HOUSE DOCKET, NO. 2406 FILED ON: 2/18/2011

HOUSE . . . . . No. 3375

The Commonwealth of Massachusetts

PRESENTED BY:

Cory Atkins

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying:

An Act providing for local property tax relief.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Cory Atkins	*14th Middlesex*

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HOUSE . . . . . No. 3375

By Ms. Atkins of Concord, a petition (accompanied by bill, House, No. 3375) of Cory Atkins for legislation to create a local option municipal income tax to provide property tax relief. Revenue.

The Commonwealth of Massachusetts

An Act providing for local property tax relief.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. (a) Notwithstanding the provisions of chapter 59 of the general laws, or any other general law or special act to the contrary, the legislative body of a municipality may vote to accept the provisions of this act to replace a portion of its residential real estate property tax by a local income tax to be collected as a surcharge on the taxable personal income of residents of the municipality. The adoption of a local option income tax and the amount of said surcharge shall be voted by the legislative body of the city or town and approved at a municipal election by a majority of those voting at the polls.

(b) The controls and limits on the property tax levy as established in chapter 59 of the General Laws and the method of real estate property tax assessment as set forth in said chapter shall not be changed as a consequence of local adoption of this option. The amount of income tax received, as provided by this act, shall be used solely to reduce the residential property tax levy and shall permanently adjust the residential property tax levy limit by an equivalent amount.

(c) The local income tax shall be collected by the department of revenue as a

surcharge on the taxable personal income of residents residing within the municipality. The

department of revenue shall provide space on the personal state income tax return for the surcharge to be calculated and added to the total tax to be paid. The department of revenue shall return the revenues collected from the surcharge to the appropriate municipality within the quarter immediately following the calendar quarter of collection.

(d) The amount collected from said surcharge on residents of a municipality shall be

used solely to reduce the residential property tax levy in said municipality. All other categories of real estate shall continue to pay the property tax as levied under existing law.

23 (e) If the implementation of such tax results in a surplus, such surplus shall reduce the
24 residential property tax levy for the succeeding fiscal year. If the implementation of such tax
25 results in a calculated shortfall, the amount of the shortfall shall be added to the residential
26 property tax levy for the succeeding fiscal year.

27 (f) The legislative body of the municipality may also vote to accept the

28 following exemption from the surcharge: residents of the municipality who qualify for
29 low-income housing or low or moderate income senior housing under state standards.

30 SECTION 2. This act shall take effect in any city or town upon the approval of the
31 legislative body, followed by acceptance by the voters at a municipal election pursuant to section
32 4 of chapter 4 of the general laws.