

## The Commonwealth of Massachusetts

Name of City or Town

Assessors' Use only

Date Received

Application No.

Parcel Id.

**SENIORS 65 AND OLDER**  
**FISCAL YEAR \_\_\_\_\_ APPLICATION FOR PROPERTY TAX DEFERRAL**  
**General Laws Chapter 59, § 5, CLAUSE 41A**

THIS APPLICATION IS NOT OPEN TO PUBLIC INSPECTION  
 (See General Laws Chapter 59, § 60)

**Return to: Board of Assessors**

Must be filed with assessors on or before April 1, or 3 months after actual (not preliminary) tax bills are mailed for fiscal year if later. Tax Deferral and Recovery Agreement (Form 97-1) must accompany application unless already on file and persons with interest in property remain the same.

**INSTRUCTIONS:** Complete all sections fully. Please print or type.

**A. IDENTIFICATION.**

Name of Applicant: \_\_\_\_\_

Marital Status: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Date of birth: \_\_\_\_\_

Legal residence (domicile) on July 1, \_\_\_\_\_

If first year of application, attach copy of birth certificate.

 No. Street \_\_\_\_\_ City/Town \_\_\_\_\_ Zip Code \_\_\_\_\_  
 Location of property: \_\_\_\_\_
Mailing address (if different): \_\_\_\_\_  
 No. of dwelling units: 1  2  3  4  Other: \_\_\_\_\_Did you own the property on July 1, \_\_\_\_\_ and for the prior 10 years? Yes  No 

If no, list the other properties you owned and/or occupied during the past 10 years.

Address: \_\_\_\_\_

Dates: \_\_\_\_\_

Owned:    
Occupied:  

Continue list on attachment in same format as necessary.

Have you been granted any exemption in any other city or town (MA or other) for this year? Yes  No 

If yes, name of city or town: \_\_\_\_\_ Amount exempted \$: \_\_\_\_\_

Amount of tax you are seeking to defer this year: \$: \_\_\_\_\_

**DISPOSITION OF APPLICATION (ASSESSORS' USE ONLY)**

Ownership: <input type="checkbox"/>	GRANTED: <input type="checkbox"/>	Assessed Tax: \$: _____
Occupancy: <input type="checkbox"/>	DENIED: <input type="checkbox"/>	Deferred Tax: \$: _____
Age: <input type="checkbox"/>	DEEMED DENIED: <input type="checkbox"/>	Adjusted Tax: \$: _____
Income: <input type="checkbox"/>		Board of Assessors
Date Voted/Deemed Denied: _____		
Certificate No.: _____		
Date Cert./Notice Sent: _____		
Date: _____		

FILING THIS FORM DOES NOT STAY THE COLLECTION OF YOUR TAXES

THIS FORM APPROVED BY THE COMMISSIONER OF REVENUE

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**B. PERSONS WITH INTEREST IN PROPERTY.**

Did you own the property on July 1, \_\_\_\_\_ as

Sole owner  Co-owner with spouse only  Co-owner with others?

Was there a mortgage on the property as of July 1, \_\_\_\_\_? Yes  No

If yes, amount due on mortgage \$ \_\_\_\_\_ Name of mortgagee(s) \_\_\_\_\_

Was the property subject to a life estate as of July 1, \_\_\_\_\_? Yes  No

If yes, name(s) of Remaindermen (person(s) receiving property after your death) \_\_\_\_\_

Was the property subject to a trust as of July 1, \_\_\_\_\_ Yes  No

If yes, please attach trust instrument including all schedules.

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**C. GROSS RECEIPTS FROM ALL SOURCES IN PRECEDING CALENDAR YEAR.** Copies of your federal and state income tax returns, and other documentation, may be requested to verify your income.

	Applicant & Spouse
Retirement Benefits (Social Security, Railroad, Federal, MA & Political Subdivisions).....	
Other Pensions and Retirement Allowances .....	
Wages, Salaries and other Compensation.....	
Net Profits from Business, Profession or Property Rental .....	
Interest and Dividends.....	
Other Receipts (Capital Gains, Public Assistance, etc.).....	
	TOTALS

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**D. SIGNATURE.** Sign here to complete the application.

This application has been prepared or examined by me. Under the pains and penalties of perjury, I declare that to the best of my knowledge and belief, this return and all accompanying documents and statements are true, correct and complete.

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Signature

Date

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If signed by agent, attach copy of written authorization to sign on behalf of taxpayer.

## **TAXPAYER INFORMATION ABOUT PROPERTY TAX DEFERRAL**

**SENIOR DEFERRAL.** You may be eligible to defer payment of all or a portion of the taxes assessed on property you own and occupy as your domicile if you meet certain age, ownership, residency and income qualifications, and enter into a tax deferral agreement with the board of assessors. If you also qualify for a personal exemption, you may defer all or a portion of the remaining taxes on the property.

**WHO MAY FILE AN APPLICATION.** You may file an application if as of July 1 you:

- Are 65 or older,
- Owned and occupied the property as your domicile,
- Owned and occupied any property in Massachusetts as your domicile for at least 5 years,
- Lived in Massachusetts for at least the prior 10 years, and
- Have an annual income not more than \$20,000 or a locally adopted income limit. Locally adopted income limits cannot be more than the income limit that applies under the "circuit breaker" state tax credit for single seniors who are not heads of households. Your board of assessors can tell you the limit that applies in your community.

**REPAYMENT.** Unlike an exemption, a tax deferral simply allows you to postpone payment of your taxes. If you qualify, you must enter into a tax deferral agreement that requires the deferred taxes along with interest to be paid in full (1) when the property is sold or transferred, (2) upon your death, or (3) upon the death of your surviving spouse if he or she qualifies for a deferral and enters into a new tax deferral agreement. Anyone having any legal interest in the property must also approve the tax deferral agreements.

Once you have entered into a tax deferral agreement, the assessors will record a statement at the Registry of Deeds. That statement continues the lien that already exists on your property by law to ensure the payment and collection of your taxes. Once the deferred taxes are repaid, the lien is released. However, if the deferred taxes are not repaid when due, your city or town will then be able to recover the amount by foreclosing on the lien in Land Court.

**INTEREST.** If you qualify for a deferral in subsequent years, you may defer taxes until the amount due, including accrued interest, equals 50% of your share of the full and fair cash value of the property. Interest at an annual rate of 8%, or a locally adopted lower rate, is charged on deferred taxes until the property is sold, your death, or the death of your surviving spouse if a new agreement has been entered into. Your board of assessors can tell you the rate that applies to the taxes deferred for each fiscal year. After the property is sold or your death, the annual interest rate increases to 16% until the deferred taxes are repaid.

**WHEN AND WHERE APPLICATION MUST BE FILED.** Your application must be filed with the assessors on or before April 1, or 3 months after the actual bills were mailed for the fiscal year, whichever is later. An application is filed when (1) received by the assessors on or before the filing deadline, or (2) mailed by United States mail, first class postage prepaid, to the proper address of the assessors, on or before the filing deadline, as shown by a postmark made by the United States Postal Service. **THIS DEADLINE CANNOT BE EXTENDED OR WAIVED BY THE ASSESSORS FOR ANY REASON. IF YOUR APPLICATION IS NOT TIMELY FILED, YOU LOSE ALL RIGHTS TO AN EXEMPTION AND THE ASSESSORS CANNOT BY LAW GRANT YOU ONE.**

**PAYMENT OF TAX.** Filing an application does not stay the collection of your taxes. In some cases, you must pay all preliminary and actual installments of the tax when due to appeal the assessors' disposition of your application. Failure to pay the tax when due may also subject you to interest charges and collection action. To avoid any loss of rights or additional charges, you should pay the tax as assessed. If a deferral is granted and you have already paid the entire year's tax as deferred, you will receive a refund of any overpayment.

**ASSESSORS DISPOSITION.** Upon applying for a deferral, you may be required to provide the assessors with further information and supporting documentation to establish your eligibility. The assessors have 3 months from the date your application is filed to act on it unless you agree in writing before that period expires to extend it for a specific time. If the assessors do not act on your application within the original or extended period, it is deemed denied. You will be notified in writing whether a deferral has been granted or denied.

**APPEAL.** You may appeal the disposition of your application to the Appellate Tax Board, or if applicable, the County Commissioners. The appeal must be filed within 3 months of the date the assessors acted on your application, or the date your application was deemed denied, whichever is applicable. The disposition notice will provide you with further information about the appeal procedure and deadline.

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THE COMMONWEALTH OF MASSACHUSETTS

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Name of city or town

**Tax Deferral and Recovery Agreement**

This Agreement is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
by and between the Board of Assessors (the "Assessors") of the City/Town of \_\_\_\_\_  
acting on behalf of the city/town and \_\_\_\_\_ (the "Owner").

**WITNESSETH**

WHEREAS, General Laws Chapter 59, Section 5, Clause 41A allows qualifying property owners to defer payment of local property taxes if they enter into a tax deferral and recovery agreement with the Board of Assessors acting on behalf of the city or town; and

WHEREAS, the Owner seeks to defer payment of local property taxes on the real property described below beginning in fiscal year \_\_\_\_\_:

**DESCRIPTION OF PROPERTY**

(The description must be sufficiently accurate to identify the property. In the case of registered land, the certificate of the title number and the registry volume and page must be given.)

NOW THEREFORE, in consideration of the granting of a property tax deferral by the Assessors, the Assessors and the Owner agree as follows:

1. The Owner will not sell or transfer the property described above unless all taxes deferred have been paid together with interest at the rate set forth in General Laws Chapter 59, Section 5, Clause 41A, or a lesser rate adopted locally in accordance with General Laws Chapter 59, Section 5, Clause 41A or applicable special act.
2. The total amount of the deferred taxes, plus interest, will at no time be more than fifty percent of the Owner's proportionate share of the full and fair cash value of the property.
3. Upon the Owner's death, the heirs-at-law, assignees or devisees will have first priority to the property by paying in full the total amount of deferred taxes, plus interest, unless the heir-at-law, assignee or devisee is a surviving spouse who qualifies for a deferral and enters into a new tax deferral and recovery agreement under General Laws Chapter 59, Section 5, Clause 41A. If so, the deferred taxes and interest due will be added to any additional taxes that are deferred under the new agreement signed by the surviving spouse. The total amount of deferred taxes, plus interest, subject to the fifty percent limitation in Paragraph 2 will include all taxes deferred, plus interest, under both this agreement and the new agreement signed by the surviving spouse.
4. The Assessors will record a statement at the Registry of Deeds making the deferred taxes, plus interest, a lien on the property. The amount of the recording fee, if any, will be added to and become part of the deferred taxes. If the deferred taxes, plus interest, are not paid as provided in this agreement, the interest rate set forth in General Laws Chapter 60, Section 62 will apply from the date the property was sold or the Owner died, whichever is applicable, and recovery of the amount owed will be enforced as provided by law.
5. Every other person with any legal interest in the property has given written approval for this agreement. That approval is attached as Schedule A, which is made a part of this agreement.

IN WITNESS WHEREOF, the Owner and Assessors have signed this agreement on the date first written above.

Witness

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Owner

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Owner

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Owner

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Board of Assessors of

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#### SCHEDULE A APPROVAL

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Date

The following persons having a legal interest in the property described above hereby approve the execution of this tax deferral and recovery agreement.

Witness

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Person

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The Commonwealth of Massachusetts

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ss.

On this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me, the undersigned notary public, personally appeared  
\_\_\_\_\_  
(Owners) \_\_\_\_\_ (Approvers),  
and \_\_\_\_\_ as Board of Assessors for the city/town of  
\_\_\_\_\_  
, proved to me through satisfactory evidence of identification, which were  
\_\_\_\_\_  
to be the persons whose names are signed on the preceding document in my  
presence, and acknowledged to me that they signed it voluntarily for its stated purpose.

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Notary Public

My commission expires \_\_\_\_\_

# TAXPAYER'S GUIDE TO LOCAL PROPERTY TAX DEFERRALS

## SENIORS

### Clause 41A

The Department of Revenue (DOR) has created this fact sheet to provide general information about local property tax deferrals for seniors. **It is not designed to address all questions or issues and does not change any provision of the Massachusetts General Laws. To find out about the specific eligibility and application requirements in your city or town, you must contact your local board of assessors.** The DOR cannot determine your eligibility or give you legal advice. Property taxes are assessed and collected by cities and towns, not by the DOR. Under state law, only your board of assessors, as the local tax administrator, can decide whether you qualify for a deferral. If you disagree with its decision, you may appeal to the state Appellate Tax Board (or county commissioners if your county's government has not been abolished).

#### INTRODUCTION

Cities and towns may give property tax exemptions to some individuals as defined by state law. An exemption discharges the taxpayer from the legal obligation to pay all or a part of the tax assessed for the fiscal year. Exemptions are found in various clauses of Massachusetts General Laws Chapter 59, Section 5 ([M.G.L. c. 59, § 5](#)).

Under Clause 41A, seniors may also be able to **delay payment** of their property taxes. A property tax deferral does not discharge the tax obligation like an exemption. Instead, it defers payment until the senior sells the property or passes away. A deferral allows seniors to use resources that would go to pay taxes to defray living expenses instead. Taxpayers who qualify for personal exemptions under other clauses in M.G.L. c. 59, § 5 (for example, for seniors, disabled veterans, blind persons or surviving spouses) may defer all or part of the balance of their reduced taxes.

If you qualify, you must enter into a written tax deferral and recovery agreement with the local assessors. The assessors will record a statement at the Registry of Deeds to continue the lien that exists on your property by law to secure payment of the deferred taxes. Joint owners, remaindermen and mortgagees must give prior written approval.

<b>APPLICATIONS</b>	You must file an application for each fiscal year with the assessors in the city or town where your property is located. The application is due on April 1, or three months after the actual tax bills are mailed, whichever is later. <b><i>Filing on time is required.</i></b> <b><i>By law, the assessors may not waive this filing deadline, nor act on a late application, for any reason.</i></b> Filing an application does not entitle you to delay your tax payment.
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<b>DOCUMENTATION</b>	You must provide the assessors with whatever information is reasonably required to establish eligibility. This information may include, but is not limited to: <ol style="list-style-type: none"> <li>1. Birth certificates.</li> <li>2. Evidence of ownership, domicile and occupancy.</li> <li>3. Income tax returns.</li> </ol>
<b>ELIGIBILITY REQUIREMENTS</b>	You must satisfy tests relating to age, domicile, ownership, occupancy and annual income. <b>You must meet <u>all</u> eligibility requirements as of July 1 of the tax year.</b> ( <i>The fiscal year of cities and towns begins July 1 and ends the following June 30.</i> ) <b>If you do not meet all requirements as of July 1, you <u>cannot</u> defer all or any portion of your taxes for that tax year.</b>
<b>AGE</b>	You must be 65 or older.
<b>DOMICILE</b>	You must have had a domicile in Massachusetts for at least 10 consecutive years before the tax year begins. You must also be domiciled in the property. Your domicile is where your principal and legal home is located, your family, social, civic and economic life is centered and you plan to return whenever you are away. You may have more than one residence, but only one domicile.
<b>OWNERSHIP AND OCCUPANCY</b>	You must have owned and occupied the property, or other real property in Massachusetts, as a domicile for at least 5 years. The years do not have to be consecutive or at the same location. <ol style="list-style-type: none"> <li>1. You may own the property solely, as a joint owner or as a tenant in common.</li> <li>2. If you hold a life estate in the domicile, you are the owner.</li> <li>3. If your domicile is held in a trust, you are the owner only if:               <ol style="list-style-type: none"> <li>a. You are a trustee or co-trustee of that trust, <b>and</b></li> <li>b. You have a sufficient beneficial interest in the domicile.</li> </ol> </li> </ol>
<b>INCOME LIMITS</b>	Your income (gross receipts) for the previous calendar year cannot exceed \$20,000. If you are married, the combined gross receipts of you and your spouse cannot exceed \$20,000. The gross receipts limit may be increased up to the income limit allowed for the "circuit breaker" state income tax credit for single non-head of household filers, by vote of the legislative body of your city or town. <p><b>Gross receipts means income from <u>all</u> sources and is broader than taxable income for federal or state income tax purposes.</b> Ordinary business expenses and losses are deducted but not personal or family expenses.</p>

<b>DEFERRAL AMOUNT</b>	<p>You may defer payment of all or a part of the taxes owed each year so long as (1) you continue to qualify, <u>and</u> (2) the cumulative deferred taxes and accrued interest are not more than 50% of your proportional ownership share of the fair cash value of the property. For example, if you are a joint owner with one other person, the total amount deferred cannot be more than 25% of the property's value.</p> <p>If you own the property with someone who is not your spouse, the amount you may defer annually is also limited to your proportional ownership share of the year's tax.</p> <p>Interest on deferred taxes accrues at 8%, or a lower rate voted by the legislative body of your city or town before July 1 of the tax year.</p>
<b>SURVIVING SPOUSE</b>	<p>Your surviving spouse who qualifies may continue to defer taxes but must enter into a new deferral and recovery agreement. Surviving spouses who inherit a property must have occupied it, or other real property in Massachusetts, as a domicile for at least 5 years. Any additional taxes plus interest deferred by your surviving spouse, plus the amounts previously deferred and unpaid, cannot be more than 50% of the spouse's proportional ownership share of the fair cash value of the property.</p>
<b>PAYMENT</b>	<p>The payment of deferred taxes and accrued interest <b>is due when the property is sold or you pass away</b>, unless your surviving spouse continues to defer. As of that date, the interest rate goes up to 16%. If 6 months later, the deferred amount has not been paid, the treasurer may petition the Land Court to foreclose the lien on the property.</p>

<b>APPEALS</b>	
<b>Appellate Tax Board</b>	<p>The Appellate Tax Board (ATB) is an independent, quasi-judicial state board that hears taxpayer appeals from local assessors' decisions on property tax abatements and exemptions. If county government has not been abolished, appeals may be made to the county commissioners instead, but assessors may and usually do transfer those appeals to the ATB. ATB decisions may be appealed to the Appeals Court and, ultimately, to the Supreme Judicial Court.</p> <p>You can obtain the ATB's <a href="#">guide</a> to the property tax appeal process from its website (<a href="http://www.mass.gov/atb">www.mass.gov/atb</a>) or by calling 617-727-3100.</p>

<b>Appeal of Action of Assessors</b>	<p>You have three months from the date of the assessors' decision on your deferral application to appeal to the ATB. <b>This includes decisions to deny a deferral or to grant a deferral of a lesser benefit.</b> If the application was deemed denied, your appeal must be filed within three months of the deemed denied date. As a general rule, if the real estate tax on your domicile is over \$5,000, you must also have paid all preliminary and actual tax installments on time for the ATB to hear your appeal.</p> <p>The assessors may grant the deferral or higher deferral in final settlement of your application during the three month period for filing an appeal. In that case, you do not have to have filed an appeal with the ATB. However, if a settlement is not reached and a deferral not granted during that period, you must have filed your appeal by the deadline. If not, the ATB cannot hear the appeal.</p>
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ASSESSMENT AND DEFERRAL CALENDAR	
<b>January 1</b>	Property Tax Assessment and Lien Date for Next Fiscal Year
<b>July 1</b>	Fiscal Year Begins Real Estate Deferral Eligibility Date for Fiscal Year
<b>October - December</b>	Actual Tax Bills Mailed for Fiscal Year
<b>November 1 (Semi-annual Payment Communities)</b> <b>February 1 (Quarterly Payment Communities)</b>	1 <sup>st</sup> Actual Tax Installment Payment Due <sup>1</sup>
<b>April 1, or 3 Calendar Months from Mailing of Actual Tax Bill if later</b>	Deferral Applications to Assessors Due <sup>2</sup>

<sup>1</sup> Contact your assessors. The due date depends on the payment system used in your community and the date actual tax bills were mailed for fiscal year.

<sup>2</sup> Some assessors may accept applications before actual tax bills are mailed. If not, or your application is not approved, you must apply by this deadline to claim the deferral.

<b>3 Calendar Months from Filing of Application (or Date of Written Extension Given by Taxpayer)</b>	Assessors Grant or Deny Deferral Application Deemed Denied if Assessors Have Not Acted
<b>3 Calendar Months from Assessors' Action on Application, or Deemed Denial of Application</b>	Appeal to ATB Due