CLAUSE 41A – FY2022

Qualifications for Senior Tax Deferrals

INTRODUCTION

Under Clause 41A, seniors may be able to delay payment of their property tax. A property tax deferral does not discharge the tax obligation like an exemption. Instead, it defers payment until the senior sells the property or passes away.

If you qualify, you must enter into a written tax deferral and recovery agreement with Town. A lien will be recorded at the Worcester Registry of Deeds, the applicant must incur the $105 filing fee.

Joint owners, remaindermen and mortgagees must give prior written approval.

APPLICATION

Applications must be filed annually with the Assessor's by April 1, 2022.

ELIGIBILITY REQUIREMENTS

An individual must satisfy requirements relating to:
1. Age - must be 65 or older on July 1, 2021
2. Ownership, occupancy and domicile
3. Annual income

DOCUMENTATION

An applicant must provide to the Assessor's information to establish eligibility. This information may include, but is not limited to:

1. Birth certificate
2. Evidence of ownership, domicile and occupancy
3. Income tax returns

OWNERSHIP AND OCCUPANCY

You must have owned and occupied the property, or any other property in Massachusetts, for any 5 years. The years do not have to be consecutive or at the same location.

1. You many own the property solely, as a joint owner or as a tenant in common.
2. If you hold a life estate in the domicile, you are the owner.
3. If your domicile is held in a trust, you are the owner only if:
   a. You are a trustee or co-trustee of that trust, **and**
   b. You have a sufficient beneficial interest in the domicile.

DOMICILE

You must be domiciled in the property and have had a domicile in Massachusetts for at least 10 consecutive years before the tax year begins.

ASSET LIMITS

There are no asset limits.

INCOME LIMITS

Your income (gross receipts) for the previous calendar year cannot exceed $45,000. Gross receipts means income from all sources and is broader than taxable income for federal or state income tax purposes.