

Eligibility for Statutory Personal Exemptions Fiscal Year 2023

The various exemption options for Lynn taxpayers and specific eligibility requirements are outlined below. Please note that some additional conditions not listed may apply in some instances. Massachusetts General Law sets all the requirements listed and cannot be waived. The assessors require documentation necessary to establish eligibility.

General Requirements

- ◆ For all the exemptions listed below, the filing deadline is April 1, 2023.
- ◆ All applications must be completed on an approved form available from the Assessing Department.
- ◆ Unless otherwise noted, an applicant must own and be domiciled in the property as of July 1, 2022.
- ◆ If a person holds a life estate in a property, they are considered the owner for exemption purposes.
- ◆ If the title to the property is held in trust, the applicant must be both a trustee and have sufficient beneficial interest as of July 1, 2022, to qualify. For Veteran Exemptions, only sufficient beneficial interest is required.
- ◆ An applicant must meet all other pertinent qualifications as of July 1, 2022.

Seniors over 70 years of age

Clause 17D or 41C

Clause 17D – Exemption Amount: \$189 per year

Assets Limits: \$73,105

- ◆ Applicant must be 70 years of age as of July 1, 2022 (If married, only the applicant must be 70).
- ◆ Must have owned and occupied the property since at least July 1, 2017 (5 years).
- ◆ Excluding the property's value (if three units or less), the applicant's total estate as of July 1, 2022, cannot exceed \$73,105. Certain additional assets are also excluded. If the property has more than three units, part of the property's value will be included in the total estate, generally disqualifying the applicant.

Clause 41C – Exemption Amount: \$1,000 per year unless prorated for co-owners

Asset Limits: Married - \$54,829, Single - \$51,174

Income Limits: Married - \$35,545, Single - \$29,080

- ◆ The applicant must be 70 years of age as of July 1, 2022. (If married, only the applicant must be 70.)
- ◆ Must have owned real estate in Massachusetts for at least 5 years and have been a resident of Massachusetts since July 1, 2012 (10 years). Generally, the applicant must be the sole owner of the property or own it solely with his spouse to qualify.
 - (It is possible to receive a partial exemption if an owner is other than the spouse, but that person must meet the income and asset limits.)
- ◆ Excluding the property's value (if three units or less), the applicant's total estate as of July 1, 2022, cannot exceed \$54,829 if married or \$51,174 if single.
- ◆ Certain additional assets are also excluded. If the property has more than three units, part of the property's value will be included in the total estate, generally disqualifying the applicant. (Any owner that is not the spouse must also meet this limit.)
- ◆ Gross receipts (income) for calendar year 2021, cannot exceed \$35,545 if married, or \$29,080 if single. If not receiving income, these limits will be lower. (Any non-spouse owner must also meet this limit)

Widows, Widowers & Minors with a Deceased Parent (Clause 17D) - Exemption Amount: \$189 per year.

Assets Limits: \$73,105

- ◆ Applicant must be a widow, widower, or minor with a deceased parent as of July 1, 2022.
- ◆ Excluding the property's value (if three units or less), the applicant's total estate as of July 1, 2022, cannot exceed \$73,105.
- ◆ Certain additional assets are also excluded. If the property has more than three units, part of the property's value will be included in the total estate, generally disqualifying the applicant.

Senior Tax Deferral (Clause 41A) Exemption Amount: Taxes are deferred at 5% simple interest

- ◆ Applicant must be **65 years** of age as of July 1, 2022.
- ◆ Must have been a resident of Massachusetts since July 1, 2012 (10 years) and owned and been domiciled in the property or another property in Massachusetts for five years.
- ◆ If a surviving spouse, the ownership requirement does not apply provided he inherited the property and otherwise qualifies.
- ◆ Gross receipts (income) cannot exceed \$40,000 for the calendar year 2021.
- ◆ A qualified taxpayer can elect to defer all or any part of the tax for the fiscal year and is still eligible for property tax exemptions. Taxes are currently deferred at the rate of 5% simple interest.
- ◆ The taxpayer agrees with the City to repay the City with interest if he sells the property or to have his estate repay the City with interest upon his death.
- ◆ A lien is recorded to protect the City. Any joint owner or mortgagee must provide a written agreement to allow the deferral.

Disabled Veterans (Clauses 22, 22A, 22B, 22C, 22D, 22E, Paraplegic) Exemption Amount: \$400-full tax bill

There are various options too numerous to list here. In general, exemptions are available for any veteran, spouse, or surviving spouse when the veteran lived in Massachusetts at least six months before enlisting or has lived in Massachusetts since July 1, 2021 (or for the one year preceding his death if deceased) and

- A. Had the disability as of July 1, 2022, (or had at death) at least a 10% service-connected disability, or
- B. Died as a result of injury or disease suffered while on active duty.
- C. Awarded a Purple Heart, a Congressional Medal of Honor, or one of the service crosses, provided the applicant owns and is domiciled (along with the veteran if the applicant is a spouse) in the property.
For disabled veterans, the previous requirement that a disability incurred during war-time service has been removed.

Blind Persons (Clause 37A) Exemption Amount: \$500 per year

- ◆ Must provide a certificate from the Commission for the Blind establishing blindness as of July 1, 2022.
- ◆ In the first year only, a letter from a doctor establishing the applicant meets the state eligibility standard for blind status may be substituted.

Hardship Exemption & Deferral (Clauses 18 & 18A) Exemption Amount: Taxes are deferred at 5% simple interest

- ◆ For the exemption, a person must meet the requirement that he cannot meet his tax obligation due to age, infirmity, and financial hardship (all three are required to qualify.) If the taxpayer is over 65, the Board's policy is not to grant a hardship exemption if the person otherwise qualifies for deferral of his taxes. For the deferral, the property owner must be unable to meet his tax obligation due to financial hardship or due to his military status being changed to active duty (excluding original enlistment), provided such person has been domiciled in the commonwealth since July 1, 2012.
- ◆ There is no minimum age requirement. The assessors may allow deferral at a 5% simple interest rate of all or part of the taxes assessed for three consecutive years.
- ◆ The taxpayer agrees with the City to repay the taxes with interest if he sells the property or to have his estate repay the City with interest upon his death. A lien is recorded to protect the City. Any joint owner or mortgagee must provide a written agreement to allow the deferral.
- ◆ Any deferred taxes must be repaid with interest in five equal installments over five years, commencing two years after the final year taxes are deferred.

Please call the Assessing Department at 781-586-6702 or visit us in City Hall (Room 202) for additional information.

THE FILING DEADLINE IS APRIL 1, 2023