

ALTERNATIVE PROPOSAL TO RESIDENTIAL PROPERTY TAX EXEMPTION

I am Anne Greenbaum, 22 Gospel Path, a Truro voter. Please place the documents I just submitted into the public record. I'm here to request 2 items be placed on agendas for future Selectmen's Meetings.

The first is an alternative proposal to the Selectmen's proposed Residential Property Tax Exemption. I and others here tonight were part of a meeting on July 17 in which we hand-delivered an alternative proposal and a chart to two Selectmen. The chart shows existing exemption opportunities and use of these exemptions by Truro residents last year. We subsequently realized that while we gave your colleagues enough copies for all of you, that might not be considered a formal submission for Selectmen's consideration. I want to ensure that the full Selectboard receives this material, now updated. This is what I requested be put into the Public Record.

The basics of the alternative proposal are simply that the Town ensures residents know about and can take advantage of all existing exemptions and that the Town adopts any additional property tax exemptions available under state law as local options. We believe the alternative proposal will give the same benefits to all our fulltime neighbors who seek tax relief in a way that will not divide our community: neighbor against neighbor; full time vs. part time residents.

I ask you and all our neighbors watching: Why not consider something that would accomplish the same goals? Surely there is no harm in the Board placing this alternative proposal on an agenda for discussion and consideration before making a decision on adoption of the proposed Residential Tax Exemption.

Secondly, it would be important for the community to have clarification on a key matter, and I request that this also be placed on a future Selectmen's meeting agenda. The Town's reasons for adopting this proposed Residential Tax Exemption are changing over time and have changed since your April discussion. Town officials first indicated that there are a number of full time residents for whom taxes are now an unaffordable burden, and who need tax relief and/or cash relief. Last week, a Selectman indicated there is no such need and that the reason is that part-time residents place a strain on the town. The Truro community would benefit from understanding the data about the extent of taxpayers' need and the nature and extent of the strains placed on the Town. In this way we can all be part of creating a better solution. We stand ready to work with the Town and our neighbors to understand the issue and move forward based on that shared understanding.

Thank you



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P.O. Box 324 · Truro, MA, 02666
tpрта@tpрта.org · www.tpрта.org

Truro Residential Property Tax Exemption - Proposed Alternatives

Truro has a longstanding practice and tradition of applying a single-rate tax system that has served our community well. We believe in and support keeping Truro one community. We endorse use of tax exemptions to ensure qualifying members of our community get these benefits provided these do not use methods that divide our community. We believe that the cost for all resources, services and benefits available to Truro property owners should be shared equally and on a common basis with all residential and commercial taxpayers, as it has always been done in Truro.

We are committed to working with our neighbors to ensure there is fair, equitable and respectful allocation of tax-based resources to all, including those who might otherwise not take advantage of the current property tax exemptions available through local and State options.

Using property tax exemptions available under state law **MGL Ch. 59, Sec 5**, we understand there are alternatives that can address the Town's previously stated reasons for considering the Residential Tax Exemption without creating any divide in our community between full-time and part-time neighbors:

- **Maximize the property tax exemptions available to Truro residents by adopting additional "local options" and expanding use of current local options:**
 - **Clause 41C ½** would give the same 20% exemption level proposed to anyone 65 or older using the State "circuit breaker" levels (an annual income of \$86K or less if filing jointly or \$71K if filing singly) regardless of value of their financial assets or property.
 - **Clause 18**, the assessor's discretionary authority to reduce or totally eliminate someone's property tax, could also be applied locally to give the same proposed 20% level of exemption to qualifying properties owned by persons under 65 with the same State-set "circuit breaker" income levels. This could be done immediately.
 - **Clause 5C ½** could double all existing exemptions.
 - Where appropriate, encourage use of **Clause 57**, an exemption available only through the State directly.
- **We could then explore replacing local discretionary use of Clause 18 by launching a home rule petition to extend the State's generous "circuit breaker" income parameters** to give any resident under the age of 65 the same benefits available through **Clause 41C ½**.
- **Recovering lost tax revenue**, including payment of past due and unpaid property taxes.
- **Working together to ensure that Truro residents are informed** about and can take advantage of all exemptions available to them by providing information on the extensive exemptions and how to apply for them.

Any reduction in tax receipts can be re-captured through State reimbursements and/or a local fund covered by CPA monies or the general budget. The impact should be minimal on tax rates and less than the proposed Residential Tax Exemption.



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SUMMARY OF EXISTING PROPERTY TAX EXEMPTIONS**

	Clause	Qualifications	Amount, cpi adjusted	PEOPLE USING	\$ USED LAST YEAR - TAX	\$ USED LAST YEAR - CPA	STATE REIMBURSE- MENT	SOME NEEDS BASE
LEGAL BLINDNESS	37A	Blind - Certificate from Cert from Mass Commision for the Blind	LOCAL OPTION \$500	3	\$1,500.00	\$45.00	Y \$87.50	N
HARDSHIP	18	Do not have the financial means to pay their taxes because (1) they were called into active military service, or (2) are older(70+) and have a physical or mental illness, disability or impairment	Any Amount- Up to Board of Assessors	0			none	Y
	18A Deferral	Persons who are having temporary financial difficulties and meet certain domiciliary requirements may receive a partial or full deferral. The taxpayer may be of any age and the financial hardship may be due to any number of reasons, including a change to active military status.		0			none	Y
	17D (over 65 by local option '03)	Whole estate limit at maximum with CPI adjustment since 04 and excludes up to 3 family house; unaccessible IRA and retirement plans , household effects, cars;	LOCAL OPTION \$240; CPI adjusted '03	2	\$488.82	\$14.68	full \$175 for last year clause 17 used	
	41A (deferral)	Deferral of all or part of tax for those 65 or older with maximum income & whole estate allowance as per local option		0				Y



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SENIOR	41C Local Option	Seniors who are at least 65 years old, meet certain ownership and domiciliary tests and whose annual gross receipts and whole estate are within certain limits Both income and asset limits at max values and CPI adj under local option vote '03	\$1,000, LOCAL OPTION voted 2003	12	\$12,000.00	\$360.00	Y \$500 per, up to # granted in last year Clause 41 used	Y
	57 (65 or older) renter or owner	Optional Senior Exemption - Massachusetts income tax credit or refund; caps as % of income;	Up to \$1070	no info-private to taxpayer			No loss to Town on Property Tax	Y middle income up to 86K household and 720K house value
	41K	Over 60, FT Resident, Homeowner & Resident of the property, work 46-91 hours over the year, only 1 property, preference for residents qualifying for clause 41C	Up to \$1,000 by LOCAL OPTION	15 slots per assessor; perhaps some part-time; COA says 23 using				
Senior 65 + by local option (Truro NOT adopted)	41C ½	Up to 20% of the average assessed valuation of residential property by local option	LOCAL OPTION ONLY					Y but not whole estate; circuit breaker income levels



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SURVIVOR spouse of any age &/or minor child	17D	Whole estate limit at maximum with CPI adjustment since 04 and excludes up to 3 family house; unaccessible IRA and retirement plans , household effects, cars;	LOCAL OPTION \$240; CPI adjusted '03	0			\$175	
HARDSHIP	42, 43	Died in the line of duty- Spouse	Full	0			None	N
AFFORDABLE HOUSING	Local Option Enacted	Exempts that part of property used for year round affordable housing	Up to 50% of tax; based on % of sq ft allocated to ADU of total	new				N
VETERAN Disability Level 1	22	Vet who has a service-connected disability of at least 10%; certain medals including purple heart , spouse if owner or surviving spouse	\$400	9	\$3,600.00	\$108.00	\$225	N
VETERAN Disability Level 2	22(a)	Vet with perm loss of hand, foot or eye, received certain medals; or spouse if owner or surviving spouse	\$750	0			\$575	N
Pre WWI	22	Veteran of certain pre- WWI conflicts	\$400	0			\$225	N
Parent of deceased	22	Parents of child killed while serving in battle or certain activities while in the armed services	\$1,000	0			\$225	N
VERTERANS Disabilities Level 3	22B	Veterans who suffered in the line of duty the loss or permanent loss of use of both feet, both hands or both eyes. 2. Spouse if owner or surviving spouse	\$1,250	0			\$1,075	N



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VETERANS Disabilities Level 4	22C	Veterans who suffered total disability in the line of duty and received assistance in acquiring specially adapted housing . Spouses if they own or survivors	\$1,500	0			\$1,325	N
Spouses (KIA or MIA)	22D	Surviving spouses (never remarried) of active duty military personnel (including National Guardsmen on active duty) who, on or after September 11, 2001, (1) were killed, or went missing in action and are presumed to have been killed, in a combat zone, or (2) died as a proximate result of injuries sustained or diseases contracted in a combat zone <i>In FY2018, surviving spouses (who have never remarried) of active duty military personnel (including National guardsmen on active duty) or veterans who (1) died as a proximate result of injuries sustained or diseases during active duty, or (2) are missing in action and presumed to have died</i>	Full	0			Exemption granted	N
Vets with Full Disability	22E	Veterans with 100% disability in the line of duty or spouses or surviving spouses	\$1,000	1	\$1,030		\$825	N
Vets Disabilities Level 5	22F	Paraplegic veterans, In FY2018, also includes veterans with 100% disability for service-connected blindness	Full	0			All but \$175 of exemption granted	N

 TRURO PART-TIME RESIDENT TAXPAYERS' ASSOCIATION		SUMMARY OF EXISTING PROPERTY TAX EXEMPTIONS**						
	Clause	Qualifications	Amount, cpi adjusted	PEOPLE USING	\$ USED LAST YEAR - TAX	\$ USED LAST YEAR - CPA	STATE REIMBURSE- MENT	SOME NEEDS BASE
NATIONAL GUARD	56	By local option, members of the Massachusetts National Guard and military reserves may qualify for an exemption of up to 100 percent of their real and personal property taxes. The exemption applies apply only in a fiscal year in which the guard member or reservist is deployed overseas.		0				N
Wind & Solar	47	Up to full exemption for 20 years of added value for properties primarlily powered by wind or solar	Not relevant as Truro does not charge on this added value					
TRURO TOTALS		FY2017 -CURRENT		27	\$18,618.82	\$527.68		
Applies to all exemptions (Truro NOT adopted)	5C1/2	Read as Local Option to double existing exemptions						
Residential (Truro NOT adopted)	Proposed/ PENDING	BOS determines percentage from 20% up to 35% of avearge assessed value of all residential properties; no cap other than 10% minimum tax	Percent reduction of property value set annually by BOS		All on deed must be residents; no proportional ownership		revenue neutral; tax shift onto portion of class	Not based on need; no ability to limit on benfitting part of class
NOTES	**	All can be combined unless resulting property tax is less than 10% of what would otherwise be the amount; Hardship and Certain Verteran's and Spouses of Verterans can have 100% abatement						