



City of Cambridge

29.

IN CITY COUNCIL

June 28, 1993

COUNCILLOR WALSH
 COUNCILLOR DUEHAY
 COUNCILLOR RUSSELL
 COUNCILLOR SULLIVAN
 COUNCILLOR TOOMEY
 MAYOR REEVES

WHEREAS: In the June edition of "City and Town" in an article called "Focus," a copy of which is attached, a detailed examination of real estate tax exemption for people over 70 is discussed. Attached to the article is an analysis of certain cities and towns giving information as to the number of elderly who requested the exemptions. This record indicates that only 176 applied in Cambridge for benefits under Chapter 59, Section 5, Clause 41C; now therefore be it

ORDERED: That the City Manager be and hereby is requested to work with the Assessing Department to develop a better outreach program so that qualified elderly may be made aware of the various exemptions for which they may be eligible.

In City Council June 28, 1993.

Adopted by the affirmative vote of nine members.

Attest:- D. Margaret Drury, City Clerk.

A true copy;

D. Margaret Drury

ATTEST:-

D. Margaret Drury
 City Clerk

FOCUS

on Municipal Finance

Elderly Exemptions

This CITY & TOWN FOCUS will examine real estate tax exemptions for persons 70 years of age or over granted under Chapter 59, Section 5, Clause 41, 41B or 41C and state reimbursement of these exemptions.

Clause 41, enacted in 1963, provides tax relief to elderly people who meet certain gross receipts, whole estate and residency requirements. Clause 41 applies in all communities unless the community adopts Clause 41B or Clause 41C, through a vote of the town meeting or city council. This exemption should not be confused with Clause 17, which affords a smaller exemption amount for those over 70, and certain others.

As property values and income levels have risen since the original statute was adopted, Clauses 41B and 41C were enacted in 1982 and 1986 respectively, to liberalize the eligibility requirements of annual gross receipts and whole estate, increasing the number of exemption recipients. While a community that operates under the more generous eligibility criteria of Clause 41B or 41C benefits more elderly taxpayers the cost to the community increases, since there is a limit on state reimbursement of these exemptions -- which is the number of exemptions the community granted the last year the community operated under Clause 41.

The exemption amount granted to each qualifying individual under these clauses is \$500.

Eligibility Requirements

Under all three clauses, the applicant must have attained the age of 70 prior to the July 1 qualification date -- for ex-

ample, July 1, 1992 for fiscal year 1993. If the property is owned jointly with a spouse, either spouse must be 70 years of age. In addition, the property must be owned and occupied as a domicile or legal home by the applicant as of July 1. The deadline for filing an application with the local board of assessors is December 15, or if the actual tax bill is mailed after September 15, then three months after the actual bills are sent.

Clause 41 sets forth the most modest gross receipts and total worth tests. The gross receipts minus the applicable social security allowance as set by the Commissioner of Revenue must be less than \$6,000 if single or \$7,000 if married. For fiscal year 1993 the social security deduction for all three clauses was \$2,605 if single or \$3,907 if married. The whole estate less the value of the home (except for any portion that produces income) cannot exceed \$17,000 if single or \$20,000 if married.

Under Clauses 41B and 41C, an individual, in addition to owning and occupying the property as of July 1, must have been continuously domiciled in Massachusetts for the 10 years preceding the application and have owned real property in the Commonwealth for five years. Clause 41B contains more generous income and total worth standards. Gross receipts minus the social security allowance must be less than \$10,000 if single or \$12,000 if married. The whole estate, less the value of the home (except for any portion that produces income), cannot exceed \$20,000 if single or \$23,000 if married.

Clause 41C further liberalizes the statutory requirements by providing that the gross receipts minus the social security allowance must be less than \$13,000 if

single or \$15,000 if married. In addition, the whole estate, less the value of the home (except for the value of any portion that exceeds two dwelling units and produces income), cannot exceed \$28,000 if single or \$30,000 if married.

If individuals do not qualify for exemptions under one provision, they may qualify under another provision. For example, one may be eligible for an elderly exemption of \$175 under Clause 17 which provides a lesser exemption amount but presents less stringent qualification requirements.

State Reimbursement

From FY83 to FY86, \$10 million was appropriated for this program, which appears as a non-offset reimbursement on the Cherry Sheet. Since FY87, the Legislature has appropriated \$15 million to reimburse communities for the cost of these exemptions.

The distribution of the \$15 million appropriation is made as follows:

- Communities under Clause 41 are reimbursed for the number of these exemptions granted.
- For communities that adopt Clause 41B or Clause 41C, the reimbursement amount is capped at the number of Clause 41 exemptions granted in the last year that Clause 41 was in effect, unless the number of Clause 41B or Clause 41C exemptions is less than what was granted under Clause 41. In that case, the lesser number is used in the calculation.

The total statewide number of reimbursable exemptions granted is derived through the steps above. This total number of reimbursable exemptions is then divided into the total appropriation. The

MUNICIPALITY	Number Adopted	Ten Adopted	Class Adopted	Rate Reimbursement	Rate of Reimbursement	MUNICIPALITY	Number Adopted	Ten Adopted	Class Adopted	Rate Reimbursement	Rate of Reimbursement	MUNICIPALITY	Number Adopted	Ten Adopted	Class Adopted	Rate Reimbursement	Rate of Reimbursement
METHUEN	42	21,900	C	194,800	289	FRINCETON	70	1,800	B	4,500	9	TYNGSBOROUGH	20	19,000	C	14,500	35
MIDDLEBOROUGH	22	118,400	C	71,500	151	PROVINCETOWN	64	32,000	C	24,000	40	TYRINGHAM	4	1,700	C	500	1
MIDDLEFIELD	4	2,000		2,400	4	QUINCY	262	278,000	B	251,000	162	UPTON	21	12,500		12,500	21
MIDDLETON	21	13,000	C	12,500	25	RANDOLPH	234	132,500	C	90,000	100	UXBIDGE	40	29,500	C	24,000	33
MILFORD	106	62,500	C	71,500	143	RATNHAM	11	25,000	C	25,000	10	VAREFIELD	207	180,250	C	163,500	207
MILBURY	125	64,000	C	47,000	94	READING	171	62,700	C	52,500	127	VALES	5	4,000	B	4,000	6
MILLS	20	10,000	C	10,000	20	REHOBOTH	74	12,500	C	22,500	50	WALPOLE	11	21,500	B	25,000	11
MILLVILLE	20	10,000	B	9,500	67	REVERA	304	293,775	C	259,000	390	WALTHAM	43	45,000	B	41,500	33
MILTON	149	74,000	C	74,000	149	ROCHFORD	1	2,500	C	1,500	2	WARE	47	64,000	C	30,000	40
MONROE	6				6	ROCHESTER	31	15,300	C	15,000	24	WARHAM	20	101,000	C	64,500	209
MONSON	45	21,750	B	21,000	45	ROCKLAND	97	49,500	C	49,500	97	WARREN	45	22,000	C	15,000	31
MONTAGUE	44	22,000	B	22,000	44	ROCKPORT	27	13,200		13,200	27	WARWICK	12	4,000	B	1,500	11
MONTGOMERY	1	500	C	500	1	ROWE	1				6	WASHINGTON	2	1,000		1,000	2
MONTGOMERY	4	2,000	B	2,000	4	ROYLEY	20	10,000	C	6,000	12	WATERBURY	192	110,000	C	41,500	91
MT WASHINGTON					6	ROYALSTON	14	9,000	B	9,000	14	WAYLAND	15	17,500	C	10,500	21
NAHANT	10	19,000	C	15,000	20	RUSSELL	1	2,500	B	2,000	4	WEBSTER	274	158,700	C	133,500	265
NAUTUCKEE	13	4,500		4,500	13	RUTLAND	81	7,500	B	7,500	19	WELLESLEY	46	23,000	B	23,000	46
NATICK	103	67,000	C	60,000	261	SALEM	217	104,000	C	104,000	213	WELLFLEET	13	6,300	C	1,000	10
NEEDHAM	17	26,000	C	26,000	17	SALISBURY	22	14,000	C	14,000	32	WENDELL	7	3,400	C	2,000	5
NEW BEDFORD	1,120	541,350	C	534,000	1,080	SANDSFIELD	12	5,500		5,500	11	WENHAM	16	8,000	C	4,000	6
NEW BEDFORD	3	1,500	C	1,500	3	SANDWICH	20	17,000	C	17,000	24	W ROYLSTON	99	28,500	C	28,500	99
NEW BRIMFORD	14	4,500	B	7,000	14	SANDWICH	102	61,000	C	61,000	102	W BRIDGEWATER	61	30,500	C	28,500	61
NEW MARLBOROUGH	7	3,500		3,500	7	SAUGUS	8	4,000		4,000	13	W BROOKFIELD	12	5,700	C	1,500	11
NEW SALEM	36	17,200	C	14,000	36	SCITUATE	47	43,500	C	43,500	67	W NEWBURY	15	2,500	C	2,500	15
NEWBURY	70	69,000	C	69,000	70	SEBOKONK	114	37,000	C	37,000	114	W SPANNOFIELD	26	118,000	C	118,000	224
NEWBURYPORT	291	144,000	C	134,000	289	SEABOARD	17	21,000	C	7,500	15	W STONINGRIDGE	11	5,000	B	1,500	11
NEWTON	19	9,000	C	9,000	19	SHEFFIELD	6	8,000		8,000	10	W TEBBIS	5	2,000	C	2,000	4
NORFOLK	506	102,770	C	104,000	492	SHELBURNE	9	4,500	B	4,500	9	W TEBBIS	35	17,500	B	17,500	35
N ORFOLK	102	50,700	C	51,000	102	SHERBORN	8	4,000	C	2,000	4	WESTBOROUGH	200	117,117	C	111,000	227
NORFOLK	69	34,400	C	25,000	69	SHALLEY	23	12,500	C	12,500	25	WESTFORD	50	29,200	C	29,200	50
NORFOLK	23	12,112	C	8,000	23	SHERBORNE	113	64,250	C	22,500	43	WESTHAMPTON	11	1,500	C	4,000	8
NORFOLK	49	24,500	C	14,500	49	SHUTEBOROUGH	8	4,000	C	4,000	8	WESTMINSTER	29	14,200	B	14,500	29
NORTHAMPTON	201	120,000	C	115,000	200	SOMERSET	337	203,176	C	202,000	176	WESTON	13	4,500	C	1,500	11
NORTHAMPTON	43	24,000	C	22,500	43	SOMERVILLE	142	164,100	C	171,000	142	WESTPORT	140	69,200	C	70,000	140
NORTHAMPTON	34	17,000	B	16,500	34	SOUTH HADLEY	604	52,000	C	39,500	79	WESTWOOD	25	12,500	B	12,500	25
NORTHAMPTON	29	14,500	C	14,500	29	SOUTHAMPTON	60	24,000	C	14,500	29	WETMOUTH	202	201,000	C	201,000	202
NORTHAMPTON	13	27,100	C	27,100	13	SOUTHBOROUGH	67	13,400	C	13,400	27	WHATELY	6	4,000	C	2,500	5
NORWELL	37	18,200	C	18,200	37	SOUTHERIDGE	12	6,000		6,000	19	WINTHAM	61	40,000	C	31,000	61
NORWOOD	201	10,500	B	10,000	200	SOUTHWICK	53	29,000	C	29,000	58	WILLIAMSHAM	13	25,000	B	21,500	21
NORWOOD	46	23,000	C	23,000	46	SPENCER	69	48,100	C	36,000	70	WILLIAMSBURG	26	13,000	C	13,000	26
NORWOOD	4	4,000	B	4,000	4	SPRINGFIELD	600	304,000	B	285,000	610	WILLIAMSTOWN	23	12,500		12,500	23
NORWOOD	84	40,000	B	42,000	84	STEARNS	4	2,000		2,000	6	WILMINGTON	172	64,200	C	64,000	172
NORWOOD	30	10,000	C	7,000	30	STOCKBRIDGE	8	4,000	C	4,000	6	WITCHENDON	66	32,000	C	30,500	66
NORWOOD	10	4,200	C	3,000	10	STONEHAM	229	114,500	C	114,500	229	WINCHESTER	54	27,000	C	27,000	54
OXFORD	130	60,000	C	58,000	130	STOURBTON	161	78,000	C	70,000	141	WINDSOR	2	900		1,000	2
OXFORD	107	53,100	C	43,500	107	STOW	6	17,000	B	11,000	6	WINTHROP	16	8,000		8,000	16
OXFORD	19	9,500	C	7,500	19	STURBRIDGE	54	12,700	C	11,000	27	WOBURN	151	172,500	C	143,000	151
OXFORD	237	123,500	C	123,500	237	SUDBURY	55	1,000		1,000	26	WORCESTER	1,973	600,000	C	590,000	1,973
OXFORD	9	4,500	C	3,500	9	SWANSEA	38	19,000	B	14,500	10	WORTHINGTON	4	3,000	C	3,000	4
PENNINGTON	117	50,500	C	38,500	117	SWAMPSCOTT	62	31,000	C	29,000	30	WRENTHAM	35	17,000	C	15,000	35
PENNINGTON	34	17,000	C	10,000	34	SWANSEA	194	98,100	B	77,500	155	YARMOUTH	121	114,000	C	102,000	121
PENNINGTON	4	2,000	B	2,000	4	TAUNTON	271	133,500	B	116,000	232	of Class 01	597	444,007		444,000	
PENNINGTON	4	2,000	B	2,000	4	TEMPLETON	81	35,000	C	40,000	81	of Class 01B	4,097	2,224,000		2,140,500	
PENNINGTON	6	2,750	B	3,000	6	TEWKSBURY	133	64,500	C	44,000	98	of Class 01C	27,807	14,923,559		12,209,500	
PITTSFIELD	242	105,000	B	122,000	242	TIBBURY	28	13,000	C	14,000	28	STATE TOTALS	39,091	17,596,000		14,700,500	
PITTSFIELD	1	500	B	500	1	TOLLAND	1	500		500	1						
PITTSFIELD	14	6,000	C	6,000	14	TOPSFIELD	11	5,000	C	3,000	6						
PITTSFIELD	228	104,000	C	69,000	228	TOWNSEND	24	10,000	C	10,000	27						
PITTSFIELD	13	4,500	C	3,500	13	TRAURO	13	7,500	C	3,500	7						

Elderly Exemptions

— continued from page two

resulting number is then multiplied by the reimbursable number of exemptions granted in each community to determine the total reimbursement for each community.

Payment to communities of the state reimbursement of elderly exemptions for a particular fiscal year cannot be calculated until all communities' tax rates are set, exemptions are granted by local boards of assessors and data is reported to the Department of Revenue on Form MDM-1.

Findings

In FY92, 38 of the reporting communities operated under Clause 41, 68 under Clause 41B and 239 under Clause 41C.

In FY92, 156 communities granted more Clause 41B or 41C exemptions than they granted when they were last under Clause 41. Therefore, these communities were reimbursed for the number of exemptions granted during the last year the community operated under Clause 41. One hundred and forty four communities granted fewer Clause 41B or 41C exemptions than the number of Clause 41 exemptions granted during the last year the community operated under Clause 41. Subsequently, these communities were reimbursed for the actual, lesser number of exemptions granted.

In FY92, 33,201 elderly exemptions were granted statewide for a total of \$17,596,696 in taxes abated. Of these exemptions granted, 29,597 qualified for a total state reimbursement of \$14,798,500.

FY92 was the first time the state was able to reimburse communities a full \$500 for each eligible exemption recipient, as the eligible number of recipients declined to slightly below 30,000. Because of the capping of the state reimbursement at the number of exemptions last granted under Clause 41, the state reimbursement was 84% of the actual amount of elderly exemptions granted. For example,

assume a community granted 14 Clause 41 exemptions in FY82 the last year in which Clause 41's were in effect for this community. Then, for FY92, the community granted 20 Clause 41C exemptions for a full \$500 each. Thus the total amount exempted was \$10,000. The community, however, would be reimbursed for 14 exemptions since the number reimbursed cannot exceed the number of exemptions granted under Clause 41 for the last year that Clause was in effect. Accordingly, the community's reimbursement for FY92 under the formula would be \$7,000.

Notes

Table 1 lists for FY92 — by community: number of exemptions abated, tax amount abated, clause adopted, state reimbursement and basis of reimbursement (statutory number used in reimbursement calculation). This data is derived from Form MDM-1 submitted by communities for FY92.

Some communities are reimbursed for an amount in excess of taxes abated. Certain communities may have abated taxes on property of low value for an actual abatement that was less than the \$500 amount allowed by law, due to the legal requirement that a taxpayer pay at least 10% of the total tax. Communities are reimbursed based on the number of reimbursable exemptions granted, not the dollar amount abated.

Some communities abate taxes to individual taxpayers in amounts greater than \$500 because of their adoption of optional additional property tax exemptions which, upon enactment, apply to all personal exemptions granted in that community. For more information, see Informational Guideline Release No. 89-207, Optional Additional Real Estate Exemptions For Those Qualified Under Section 5 of M.G.L. 59.

Resources

The Property Tax Bureau of the Division of Local Services has prepared the following Taxpayer's Guide to Real Estate Exemptions in Massachusetts brochures:

- *Elderly Persons* (Clauses 41, 41B and 41C)
- *Surviving Spouse, Minor Child, Elderly Person* (Clauses 17, 17C, 17CY, 17D)
- *Blind Persons* (Clauses 37 and 37A)
- *Qualifying Veterans* (Clauses 22, 22A, 22B, 22C, 22D and 22E) and *Paraplegics*.

For a copy of these brochures, contact the Division of Local Services Public Information Officer, Elaine Lombardi at (617) 727-2300 Ext. 306. Please feel free to duplicate these brochures for your community's use.

If you have any questions about state reimbursement of exemptions, contact Kenya Ubeda at (617) 727-2300 Ext. 473 in the Municipal Data Management and Technical Assistance Bureau. ■

Data Bank Highlight

Report on Property Tax Trends Available

One of the Data Bank's most useful reports is "Property Tax Trends." Using budget information submitted on the Tax Rate Recapitulation Sheet, it shows a community's changes over the last six fiscal years in the following tables:

- Revenue components (levy, state aid, local receipts, other)
- Proposition 2½ levy limits, excess capacity and override capacity
- Assessed values by class
- Levies by class
- Tax rates by class.

The Municipal Data Bank is a clearinghouse for a wide variety of municipal financial and socio-economic data. This information can be obtained on printouts or diskettes (617) 727-2300 Ext. 476 as well as via computer modem on the On-Line Access System (617) 727-4401. There is no charge to public officials. ■

CCM-101

Consent



City of Cambridge

29

IN CITY COUNCIL

June 24, 1993

COUNCILLOR WALSH

WHEREAS: In the June edition of "City and Town" in an article called "Focus" (a copy of which is attached) a detailed examination of real estate tax exemption for people over 70 is discussed. Attached to the article is an analysis of certain cities and towns giving information as to the number of elderly who requested the exemptions. This record indicates that only 176 applied in Cambridge for benefits under Chapter 59, Section 5, Clause 41C; now therefore be it

ORDERED: That the City Manager be and hereby is requested to work with the Assessing Department to develop a better outreach program so that qualified elderly may be made aware of the various exemptions for which they may be eligible.

FOCUS

on Municipal Finance

Elderly Exemptions

This CITY & Town FOCUS will examine real estate tax exemptions for persons 70 years of age or over granted under Chapter 59, Section 5, Clause 41, 41B or 41C and state reimbursement of these exemptions.

Clause 41, enacted in 1963, provides tax relief to elderly people who meet certain gross receipts, whole estate and residency requirements. Clause 41 applies in all communities unless the community adopts Clause 41B or Clause 41C, through a vote of the town meeting or city council. This exemption should not be confused with Clause 17, which affords a smaller exemption amount for those over 70, and certain others.

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The exemption amount granted to each qualifying individual under these clauses is \$500.

Eligibility Requirements

Under all three clauses, the applicant must have attained the age of 70 prior to the July 1 qualification date -- for ex-

ample, July 1, 1992 for fiscal year 1993. If the property is owned jointly with a spouse, either spouse must be 70 years of age. In addition, the property must be owned and occupied as a domicile or legal home by the applicant as of July 1. The deadline for filing an application with the local board of assessors is December 15, or if the actual tax bill is mailed after September 15, then three months after the actual bills are sent.

Clause 41 sets forth the most modest gross receipts and total worth tests. The gross receipts minus the applicable social security allowance as set by the Commissioner of Revenue must be less than \$6,000 if single or \$7,000 if married. For fiscal year 1993 the social security deduction for all three clauses was \$2,605 if single or \$3,907 if married. The whole estate less the value of the home (except for any portion that produces income) cannot exceed \$17,000 if single or \$20,000 if married.

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Clause 41C further liberalizes the statutory requirements by providing that the gross receipts minus the social security allowance must be less than \$13,000 if

single or \$15,000 if married. In addition, the whole estate, less the value of the house (except for the value of any portion that exceeds two dwelling units and produces income), cannot exceed \$28,000 if single or \$30,000 if married.

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The total statewide number of reimbursable exemptions granted is derived through the steps above. This total number of reimbursable exemptions is then divided into the total appropriation. The

FY92 Elderly Exemptions by Community

MUNICIPALITY	Number Abated	Tax Abated	Classes Adopted	Rate Reimbursement	Basis of Reimbursement	MUNICIPALITY	Number Abated	Tax Abated	Classes Adopted	Rate Reimbursement	Basis of Reimbursement	MUNICIPALITY	Number Abated	Tax Abated	Classes Adopted	Rate Reimbursement	Basis of Reimbursement
ABINGTON	132	92,400	C	48,000	95	CHHOPEE	143	271,172	B	271,500	343	HANCOCK	1	508		508	1
ACTON	28	14,800	C	13,000	28	CHELMARK	5	2,500		2,500	5	HANOVER	29	14,500	C	14,800	28
ACUSHNET	94	46,182	C	34,000	48	CLARKSBURG	52	25,666	B	17,500	31	HANSON	32	23,750	C	26,000	32
ADAMS	48	23,313		24,000	48	CLINTON	177	88,580	C	81,500	103	HARDWICK	32	15,099	C	6,500	13
AGAWAM	125	64,500	C	64,500	129	COHASSET	16	7,900	B	8,000	16	HARVARD	3	2,500	C	2,500	3
ALFORD	1	1,000	C	1,000	2	COLRAIN	21	10,500	B	10,500	21	HARWICH	92	46,000	B	41,000	82
AMESBURY	112	89,783	C	56,500	113	CONCORD	24	18,000	C	18,000	24	HATFIELD	48	23,750		24,000	48
AMHERST	62	31,500	C	17,500	55	CONWAY	8	4,000	B	4,000	8	HAVERTHILL	273	134,500	C	134,500	273
ANDOVER	46	33,249	C	22,500	45	CUMMINGTON	2	1,000	C	1,000	2	HAWLEY	1	995	B	500	1
ARLINGTON	18	92,500	C	92,500	185	DALTON	47	23,250	C	18,000	36	HEATH	7	3,500	C	3,500	7
ASHBURNHAM	28	14,800	C	14,000	28	DANVERS	84	42,000	C	42,000	84	HINGHAM	53	26,500	C	26,500	53
ASHBY	29	14,500	B	13,000	26	DARTMOUTH	339	167,976	C	172,900	263	HINSDALE	21	10,199		10,500	21
ASHFIELD	4	2,000	C	2,000	4	DEDHAM	94	47,000		47,000	94	HOLBROOK	98	49,000	C	47,000	94
ASHLAND	37	18,500	C	17,000	34	DEERFIELD	41	20,346	C	15,000	34	HOLDEN	71	35,500	C	35,500	71
ATHOL	78	37,873	B	39,000	78	DENNIS	72	33,243	B	36,000	60	HOLLAND	15	9,186	B	9,500	19
ATTLEBORO	149	94,500	C	92,500	185	DIGHTON	42	21,000	C	21,000	42	HOLLISTON	45	27,000	C	22,500	45
AUBURN	188	91,500	C	69,500	139	DOUGLAS	29	14,800	B	14,800	29	HOLYOKES	174	86,207	C	87,000	174
AVON	37	17,750	C	18,500	37	DOVER	4	2,000	C	2,000	4	HOPEDALE	44	21,750	B	22,000	44
AYER	25	12,900	C	12,500	23	DRACUT	424	212,000	C	190,000	380	HOPKINTON	42	20,750	C	18,500	37
BARNSTABLE	240	130,000	C	108,500	217	DUDLEY	143	70,664	C	63,500	131	HUBBARDSTON	13	7,500	B	7,500	13
BARRE	41	20,464	C	20,500	41	DUNSTABLE	3	1,500		1,500	3	HUDSON	206	103,000	C	103,000	206
BECHEST	28	7,489	B	2,500	15	DUXBURY	34	17,000	C	11,500	23	HULL	72	36,000	C	36,000	72
BEDFORD	11	10,500	C	10,500	21	E BRIDGEWATER	110	55,000	C	35,500	71	HUNTINGTON	9	4,500	C	4,500	9
BELCHERTOWN	56	18,000	C	18,000	36	E BROOKFIELD	14	7,994	C	6,000	16	ISWICH	32	16,000	C	16,000	32
BELLINGHAM	78	35,000	C	30,000	60	E LONGMEADOW	94	47,000	C	46,000	92	KINGSTON	79	35,000	C	35,000	79
BELMONT	103	11,500	C	26,500	53	EASTHAM	34	18,000	C	9,000	18	LAKEVILLE	71	35,500	C	32,500	63
BERKLEY	34	13,907	C	10,500	21	EASTHAMPTON	113	56,500	B	54,500	113	LANCASTER	43	23,750	C	23,750	39
BERLIN	39	10,800	C	9,000	18	EASTON	6	30,500	C	30,500	61	LANESBOROUGH	36	17,750	C	17,500	35
BERNARDSTON	32	10,400	B	8,000	16	EDGARTOWN	11	6,000	B	4,000	12	LAWRENCE	463	233,750	C	167,000	334
BEVERLY	154	76,825	C	77,000	154	EGREMONT	3	1,500		1,500	3	LEE	92	43,954	C	46,000	92
BILLERICA	88	44,000		44,000	88	ERVENG	29	9,646	C	5,500	11	LEICESTER	39	19,250	B	19,500	39
BLACKSTONE	11	15,413	C	15,500	31	ESSEX	19	9,000	B	5,000	10	LENOX	89	14,500		14,500	89
BLANDFORD	6	3,000	C	2,500	5	EVERETT	286	140,000	C	140,500	283	LEOMINSTER	210	104,323	C	63,000	126
BOLTON	6	3,750	C	3,500	7	FAIRHAVEN	227	112,750	C	113,500	227	LEVERETT	11	5,500	C	4,600	8
BOSTON	2,113	1,615,063	C	1,036,500	2,113	FALL RIVER	460	231,412	C	227,500	453	LEXINGTON	77	38,500	C	29,500	59
BOURNE	64	31,675	B	11,000	42	FALMOUTH	138	64,839	C	63,000	126	LEYDEN	4	2,000	B	2,000	4
BOXBOROUGH	3	1,500		1,500	3	FITCHBURG	137	78,622	B	73,500	147	LINCOLN	4	1,754		1,500	3
BOXFORD	6	3,000	C	3,000	6	FLORIDA	15	6,180	B	3,500	7	LITTLETON	20	10,000	C	10,000	20
BOYLSTON	11	10,500	C	10,500	21	FOXBOROUGH	39	28,500	C	21,000	42	LONGMEADOW	22	11,000	C	11,000	22
BRAINTREE	252	124,000	C	93,500	187	FRAMINGHAM	185	92,500	C	92,500	185	LOWELL	618	309,000	C	236,500	473
BREWSTER	59	29,500	C	17,000	34	FRANKLIN	29	14,000	C	14,500	29	LUDLOW	76	38,000	B	38,000	76
BRIDGEWATER	88	44,000	C	30,000	40	FREETOWN	40	30,000	C	24,500	49	LUNENBURG	67	33,500	C	33,500	67
BRIMFIELD	10	4,750	B	5,000	10	GARDNER	128	62,500	C	62,500	125	LYNN	633	317,500	C	317,500	633
BROCKTON	423	212,500	C	212,500	423	GAY HEAD	6	3,000		3,000	6	LYNNFIELD	36	18,000	C	18,500	21
BROOKFIELD	11	5,500	B	3,500	11	GEORGETOWN	20	10,000	C	10,000	20	MALDEN	284	182,000		182,000	284
BROOKLINE	17	8,500	C	8,500	17	GILL	13	6,400	C	4,500	13	MANCHESTER	8	4,000	B	4,000	8
BUCKLAND	12	5,828	B	6,000	12	GLOUCESTER	33	170,908	C	95,000	190	MANSFIELD	182	68,167	C	48,000	96
BURLINGTON	91	46,000	C	47,100	93	GOSHEN	6	2,500	B	3,000	6	MARBLE HEAD	46	23,000	C	23,000	46
CAMBRIDGE	176	124,510	C	88,000	176	GOSNOLD	176	88,000		88,000	176	MARJON	31	23,500	C	23,500	31
CANTON	150	74,825	C	75,000	150	GRAFTON	46	33,000	C	23,500	46	MARLBOROUGH	145	72,000	C	50,500	101
CARLISLE	15	15,000	C	7,500	15	GRANBY	31	15,750	C	16,000	31	MARSHFIELD	143	71,500	C	71,500	143
CARVER	63	31,000	C	19,500	39	GRANVILLE	10	4,750	C	5,000	10	MASHPEE	45	22,500	C	3,500	7
CHARLEMONT	1	2,400	B	2,500	3	GT BARRINGTON	46	23,000	C	19,500	39	MATTAPOISETT	27	13,500	C	9,000	18
CHARLTON	58	19,000	B	19,000	58	GREENFIELD	158	68,948	C	63,000	126	MAYNARD	18	29,000	C	29,000	18
CHATHAM	8	4,000		4,000	8	GROTON	31	15,317	C	15,500	31	MEDFIELD	17	8,500	C	8,500	17
CHELSEA	123	61,530	C	40,500	61	GROVELAND	25	13,000	B	10,000	26	MEDFORD	465	232,320	C	103,000	210
CHELSEA	111	33,353	C	20,500	81	HADLEY	16	7,954		8,000	16	MEDWAY	38	17,500	C	17,500	38
CHESHIRE	27	12,892	C	4,500	9	HALIFAX	16	18,000	C	12,500	23	MELROSE	29	39,000	C	39,500	29
CHESTER	13	7,500	B	7,000	14	HAMILTON	11	20,000	C	13,500	27	MENDON	13	7,500	B	7,500	13
CHESTERFIELD	2	1,000		1,000	2	HAMPDEN	19	9,500	B	9,500	19	MERRIMAC	9	4,500		4,500	9

4 Division of Local Services

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CITY & TOWN June 1993

MUNICIPALITY	Number Abated	Tax Abated	Clause Adopted	State Reimbursement	Basis of Reimbursement	MUNICIPALITY	Number Abated	Tax Abated	Clause Adopted	State Reimbursement	Basis of Reimbursement	MUNICIPALITY	Number Abated	Tax Abated	Clause Adopted	State Reimbursement	Basis of Reimbursement
METHUEN	432	211,000	C	104,000	389	PRINCETON	10	3,000	B	4,500	9	TYNGSBOROUGH	38	19,000	C	16,500	33
MIDDLEBOROUGH	222	110,463	C	75,500	151	PROVINCETOWN	64	32,000	C	24,000	46	TYRINGHAM	4	1,700	C	500	1
MIDDLEFIELD	4	2,000	C	2,000	4	QUINCY	542	278,000	B	281,000	562	UPTON	25	12,500	C	12,500	25
MIDDLETON	26	13,000	C	13,500	23	RANDOLPH	239	119,500	C	90,000	180	UXBRIDGE	60	29,550	C	26,000	52
MILFORD	165	82,500	C	72,500	143	RAYNHAM	51	25,000	C	25,000	50	WAKEFIELD	207	103,500	C	103,500	207
MILLBURY	128	64,800	C	47,600	94	READING	127	62,750	C	63,500	127	WALES	6	4,000	B	4,000	6
MILLS	20	10,000	C	10,000	20	REHOBOTH	71	39,500	C	29,500	59	WALPOLE	51	25,500	C	25,500	51
MILLVILLE	20	10,000	B	9,500	19	REVERE	396	295,375	C	299,000	398	WALTHAM	53	45,600	B	46,500	93
MILTON	149	74,500	C	74,500	149	RICHMOND	3	2,500	C	1,000	2	WARE	57	44,600	C	30,000	60
MONROE					0	ROCHESTER	31	15,335	C	15,000	26	WAREHAM	200	101,000	C	84,500	169
MONSON	46	22,750	B	23,000	46	ROCKLAND	97	49,500	C	49,500	99	WARREN	45	22,450	C	15,500	31
MONTAGUE	14	21,560	B	22,000	44	ROCKPORT	27	13,250	C	13,500	27	WARWICK	12	6,000	B	5,500	11
MONTREY	1	500	C	500	1	ROWE	0				0	WASHINGTON	2	1,000	C	1,000	2
MONTGOMERY	4	2,000	B	2,000	4	ROWLEY	29	10,000	C	6,000	12	WATERBURY	192	110,400	C	45,500	91
MT WASHINGTON					0	ROYALSTON	19	9,030	B	9,000	18	WAYLAND	35	17,500	C	10,500	21
NAHANT	18	19,000	C	13,600	30	RUSSELL	1	2,500	C	2,000	4	WEBSTER	272	131,701	C	132,500	265
NANTUCKET	13	6,500	C	4,500	13	RUTLAND	11	7,500	B	7,500	15	WELLESLEY	46	23,000	B	23,000	46
NATICK	175	87,500	C	80,500	161	SALEM	211	169,000	C	104,500	213	WELLFLEET	13	6,300	C	5,000	10
NEEDHAM	57	28,075	C	28,500	57	SALISBURY	21	14,000	C	14,000	31	WENDELL	7	3,400	C	2,800	5
NEW ASHFORD					0	SANDSFIELD	2	5,500	C	5,500	16	WENHAM	16	8,000	C	4,000	8
NEW BEDFORD	1,300	343,500	C	534,000	1,068	SANDWICH	30	17,000	C	17,000	34	W BOYLSTON	59	20,500	C	19,500	39
NEW BRAMBLE	3	1,600	C	1,500	3	SANDWICH	102	61,000	C	61,000	162	W BRIDGEWATER	61	30,500	C	28,500	51
NEW MARLBOROUGH	14	6,500	B	7,000	14	SAVOY	0	6,100	B	6,500	13	W BROOKFIELD	12	5,700	B	5,500	11
NEW SALEM	7	3,500	C	3,500	7	SCITUATE	17	43,500	C	43,500	17	W NEWBURY	15	7,500	C	7,500	15
NEWBURY	26	17,250	C	16,000	26	SEEKONK	14	57,000	C	57,000	114	W SPRINGFIELD	236	118,000	C	112,000	224
NEWBURYPORT	178	89,000	C	89,000	178	SHARON	27	21,400	C	7,500	15	W STOCKBRIDGE	11	5,500	B	5,500	11
NEWTON	291	144,500	C	134,000	266	SHEFFIELD	18	8,500	C	9,000	16	W TEBURY	4	2,500	C	2,000	4
NORFOLK	19	9,000	C	9,000	19	SHELBURNE	9	4,500	B	4,500	9	WESTBOROUGH	35	17,500	B	17,500	35
N ADAMS	208	104,270	C	104,000	208	SHERBORN	8	4,000	B	2,000	4	WESTFIELD	239	117,510	C	113,500	227
N ANDOVER	102	51,000	C	51,000	102	SHIRLEY	25	12,500	C	12,500	25	WESTFORD	59	29,200	C	29,500	59
NATTLEBOROUGH	60	34,500	C	23,000	46	SHREWSBURY	133	64,250	C	22,500	45	WESTHAMPTON	11	5,500	C	4,000	8
N BROOKFIELD	23	12,410	C	8,500	17	SHUTESBURY	6	4,000	C	4,000	29	WESTMINSTER	14,200	14,200	B	14,200	29
N READING	49	24,500	C	16,300	33	SOMERSET	527	203,170	C	68,000	176	WESTON	13	6,500	C	5,500	11
NORTHAMPTON	161	129,828	C	115,000	230	SOMERVILLE	543	164,523	C	171,000	342	WESTPORT	40	69,300	C	70,000	140
NORTHBOROUGH	48	12,500	C	12,500	25	SOUTH HADLEY	104	52,000	C	39,500	79	WESTWOOD	25	12,500	B	12,500	25
NORTHERIDGE	54	27,000	B	16,500	37	SOUTHAMPTON	49	24,000	C	14,400	29	WEYMOUTH	202	101,000	C	85,500	171
NORTHFIELD	29	14,500	C	14,500	29	SOUTHBOROUGH	17	13,500	C	13,500	27	WHATELY	8	4,000	C	2,500	5
NORTON	55	27,180	C	27,500	55	SOUTHBRIDGE	12	6,000	C	6,000	17	WHITMAN	81	40,500	C	33,000	66
NORWELL	37	18,500	C	11,500	31	SOUTHWICH	18	29,000	C	20,000	58	WILBRAHAM	53	26,500	B	25,500	51
NORWOOD	101	50,200	B	50,000	100	SPENCER	93	46,100	C	30,800	78	WILLIAMSBURG	26	13,000	C	13,000	26
OAK BLUFFS	46	29,525	C	23,000	46	SPRINGFIELD	460	304,966	B	305,000	610	WILLIAMSTOWN	25	12,500	C	12,500	25
GAIRHAM	9	4,300	C	4,300	9	STERLING	4	2,000	C	2,000	4	WILMINGTON	172	84,700	C	86,000	172
ORANGE	64	40,465	B	42,000	64	STOCKBRIDGE	8	4,000	C	4,000	8	WINCHENDON	66	32,800	C	33,000	57
ORLEANS	32	16,000	C	7,000	14	STONEHAM	229	114,500	C	114,500	229	WINCHESTER	54	27,000	C	27,000	34
OTIS	10	4,500	C	5,000	10	STOUGHTON	161	70,000	C	70,500	141	WINDSOR	2	1,000	C	1,000	2
OXFORD	130	65,000	C	39,000	70	STOW	0				0	WINTHROP	16	8,000	C	8,000	16
PALMER	107	53,191	C	43,500	87	STURBRIDGE	34	17,000	B	11,000	27	WOOLBURN	155	172,500	C	143,000	200
PAXTON	19	9,500	C	7,500	15	SUDBURY	26	12,700	C	13,000	26	WORCESTER	1,273	800,470	C	536,500	1,073
PEABODY	257	128,500	C	128,500	257	SUNDERLAND	30	5,000	C	5,000	10	WORTHINGTON	6	3,000	C	3,000	6
PELHAM	9	4,500	C	3,500	7	SUTTON	38	19,000	B	16,500	37	WRENTHAM	35	17,800	C	15,000	30
PEMBROKE	117	58,500	C	30,500	61	SWAMPSCOTT	42	31,000	C	29,000	36	YARMOUTH	221	110,800	C	102,000	204
PEPPERELL	34	17,000	C	16,000	32	SWANSEA	194	96,319	B	77,500	155						
PERU	4	2,000	C	2,000	4	TAUNTON	271	135,530	B	116,000	232	# of Clause 41	897	446,017		446,000	
PETERSHAM	4	2,000	B	2,000	4	TEMPLETON	81	35,383	C	40,500	81	# of Clause 41B	4,497	2,224,650		2,140,500	
PHILLISTON	6	2,750	B	3,600	6	TEWKSBURY	133	66,500	C	46,000	92	# of Clause 41C	27,607	14,923,559		12,209,500	
PITTSFIELD	242	115,888	B	121,000	242	TISBURY	28	13,562	C	14,000	28	STATE TOTALS	33,201	17,596,696		14,796,500	
PLAINFIELD	1	500	B	500	1	TOLLAND	1	500	B	500	1						
PLAINVILLE	16	8,000	C	8,000	16	TOPSFIELD	11	5,500	C	3,000	6						
PLYMOUTH	208	104,000	C	69,000	178	TOWNSEND	36	18,000	C	13,100	27						
PLYMPTON	13	6,500	C	3,500	11	TRURO	13	7,500	C	7,500	7						

Table 1

Elderly Exemptions

— continued from page two

resulting number is then multiplied by the reimbursable number of exemptions granted in each community to determine the total reimbursement for each community.

Payment to communities of the state reimbursement of elderly exemptions for a particular fiscal year cannot be calculated until all communities' tax rates are set, exemptions are granted by local boards of assessors and data is reported to the Department of Revenue on Form MDM-1.

Findings

In FY92, 38 of the reporting communities operated under Clause 41, 68 under Clause 41B and 239 under Clause 41C.

In FY92, 156 communities granted more Clause 41B or 41C exemptions than they granted when they were last under Clause 41. Therefore, these communities were reimbursed for the number of exemptions granted during the last year the community operated under Clause 41. One hundred and forty four communities granted fewer Clause 41B or 41C exemptions than the number of Clause 41 exemptions granted during the last year the community operated under Clause 41. Subsequently, these communities were reimbursed for the actual, lesser number of exemptions granted.

In FY92, 33,201 elderly exemptions were granted statewide for a total of \$17,596,696 in taxes abated. Of these exemptions granted, 29,597 qualified for a total state reimbursement of \$14,798,500.

FY92 was the first time the state was able to reimburse communities a full \$500 for each eligible exemption recipient, as the eligible number of recipients declined to slightly below 30,000. Because of the capping of the state reimbursement at the number of exemptions last granted under Clause 41, the state reimbursement was 84% of the actual amount of elderly exemptions granted. For example,

assume a community granted 14 Clause 41 exemptions in FY82 the last year in which Clause 41's were in effect for this community. Then, for FY92, the community granted 20 Clause 41C exemptions for a full \$500 each. Thus the total amount exempted was \$10,000. The community, however, would be reimbursed for 14 exemptions since the number reimbursed cannot exceed the number of exemptions granted under Clause 41 for the last year that Clause was in effect. Accordingly, the community's reimbursement for FY92 under the formula would be \$7,000.

Notes

Table 1 lists for FY92 — by community: number of exemptions abated, tax amount abated, clause adopted, state reimbursement and basis of reimbursement (statutory number used in reimbursement calculation). This data is derived from Form MDM-1 submitted by communities for FY92.

Some communities are reimbursed for an amount in excess of taxes abated. Certain communities may have abated taxes on property of low value for an actual abatement that was less than the \$500 amount allowed by law, due to the legal requirement that a taxpayer pay at least 10% of the total tax. Communities are reimbursed based on the number of reimbursable exemptions granted, not the dollar amount abated.

Some communities abate taxes to individual taxpayers in amounts greater than \$500 because of their adoption of optional additional property tax exemptions which, upon enactment, apply to all personal exemptions granted in that community. For more information, see Informational Guideline Release No. 89-207, Optional Additional Real Estate Exemptions For Those Qualified Under Section 5 of M.G.L. 59.

Resources

The Property Tax Bureau of the Division of Local Services has prepared the following Taxpayer's Guide to Real Estate Exemptions in Massachusetts brochures:

- *Elderly Persons* (Clauses 41, 41B and 41C)
- *Surviving Spouse, Minor Child, Elderly Person* (Clauses 17, 17C, 17C₂, 17D)
- *Blind Persons* (Clauses 37 and 37A)
- *Qualifying Veterans* (Clauses 22, 22A, 22B, 22C, 22D and 22E) and *Paraplegics*.

For a copy of these brochures, contact the Division of Local Services Public Information Officer, Elaine Lombardi at (617) 727-2300 Ext. 306. Please feel free to duplicate these brochures for your community's use.

If you have any questions about state reimbursement of exemptions, contact Kenya Ubeda at (617) 727-2300 Ext. 473 in the Municipal Data Management and Technical Assistance Bureau. ■

Data Bank Highlight

Report on Property Tax Trends Available

One of the Data Bank's most useful reports is "Property Tax Trends." Using budget information submitted on the Tax Rate Recapitulation Sheet, it shows a community's changes over the last six fiscal years in the following tables:

- Revenue components (levy, state aid, local receipts, other)
- Proposition 2½ levy limits, excess capacity and override capacity
- Assessed values by class
- Levies by class
- Tax rates by class.

The Municipal Data Bank is a clearinghouse for a wide variety of municipal financial and socio-economic data. This information can be obtained on printouts or diskettes (617) 727-2300 Ext. 476 as well as via computer modem on the On-Line Access System (617) 727-4401. There is no charge to public officials. ■



City of Cambridge

29.

IN CITY COUNCIL

June 28, 1993

COUNCILLOR WALSH

WHEREAS: In the June edition of "City and Town" in an article called "Focus," a copy of which is attached, a detailed examination of real estate tax exemption for people over 70 is discussed. Attached to the article is an analysis of certain cities and towns giving information as to the number of elderly who requested the exemptions. This record indicates that only 176 applied in Cambridge for benefits under Chapter 59, Section 5, Clause 41C; now therefore be it

ORDERED: That the City Manager be and hereby is requested to work with the Assessing Department to develop a better outreach program so that qualified elderly may be made aware of the various exemptions for which they may be eligible.

Sheehan Consent Order # 29, *CM-198*
Russell, Sullivan, Gomey, M. Davis
Councillor Walsh re: real estate tax
exemption for elderly.

In City Council,

June 28, 1993

Order adopted