

Information for Taxpayers

Eligibility for Statutory Personal Exemptions Fiscal Year 2021

The various exemption options available for Beverly taxpayers, along with specific eligibility requirements, are outlined below. Please note that some additional requirements not listed may apply in some instances. The assessors require documentation necessary to establish eligibility. All the requirements listed are set by Massachusetts General Law and cannot be waived.

General Requirements

- ◆ For all the exemptions listed below, the filing deadline is April 1, 2021.
- ◆ All applications must be completed on an approved form available from the Assessor's Office.
- ◆ Unless otherwise noted, an applicant must own and be domiciled in the property as of July 1, 2020.
- ◆ If a person holds a life estate in a property, for exemption purposes, they are considered to be the owner.
- ◆ 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, 2020, to qualify. For Veteran Exemptions, only sufficient beneficial interest is required.
- ◆ An applicant must meet all other pertinent qualifications as of July 1, 2020.

Widows, Widowers & Minors with a Deceased Parent (Clause 17D) - Exemption Amount: \$189.56 per year

- ◆ Applicant must have status as a widow, widower, or minor with a deceased parent as of July 1, 2020.
- ◆ Excluding the property's value (if three units or less), the applicant's total estate as of July 1, 2020, cannot exceed \$43,327.
- ◆ Certain additional assets are also excluded. If the property has more than three units, or is part commercial, that part of the property's value will be included in the total estate, generally disqualifying the applicant.

Senior Exemptions: Seniors may qualify for Clause 17D (70+ yrs.) or 41C (65+ yrs.)

Clause 17D – Exemption Amount: **\$189.56 per year**

- ◆ Applicant must be 70 years of age as of July 1, 2020 (If married, only the applicant must be 70).
- ◆ Applicant must have owned and occupied the subject property since at least July 1, 2015 (5 years).
- ◆ Excluding the property's value (if 3 units or less), the applicant's total estate as of July 1, 2020, cannot exceed \$43,327. Certain other assets are also excluded. If the property has more than 3 units, or is part commercial, that 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**

- ◆ The applicant must be 65 years of age as of July 1, 2020. (If married, only the applicant must be 65.)
- ◆ Must have owned real estate in Massachusetts at some time for at least 5 years and have been a resident of Massachusetts since July 1, 2010 (10 years). Generally, the applicant must be the sole owner of the property or own it solely with his/her spouse to qualify. It is possible to receive a partial exemption if there is an owner other than the spouse, but that person must meet the income and asset limits.
- ◆ Excluding the property's value (if 3 units or less), the applicant's total estate as of July 1, 2020, cannot exceed \$55,000 if married, or \$40,000 if single. Any owner that is not the spouse must also meet this limit. Certain additional assets are also excluded. If the property has more than 3 units, or is part commercial, that part of the property's value will be included in the total estate, generally disqualifying the applicant.
- ◆ Gross receipts (income) for calendar year 2019, cannot exceed \$37,251 if married, or \$24,834 if single. If not receiving social security or pension income, these limits will be lower.

Disabled Veterans (Clauses 22, 22A, 22B, 22C, 22D, 22E, Paraplegic)

Exemption Amount: \$400 to 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, 2019, (or for the one year preceding his/her death if deceased) and

- A. had as of July 1, 2020, (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, or

C. was awarded a Purple Heart, a Congressional Medal of Honor, or one of the service crosses, provided that in each case that the applicant owns and is domiciled (along with the veteran if the applicant is a spouse of the veteran) in the property.

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, 2020.
- ◆ In the first year only, a letter from a doctor establishing the applicant meets the state eligibility standard for blind status may be substituted.

Senior Tax Deferral (Clause 41A) Taxes deferred at 8% simple interest

- ◆ Applicant must be 65 years of age as of July 1, 2020.
- ◆ Must have been a resident of Massachusetts since July 1, 2010 (10 years) and owned and been domiciled in the property or another property in Massachusetts for five years.
- ◆ If a surviving spouse, the ownership period requirement does not apply provided he/she inherited the property and otherwise qualifies.
- ◆ Gross receipts (income) cannot exceed \$40,000 for the calendar year 2019.
- ◆ A qualified taxpayer can elect to defer all or any part of his tax for the fiscal year and is still eligible for property tax exemptions. Taxes are currently deferred at the rate of 8% simple interest.
- ◆ The taxpayer enters into an agreement with the City to repay the City with interest if he/she sells the property or to have his/her estate repay the City with interest upon his/her death.
- ◆ A lien is recorded to protect the City. Any joint owner or mortgagee must provide a written agreement to allow the deferral. If property is mortgaged, the applicant should verify with the mortgagee that they will allow a deferral.

Hardship Exemption & Deferral

Hardship Exemption (Clause 18) Exemption Amount: Amount to be determined by Assessors

- ◆ An applicant must meet the requirement that he/she cannot meet his/her tax obligation due to age, infirmity, and financial hardship (all three conditions must be met to qualify.) If the taxpayer is over 65, it is the Board's policy not to grant a hardship exemption if the person otherwise qualifies for deferral of his/her taxes.
- ◆ The amount of the exemption granted, if any, is solely at the discretion of the Board based on a review of the applicant's health and financial situation.

Hardship Deferral Clause 18A) Taxes Deferred at 8% simple interest

- ◆ The applicant 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, 2010.
- ◆ There is no minimum age requirement. The assessors may allow deferral at the rate of 8% simple interest of all or part of the taxes assessed for up to three consecutive years.
- ◆ The taxpayer agrees with the City to repay the taxes with interest if he/she sells the property or to have his/her estate repay the City with interest upon his death. A lien is recorded to protect the City. Any joint owner or mortgagee must provide written agreement to allow the deferral. If property is mortgaged, the applicant should verify with the mortgagee that they will allow a 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.
- ◆ The granting of the deferral is at the discretion of the Board. The Board is primarily concerned whether the facts support the likelihood that the applicant will be able to both repay the deferred taxes as scheduled while also meeting his/her current tax obligations.

**Please call the Assessing Department at 978-921-6000 or visit us in City Hall
for additional information.**

FILING DEADLINE IS APRIL 1, 2021