



**TOWN OF WESTFORD
FINANCE DEPARTMENT**

TOWN HALL
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MEMORANDUM

To: Board of Selectmen
Jodi Ross, Town Manager

From: Dan O'Donnell, Finance Director

Subject: Article 8, MGL Ch 59, Section 5(41C) – Increase Property Tax Exemption
October 16, 2017 Special Town Meeting

Date: September 26, 2017

Members of the Board of Selectmen:

The Senior, Low-Income, and Disabled Tax Relief Committee (SLIDTR) recommended to the Board of Assessors and Board of Selectmen that the town adopt Massachusetts General Laws Chapter 59, Section 5(41C) to increase the statutory exemption amount by 100%. The Board of Assessors voted unanimously to support this article.

To qualify for this exemption, a married couple must earn less than \$41,001 in income and have less than \$75,483 in assets. A single person must earn less than \$27,333 and have less than \$54,897 in assets.

The statutory exemption for MGL 59, Section 5(41C) is \$500, which will be increased to \$1,000 if this article accepted at the October Special Town Meeting. However, since the Town adopted MGL Chapter 73, Section 4 of the Acts of 1986, as Amended by Chapter 126 of the Acts of 1988 Related to Property Tax Exemption Increase by 100% for the Blind, Elderly and Disabled Veterans under Article 17 at the March 25, 2017 Annual Town Meeting, the \$1,000 exemption would be doubled to \$2,000.

In FY17, thirty-seven (37) residents qualified for the 41C \$1,000 exemption at a total cost of \$37,000. We estimate that the exemptions would double to \$74,000 if the article is adopted. There should be sufficient funds in the allowance for abatements account to absorb this additional expense. The SLIDTR Committee has been active in reaching out to qualified residents so it is possible this amount could increase. However, the Municipal Modernization Act now allows the town to expend remaining overlay balances from previous fiscal years to fund any deficits.

Sincerely,

Dan O'Donnell
Finance Director