

# **Town of West Boylston**

## **Real Estate Property Tax Statutory Exemptions & Related Benefits Fiscal Year 2018**

**September 2017**

# STATUTORY EXEMPTIONS

- Seniors/ Surviving Spouses/ Minor Children (of deceased parents)
  - Clause 17, 17C, 17C ½, 17D
- Veterans
  - Clauses 22, 22A, 22B, 22C, 22D, 22E, 22EP
- Legally Blind Persons
  - Clause 37A
- Seniors
  - Clauses 41A, 41B, 41C, 41C ½

# BENEFITS SPECIFIC TO VETERANS

- Chapter 115 Benefits
- Tax-Free State Annuity (for 100% disabled Vets)
- Registry of Motor Vehicle Options
  - Special Military and Veteran License Plates
  - Veteran / Disabled Veteran License Plates
    - Exemption from Excise Tax
    - Exemption from Registration Fees
    - Exemption from Drivers License Fees
    - Exemption from paying Sales Tax on a new vehicle purchase
- Burial Assistance
- Replacement of Military Records and Medals

# CHAPTER 115 BENEFITS

- This is Massachusetts Benefit – not the Federal Veterans Administration
- Income-sensitive in order to qualify
  - Reimbursement of Medical expenses, including ....
    - Medicare “B” deductions
    - Supplemental Insurance Premiums (BC/BS, Tufts, etc. ....
    - Heating Oil or Gas
    - Partial Reimbursement of dental expenses, hearing aids and vision care
- Available to Veterans, Widows and Families
  - Veterans must be honorably discharged
- Benefits are State and Federal **Tax Free**
- Financial Burial Assistance available in certain circumstances

# PROPERTY TAX EXEMPTIONS FOR VETERANS

Clause Number	Annual Exemption	Condition
22	\$400	Veterans who have a service-connected disability of 10% or more; spouses or surviving spouses of qualified Veterans.
22A	\$750	Veterans who suffered the loss of one foot, one hand or one eye in the line of duty; or who were awarded the Medal of Honor or the Service Cross of their service; or to the surviving spouse of the qualified Veteran
22B	\$1,250	Veterans who suffered, in the line of duty, the loss of both feet, both hands or both eyes; or to the surviving spouse of the qualified Veteran
22C	\$1,500	Veterans who suffered “total disability” the line of duty and who received assistance in acquiring specially adapted housing which they own and occupy. This will also apply to spouses of the qualified Veteran
22D	Full – 100%	Surviving spouses (who have never remarried) of Veterans who died of a combat injury (or who have been declared MIA or presumed KIA) or who died as a direct result of one or more of the VA-recognized disabilities. The surviving spouse must have lived in West Boylston for 5 years.
22E	\$1,000	Veterans who have a service-connected disability of 100%; spouses or surviving spouses of qualified Veterans.
22EP	Full – 100%	Veterans who are paraplegics; surviving spouses of qualified Veterans.

**These exemptions must be approved by the Assessor’s Office**

# VETERAN'S TAX-FREE ANNUITY

- Awarded to 100% disabled Vets
  - Widow can receive if Vet dies first
- Paid as \$1,000 in February and \$1,000 in August
  - When application is approved, annuity is paid by the Department of Veterans' Services (the State agency; NOT the federal agency, the VA)
- Benefit is exempted from BOTH Federal and State Tax reporting

# REGISTRY OF MOTOR VEHICLES OPTIONS FOR VETERANS

- Special Military and Veteran license plates
  - Plates recognizing the award of certain medals (both auto and/or motorcycle)
    - MOH, USAF/USN/USA Cross, Silver Star, DFC, Bronze Star, Legion of Valor – **No Annual Registration Fee**
    - Gold Star Family, Ex-POW, Purple Heart, Veteran – There will be an annual registration fee
- Disabled Vet (DV) Plate – Must be at least 60% VA Disabled; need medical certification as well
  - Certain physical disabilities must be certified
- ✓ Exemption from Excise Tax – Must be a disabled Vet and qualify for a DV Plate (only 1 vehicle)
- ✓ Exemption from Registration Fee – Must qualify for DV Plate (one vehicle only)
- ✓ Exemption from Drivers License Fees – Must qualify for DV Plate (even if not used)
- ✓ Exemption from Sales Tax – Must qualify for DV Plate even if not used

# REPLACEMENT OF MILITARY RECORDS & MEDALS

- Military Records
  - Can include DD-214 and/or whole medical jacket and/or medical jacket
    - DD-214 in 8 weeks
    - Whole file in 8 months
- Military Medals
  - The Military Archives will grant one free replacement of each of the awards and decorations shown on the DD-214
  - Or... you can purchase awards and decorations from the commercial market



# SENIORS/ SURVIVING SPOUSES/ MINOR CHILDREN ... CLAUSE 17D

- Exemption Amount      \$313/year
- Age & Status
  - Age 70 by July 1 – Senior
  - < 18 years to be a Minor Child
  - Married to decedent at the time of his/her death and have never remarried, to be Surviving Spouse
- Domicile
  - 5 years minimum
- Requirements
  - Assets may **not** exceed \$61,840 – (Value of domicile including up to 3 unit dwelling is exempt)
    - Assets include bank accounts, checking accounts, stocks, bonds IRAs, savings certificates, motor vehicles, boats, real estate, etc.
- Community Preservation Act Tax will be automatically waived

*Annually, Consumer Price Index (CPI) adjustments will be made to exemption amount and asset maximum*

# LEGALLY BLIND PERSONS

## CLAUSE 37A

- Exemption Amount      \$500/year
- Requirements – Registered with the Division of the Blind
  - Certificate must be provided yearly
  - July 1 qualification date
- If recipient of exemption is listed on vehicle registration (RMV)
  - Exemption from Motor Vehicle Excise Tax
  - Bill will be generated; please call Assessor's Office to have tax fully abated

# SENIORS

## CLAUSE 41A

- Deferral Amount Up to Full Tax
- Age & Status
  - 65 years or older
- Domicile
  - 5 years minimum
- Requirements
  - Income (Gross receipts) cannot exceed \$20,000 (if married, combined income)
  - You may own the property solely, as a joint owner or as a tenant in common
  - If you hold a life estate in the domicile, you are the owner
  - If your domicile is held in trust, you are owner only if:
    - You are a trustee or co-trustee of that trust **and**
    - You have a sufficient beneficial interest in the domicile
- Deferral Amount
  - All of part of the taxes owed each year as long as
    - You continue to qualify **and**
    - The cumulative deferred taxes and accrued interest are not more than 50 % of you ownership share
- Payment
  - Taxes are deferred with simple interest at 8% as a lien on the property until the property owner passes away or the home is sold

# SENIORS CLAUSE 41C

- Exemption Amount        \$1,000/year
- Age
  - Age 70 by July 1 – Senior
- Domicile
  - 5 years minimum
  - Ownership interest must be worth at least \$4,000
  - If you hold a life estate, you are the owner
  - If held in a trust, you are a trustee/co-trustee
- Requirements
  - Income may not exceed \$20,125 (single) or \$23,225 (married)
    - Income includes wages, social security, pensions, interest, dividends, rents, etc.
  - Assets may **not** exceed \$43,290 (single) or \$46,380 (married)
    - Assets include bank accounts, checking accounts, stocks, bonds IRAs, savings certificates, motor vehicles, boats, real estate, etc.
- Community Preservation Act Tax will be automatically waived

*Annually, Consumer Price Index (CPI) adjustments will be made to income and asset maximums*

# MOTOR VEHICLE EXCISE TAX

## (Disabled and Blind Non-Veterans)

Vehicles owned and registered or leased by some disabled and blind individuals for their personal, non-business use are exempt from the motor vehicle excise. To qualify, a physician must certify that the individual:

- Actually lost both legs or both arms,
- Had a permanent loss of use of both legs or both arms, or
- Had permanent impairment of vision meeting certain specifications in both eyes.

The exemption is based on whether the individual meets these disability standards, not whether the person has or qualifies for a handicapped plate under RMV regulations.

An individual who qualifies and owns or leases more than one vehicle for personal, non-business use may have the exemption applied to the vehicle of choice.

# MISCELLANEOUS

- Once you receive a Statutory Exemption, you will be mailed the yearly application after July 1
- October 1 is the deadline for returned applications to appear on 3<sup>rd</sup> & 4<sup>th</sup> quarter tax bills
  - Applications will still be processed if returned before April 1
- Applications must be signed and proper documentation must accompany forms. Examples include federal tax returns, social security updates and bank statements
- Exemptions will be applied
  - January 1 – ½ of amount
  - April 1 – ½ amount
- Notification of approved exemptions will be mailed to each recipient at the end of December
- Community Preservation Act Tax Abatement applications are available at Assessors' Office – based on need; financial information is required
  - 17D & 41C – automatically waived

# CONTACTS

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