

# CLT's Proposition 2½

## What It Does . . .

### And Has Done For Taxpayers Since 1980

- Total municipal tax assessed upon real estate and personal property shall not exceed 2.5% of the full and fair cash valuation. [1]
- An annual increase assessed upon real estate and personal property shall not exceed 2.5% of the base amount from the previous fiscal year. [1]
- Provides provisions for overrides, underrides, and debt exclusions. [1]
- Reduced the annual auto excise (tax) by 62% — from \$66/\$1,000 of valuation to \$25/\$1,000 of valuation. [2]
- Provides renters with a 50% income tax deduction on rent paid for principal residences. [3]
- Removed school department fiscal autonomy; replaced it with only appropriations by the board of selectmen or city council.
- Barred unfunded state mandate costs imposed on municipalities.
- Created Division of Local Mandates administered by the state Auditor to evaluate such mandates, and to track local financial effects of our law. [4]
- Created legal means for municipalities and/or ten taxpayers to challenge unfunded state mandates with the Division of Local Mandates or in superior court.

#### *Footnotes:*

[1] — <https://malegislature.gov/Laws/GeneralLaws/PartI/TitleIX/Chapter59/Section21C>

[2] — <https://malegislature.gov/Laws/GeneralLaws/PartI/TitleIX/Chapter60a/Section1>

[3] — <https://malegislature.gov/Laws/GeneralLaws/PartI/TitleIX/Chapter62/Section3> (9)

[4] — <https://www.mass.gov/files/documents/2017/09/07/122016-thirty-fifth-anniversary-report-of-the-division-of-local-mandates.pdf>