

TAX SAVINGS

TIP #3

Courtesy of:
William Francis Galvin
Secretary of the Commonwealth

ELDERLY TAX DEFERRALS

CLAUSE 41A

WHAT IS A TAX DEFERRAL?

A tax deferral permits one to defer payment on property taxes. As opposed to an exemption, these deferred taxes must eventually be paid.

Under Clause 41A, one enters into an agreement with the local assessor to defer payment of all or part of the taxes plus 8% interest until that interest reaches 50% of the property value.

WHO IS ELIGIBLE?

Applicants must be 65 years or older by July 1 of the year in which the application is made, solely own the property on which the taxes are being deferred, be joint owners with a spouse or own property jointly with another person(s).

WHAT ARE THE REQUIREMENTS?

- Applicants must have owned and occupied any real estate property in Massachusetts for 5 years.
- Must have resided in Massachusetts for the preceding 10 years.
- Income which does not exceed \$20,000 in the calendar year preceding the year of application

Please note: A community may adopt a higher maximum qualifying income that shall not exceed \$40,000.

(over)

HOW DOES ONE APPLY FOR A TAX DEFERRAL?

Contact the local Board of Assessors for an application. Clause 41A can be used in conjunction with an exemption for which an individual qualifies.

Applications under Clause 41A must be filed with the local Board of Assessors on or before December 15 each year.

CAN A DECISION BE APPEALED?

If the application for tax deferral is denied, the applicant may appeal in writing to the State Appellate Tax Board, 100 Cambridge Street, Boston, MA 02204 or call (617) 727-3100.

Information provided by:

The Massachusetts Association of Assessing Officers
243 Water Street, Quincy, MA 02169 • (617) 376-1171