

# **ARTICLE 6**

## **Establish Qualifications for Tax Deferrals**

# Two Parts to the Motion

- a. Raise FY2024 income limit from \$90,000 to \$96,000
  - Matches State's Senior Property Tax Circuit Breaker income limit for "Married, Filing Jointly"
- b. Match the Circuit Breaker "Married, Filing Jointly" income limit in subsequent years.

# Article 6 Motion

- a. That the maximum qualifying gross receipts amount for property tax deferrals under Clause 41A of Section 5 of Chapter 59 of the Massachusetts General Laws and Chapter 190 of the Acts of 2008 be raised to \$96,000, beginning in fiscal year 2024
- b. That beginning in fiscal year 2025, and any subsequent fiscal year, the maximum qualifying gross receipts amount for property tax deferrals under Clause 41A of Section 5 of Chapter 59 of the Massachusetts General Laws and Chapter 190 of the Acts of 2008, shall be equal to the qualifying income limit set for the Massachusetts Senior Circuit Breaker Tax Credit, for married couples filing a joint tax return, for the most recent income tax year.

# Objective, Fair, Streamlined

- **Deferral interest rate**
  - Already pegged to objective Federal Reserve Rate
- **Deferral Income threshold**
  - Match Circuit Breaker “Married Filing Jointly” threshold
  - Objective cost of living basis
  - Streamlined process
    - virtually unanimous Town Meeting support
  - Ensures that participants remain eligible

Year	Interest Rate	Number of Deferrals	Income Threshold	Average Amount Deferred	Total Amount Deferred	Total Tax Levy	Deferred as a % of Total Tax Levy	Remaining Amount Deferred	Percent Repaid
2001	8.00%	23	\$40,000	\$3,519	\$80,946	\$68,734,888	0.12%	\$0	100%
2002	8.00%	24	\$40,000	\$4,149	\$99,582	\$72,771,765	0.14%	\$0	100%
2003	8.00%	21	\$40,000	\$3,836	\$80,459	\$75,795,919	0.11%	\$0	100%
2004	8.00%	23	\$40,000	\$3,502	\$80,459	\$82,109,041	0.10%	\$0	100%
2005	8.00%	16	\$40,000	\$4,688	\$75,000	\$91,156,424	0.08%	\$0	100%
2006	8.00%	16	\$40,000	\$4,625	\$74,000	\$94,740,661	0.08%	\$0	100%
2007	4.77%	15	\$40,000	\$4,905	\$73,578	\$101,074,790	0.07%	\$4,703	94%
2008	4.92%	20	\$40,000	\$5,092	\$101,832	\$110,206,659	0.09%	\$5,021	95%
2009	1.66%	26	\$40,000	\$5,938	\$154,380	\$116,338,164	0.13%	\$11,753	92%
2010	0.68%	28	\$50,000	\$6,287	\$176,034	\$121,667,460	0.14%	\$26,216	85%
2011	0.34%	28	\$51,000	\$6,335	\$177,391	\$127,955,723	0.14%	\$30,983	83%
2012	0.26%	29	\$60,000	\$6,601	\$191,457	\$134,337,548	0.14%	\$60,898	68%
2013	0.18%	29	\$60,000	\$6,898	\$200,051	\$141,585,863	0.14%	\$57,872	71%
2014	0.15%	29	\$65,000	\$7,637	\$221,479	\$148,770,138	0.15%	\$80,512	64%
2015	0.12%	28	\$65,000	\$8,089	\$226,501	\$155,635,871	0.15%	\$101,884	55%
2016	0.25%	43	\$65,000	\$8,524	\$372,410	\$163,074,847	0.23%	\$175,333	53%
2017	0.66%	41	\$70,000	\$9,094	\$372,859	\$170,196,002	0.22%	\$177,913	52%
2018	0.82%	42	\$70,000	\$9,569	\$401,897	\$177,624,815	0.23%	\$259,350	35%
2019	1.96%	40	\$70,000	\$10,046	\$401,850	\$186,201,054	0.22%	\$288,595	28%
2020	2.55%	41	\$75,000	\$10,915	\$447,511	\$195,949,768	0.23%	\$359,928	20%
2021	1.41%	53	\$90,000	\$10,508	\$575,129	\$207,014,709	0.28%	\$432,049	25%
2022	0.08%	53	\$90,000	\$11,074	\$586,955	\$218,176,732	0.27%	\$528,359	10%
Total Current Deferrals								\$2,601,370	