



Town of Lexington Annual Town Meeting 2023

Article 6: Establish Qualifications for Tax Deferrals

Presenter: Doug Lucente

Under state law, qualifying property owners who are age 65 or older can choose to annually defer their property tax until their home is sold or the owner passes away without a surviving spouse. This article seeks to raise the income threshold for participation in this program from \$90,000 to \$96,000 in fiscal year 2024. This change is authorized by home rule legislation, which was endorsed by Town Meeting in 2007 and signed into law in July 2008.

The Town closely monitors participation in the deferral program, and historically, the number of participating households has not change substantially with increases in income limits. Given this historical trend, the Select Board also supports adjusting future income limits to be equal to the qualifying income limit for the Massachusetts Senior Circuit Breaker Tax Credit which may be adjusted annually.

The second part of this article would, beginning in FY2025, set the maximum qualifying gross receipts amount for property tax deferrals to 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.

The Select Board unanimously support the passage of Article 6.