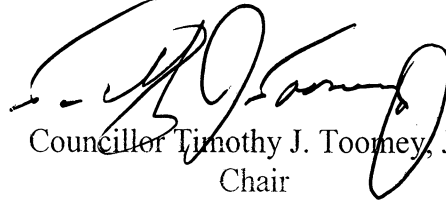
Councillor Toomey stated that Mr. Sullivan would be provided with a copy of the Committee Report.

Vice Mayor Maher stated that an abatement form would be sent from the Assessors Department to Mr. Sullivan. Mr. Sullivan should contact Mr. Stevens who would start the paperwork for the Assessors Department.

Councillor Toomey thanked all attendees.

The meeting adjourned at 1:50 p.m.

For the Committee,

A handwritten signature in black ink, appearing to read "Timothy J. Toomey, Jr.", is written over the printed name and title.

Councillor Timothy J. Toomey, Jr.
Chair

ATTACHMENT A

STATUTORY EXEMPTIONS

CLAUSE 22

Veterans

- a. 10% service connected disability (veterans of the Lebanese peace keeping force, Grenada rescue mission, Panamanian intervention force December 20, 1989 to January 31, 1990, or the Persian Gulf War commencing August 2, 1990 to present, must, in addition to the 10% certificate from the Veterans' Administration, show receipt of a campaign medal).
- b. veterans (honorable) of the Spanish War, the Philippine Insurrection, and the Chinese Relief Expedition.
- c. Purple Heart
- d. unremarried surviving spouse of veterans under this clause
- e. natural parents and parents by adoption of soldiers and sailors who lost their lives in wartime service.
- f. unremarried surviving spouse of veterans serving from April 16, 1917 to November 11, 1918 or holders of Victory Medal WW1 (estate must not exceed \$20,000).

REQUIREMENTS:

Must be domiciled in Massachusetts at least six months prior to entry into service or resided in Massachusetts five consecutive years next to date of filing.

EXEMPTION = \$250.00

ATTACHMENT B.

STATUTORY EXEMPTIONS

CLAUSE 22E

Veterans having 100% disability at least 10% of which is service connected.

REQUIREMENTS:

Residency same as Clause 22

Must be incapable of working and must not be employed for any part of previous year.

Must file annually:

- (1) a V.A. certificate
- (2) a physician's letter stating he/she is incapable of working
- (3) a statement of employment.

EXEMPTION = \$600.00*

Department of
Veterans Affairs

ATTACHMENT C

J F KENNEDY FED BLDG
BOSTON MA 02203

JULY 1, 1999

In Reply Refer To: 27

File Number:

15 329 066

THE FOLLOWING INFORMATION IS BEING FURNISHED FOR YOUR USE IN OBTAINING A STATUTORY EXEMPTION FROM REAL ESTATE TAXES UNDER THE LAWS PERTAINING TO THE COMMONWEALTH OF MASSACHUSETTS:

VETERANS ADMINISTRATION RECORDS DISCLOSE THAT THE VETERAN NAMED HEREON HAS A WAR SERVICE CONNECTED DISABILITY PAYABLE AT THE 100% COMPENSATION RATE AS OF THE ABOVE DATE.

QUESTIONS REGARDING QUALIFICATIONS FOR EXEMPTION SHOULD BE DIRECTED TO THE BOARD OF ASSESSORS IN YOUR CITY OR TOWN.

T. O'BRIEN
ADJUDICATION OFFICER

City of Cambridge

THE VETERANS' COMMITTEE MEMBERS

*Councillor Timothy J. Toomey, Jr., Chair
Councillor Marjorie C. Decker
Vice Mayor David P. Maher*

In City Council April 2, 2001

The Veterans' Committee conducted a public meeting on Friday, March 16, 2001 at 12:45 p.m. in the Ackermann Room.

The purpose of the meeting was to review the veteran's statutory abatement and any and all business that may come before the committee.

Present at the meeting were: Councillor Toomey, Chair of the Committee, Vice Mayor Maher, Councillor Decker, Robert Stevens, Director of Veteran Services, Stephen A. Vesce, Deputy Director of Veteran Services, James Maloney, Assistant City Manager for Fiscal Affairs, James Monagle, Acting City Auditor, Faith McDonald, Principal Assessor, Donna Pritchard, Executive Assistant, Assessors Department, James Ryan, Superintendent of the Cemetery and Donna P. Lopez, Deputy City Clerk. Also present at the meeting was Mr. Lawrence Sullivan.

Councillor Toomey opened the meeting and stated the purpose. He requested the Auditor to explain Clause 22 to the committee. Mr. Monagle stated that Clause 22 is a federal clause. This clause provides for a 10% veteran's exemption for service connected disability. The maximum abatement under this clause is \$250.00. **(ATTACHMENT A)**. Under Clause 22E **(ATTACHMENT B)** a veteran with 100% disability with 10% being service connected is entitled to a maximum statutory exemption from real estate of \$600.00 for a single family dwelling. Veterans, he said, need to apply for the abatement each year. Abatements are not listed on the tax bill, he said. Vice Mayor Maher asked if this is a city or state statute. Mr. Monagle responded it is a state statute.

Mr. Robert Stevens, Veteran Service Director, stated that some disabled veteran abatements are reduced. A re-certification process must be done annually and the veteran must prove their disability. The Veterans' Administration can reduce the compensation. Mr. Stephen Vesce, Deputy Director of Veteran Services, stated that twenty years must be locked in so that the percentage cannot be reduced.

Vice Mayor Maher asked can the City of Cambridge file a home rules petition to overrule the state statute. Mr. Monagle stated that one-half of the real estate bills must be paid and then the reduction takes place on the second half of the bill.

Mr. Stevens stated that 99% of assessment from the Veterans' Administration (VA) does not change. It is a burden for the veteran to file for the abatement annually.

1295

Committee Report #7

Committee Report from Councillor
Timothy J. Toomey, Jr., Chair of
the Veteran Services Committee for
a meeting held on March 16, 2001
to review the veteran's statutory
abatement and any and all business
that may come before the
committee.

In City Council April 2, 2001

*Amended Report
Accepted*

PLACED ON FILE