

HOUSE No. 03375

The Commonwealth of Massachusetts

PRESENTED BY:

Cory Atkins

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act providing for local property tax relief.

PETITION OF:

NAME:

Cory Atkins

DISTRICT/ADDRESS:

14th Middlesex

HOUSE No. 03375

By Ms. Atkins of Concord, a petition (accompanied by bill, House, No. [BILL NUMBER]) of Cory Atkins for legislation to create a local option municipal income tax to provide property tax relief. Revenue.

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act providing for local property tax relief.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- 1 SECTION 1. (a) Notwithstanding the provisions of chapter 59 of the general laws, or any other
2 general law or special act to the contrary, the legislative body of a municipality may vote to
3 accept the provisions of this act to replace a portion of its residential real estate property tax by a
4 local income tax to be collected as a surcharge on the taxable personal income of residents of the
5 municipality. The adoption of a local option income tax and the amount of said surcharge shall
6 be voted by the legislative body of the city or town and approved at a municipal election by a
7 majority of those voting at the polls.
- 8 (b) The controls and limits on the property tax levy as established in chapter 59 of the General
9 Laws and the method of real estate property tax assessment as set forth in said chapter shall not
10 be changed as a consequence of local adoption of this option. The amount of income tax

11 received, as provided by this act, shall be used solely to reduce the residential property tax levy
12 and shall permanently adjust the residential property tax levy limit by an equivalent amount.

13 (c) The local income tax shall be collected by the department of revenue as a
14 surcharge on the taxable personal income of residents residing within the municipality. The
15 department of revenue shall provide space on the personal state income tax return for the
16 surcharge to be calculated and added to the total tax to be paid. The department of revenue shall
17 return the revenues collected from the surcharge to the appropriate municipality within the
18 quarter immediately following the calendar quarter of collection.

19 (d) The amount collected from said surcharge on residents of a municipality shall be
20 used solely to reduce the residential property tax levy in said municipality. All other categories
21 of real estate shall continue to pay the property tax as levied under existing law.

22 (e) If the implementation of such tax results in a surplus, such surplus shall reduce the residential
23 property tax levy for the succeeding fiscal year. If the implementation of such tax results in a
24 calculated shortfall, the amount of the shortfall shall be added to the residential property tax levy
25 for the succeeding fiscal year.

26 (f) The legislative body of the municipality may also vote to accept the
27 following exemption from the surcharge: residents of the municipality who qualify for low-
28 income housing or low or moderate income senior housing under state standards.

29 SECTION 2. This act shall take effect in any city or town upon the approval of the legislative
30 body, followed by acceptance by the voters at a municipal election pursuant to section 4 of
31 chapter 4 of the general laws.