



RUTHANNE FULLER
MAYOR

City of Newton, Massachusetts
Office of the Mayor

#484-22
Telephone (617) 796-1100
Telefax (617) 796-1113
TDD (617) 796-1089
E-mail

rfuller@newtonma.gov

RECEIVED
OCT 17 PM 3:38
CLERK
NEWTON, MA 02459

Honorable City Council
Newton City Hall
1000 Commonwealth Avenue
Newton Centre, MA 02459

Councilors:

I respectfully write to request that your Honorable Council docket for consideration an amendment to City Ordinance Sec. 27-10 increasing the income limit for the local M.G.L. c. 59, sec. 5, cl. 41A tax deferral program for seniors.

Under Clause 41A, seniors may be able to delay payment of their property taxes. A property tax deferral does not discharge the tax obligation, 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 with the goal of enabling seniors on modest and oftentimes fixed incomes to stay in our city by delaying payment of real estate taxes. Taxpayers who qualify may defer all or part of their taxes.

Clause 41A sets an income limit for eligible participants for the deferral program. The income limit in the state statute is capped at \$40,000. In 2004, the City was granted Home Rule legislation increasing the income limit to \$60,000. In 2018, the City was granted additional Home Rule legislation to allow a new upset limit in an amount equal to the income cap set by M.G.L. c. 62, sec.6(k), which is commonly referred to as the senior citizen “circuit breaker” amount. The state evaluates and revises this income limit annually. In 2018, the circuit breaker amount was \$86,000. The circuit breaker amount has since been increased to \$93,000.

The actual income limit prescribed by the City is set forth in City Ordinance Sec. 27-10. In 2019, Sec. 27-10 was amended to set the income limit at the then maximum allowed, \$86,000. I am now requesting that the City ordinances be amended to increase the income limit to match the current maximum allowable circuit breaker amount of \$93,000. A redlined draft of the requested amendment is attached for your consideration.

Upon approval, the total gross income limit for the city Water and Sewer Discount Program will automatically be increased from \$86,000 to \$93,000.

Thank you for your consideration of this matter.

Sincerely,

Ruthanne Fuller
Mayor

Sec. 27-10. Income eligibility for clause 41A tax deferral program.

The maximum qualifying gross receipts amount for purposes of the tax deferral program authorized under clause 41A of section 5 of chapter 59 of the General Laws shall be ~~eighty-six thousand~~ninety-three thousand dollars (\$~~9386~~,000) for the fiscal year beginning July 1, 202318.

DRAFT