

update from the town Hall

A Biannual Newsletter to update the community on current events in town from your Town's Selectmen

www.hingham-ma.gov

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SPECIAL REAL ESTATE TAX EDITION

SELECTMEN CONSIDER RESIDENTIAL PROPERTY TAX EXEMPTION

SEEKING PROPERTY TAX RELIEF FOR CITIZENS OF MODEST MEANS

The residential property tax exemption is a local option for adjusting the impact of property taxes. Homeowners living in their primary residence would receive an exemption of an amount up to 20% of the average house value in Hingham. For example, in 2007, an exemption of 5% would have excluded \$33,329.55 from each homeowner's taxable value; the amount for a 20% exemption would have been \$133,318.

The total amount of tax levied remains the same; the levy is spread over the remaining tax base. Owners of lower-valued homes will pay less than they would without the exemption, and owners of higher-priced homes and commercial and industrial parcels would pay more than they would without the exemption.

Thirteen towns and cities in Massachusetts offer the residential exemption: Barnstable, Boston, Brookline, Cambridge, Chelsea, Malden, Marlborough, Nantucket, Somerset, Somerville, Tisbury, Waltham and Watertown.

WHY WOULD WE
CONSIDER ADOPTING

THE RESIDENTIAL EXEMPTION?

For years, the reliance on the property tax to fund town services has grown. Residents of modest means are finding it difficult to meet the tax demand and remain in Hingham. There has been a great deal of discussion about this over the years, but not many ideas about what to do.

In a year when we are contemplating asking for a large debt-exclusion override to fund the needs of our schools, the question will be asked again: what are we doing to make it easier for our less affluent citizens to meet this demand?

Our options are limited when it comes to adjusting the property tax burden. The state defines all the ways in which we may adjust the impact of the property tax, and we have implemented most of the options.

The residential exemption is one of the few tools we haven't yet considered for softening the tax demand on homeowners of modest means.

LOOKING FOR INPUT FROM CITIZENS

The Selectmen would like to hear from taxpayers about their thoughts on the residential tax exemption. Write to the Board of Selectmen at Town Hall, 210 Main Street, or use the email contact form at www.hingham-ma.com.



HELP WITH PROPERTY TAXES TAX EXEMPTIONS:

The Commonwealth allows towns and cities to offer some tax exemptions to certain classes of taxpayers. These are reductions in your tax bill for which you may qualify if you are:

- elderly: you may qualify if you are over 70, have resided in Massachusetts for the past ten years, and in your current home for five. Your gross income must be under \$20,000 if single and \$30,000 if married, and your assets may be no more than \$30,000 if single or \$55,000 if married.
- a veteran: you may qualify if you have certain war-connected disabilities, are a recipient of certain medals, or are the surviving spouse of a disabled veteran
- legally blind
- a surviving spouse or person over 70 with a personal estate of less than \$40,000. You must also meet certain residency requirements.
- experiencing severe hardship

Applications for exemptions are generally due in March. To learn if you are eligible and to get help in applying, contact the Assessor's Office at (781) 741-1455.

TAX DEFERRAL: Many retired homeowners feel "house-rich and income-poor". Property taxes can be a serious financial burden, which can even force the sale of a home. Hingham offers a tax deferral program; seniors may defer payment of up to 100% of annual property taxes. Deferred taxes accumulate with simple interest until the property changes hands due to sale or death of the owners, at which point taxes and interest come due.

You may be eligible if you are 65, have gross receipts less than \$40,000, and have lived in your home for five years. Contact the Assessor's Office for more information at (781) 741-1455.

TAX WORK-OFF PROGRAM: Hingham has adopted the state initiative called the Property Tax Work-Off Program, which permits older residents to reduce property taxes by up to \$500 per year by volunteering for the Town. Contact Elder Services for details at (781) 741-1458.

STATE INCOME TAX CREDIT ("CIRCUIT-BREAKER"): Taxpayers 65 or over may be eligible for a credit on their state income taxes if their income and home value fall within certain limits. Even renters may qualify for a credit! Ask your tax preparer for information, or call the Mass. Dept. of Revenue taxpayer help line at (800) 392-6089.

EXEMPTIONS FROM COMMUNITY PRESERVATION ACT (CPA) PROPERTY TAX SURCHARGE

In April, 2001, Hingham adopted the Community Preservation Act (CPA), which adds a 1.5% surcharge to your real estate tax bill. The surcharge funds open space acquisition and development, affordable housing, and historic preservation projects.

THERE ARE SEVERAL EXEMPTIONS FROM THE SURCHARGE:

- The first \$100,000 of your property's assessed value is exempt from the 1.5% surcharge. This exemption is for residential property only and is applied automatically.
- Qualified elderly families and qualified low-income families pay no surcharge. To qualify for these exemptions your income from all sources must be less than the amounts listed below and you must submit an application to the Assessors' office, including a copy of your most recent tax return, by March 31, 2008.

Family Members	Number of Elderly Income Limit	Low Income Limit
1	\$57,680	\$46,144
2	\$65,920	\$52,736
3	\$74,160	\$59,328
4	\$82,400	\$65,920
5	\$88,992	\$71,194



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Voluntary Check-off for Contribution to Local Funds

1. Real Estate Amount Now Due	\$ _____
2. Voluntary Contributions	
Scholarship	\$ _____
Education	\$ _____
Seniors / Disabled	\$ _____
Total Contribution	\$ _____
3. Total (add item 1 & 2)	\$ _____