



FY 2006 Property Tax Information

RESIDENTIAL EXEMPTION COMPLIANCE PROJECT

City of Boston Fiscal Year 2006

What is the Residential Exemption Compliance Project?

The City of Boston Assessing Department is conducting a compliance audit on residential properties. This audit is intended to maintain and ensure the integrity of the residential exemption system. Every effort is being made to identify and assist taxpayers who may qualify for this exemption and to eliminate those who do not.

Homeowners will receive a residential exemption notification and application as part of this audit. In order to continue receiving the exemption, homeowners **must** complete and submit the application form by the date specified on the notice. **No exemption will be granted unless an application is completed and submitted.**

What is the Residential Exemption?

Massachusetts law allows the City of Boston to grant a residential exemption to property occupied as the principal legal residence of its owner. The law defines the principal residence as the address from which the Massachusetts income tax is filed. Since 1983, the City of Boston has elected to apply the residential exemption to residential property that serves as a property owner's principal residence.

Over 72,000 taxpayers in the City of Boston now receive residential exemption. A residential exemption is the dollar value that is exempt from taxation. Homeowner's who qualify benefit by having a portion of their property value exempt from taxation. In FY 2005, homeowners who qualified received a savings of \$1,222.92 on their real estate tax bill.

Who Is Eligible?

Homeowners who OWNED and OCCUPIED their property as their principal residence on January 1, 2005 and who have filed a Massachusetts income tax return from the property address may be eligible for FY 2006 (July 1, 2005 - JUNE 30, 2006).

How do I Apply?

To continue to receive the residential exemption or to apply for the first time, complete and return the residential exemption application. You **MUST** provide your Social Security # as proof of occupancy.

This information will be kept confidential by the Assessing Department and used solely to confirm residency.

Verification

The social security number you supply will be submitted to the Commonwealth of Massachusetts Department of Revenue to verify that your 2004 Massachusetts income tax return was filed from your property address. **NO** exemption will be allowed unless your social security number is provided.

Why do I have to provide my social security #?

Your Social Security # is required.

Under Massachusetts Law, your principal residence is the address from which your Massachusetts income tax return is filed. To verify eligibility for this exemption, your Social Security Number is required. The information will be kept confidential and be used solely to confirm a 2004 Massachusetts personal income tax filing from your address with the Commonwealth of Massachusetts Department of Revenue.

When can I expect to receive the exemption after I submit this application form?

The residential exemption is applied to the 3rd quarter tax bill that will be issued in late December. If a credit does not appear on your Fiscal Year 2006 3rd quarter tax bill, you may file an application within 3 months of the mailing date of the 3rd quarter tax bill.

The **FINAL** deadline for filing for fiscal year 2006 is March 30, 2006.

How is the exemption calculated?

The residential exemption is a dollar amount of value that is exempt from taxation. If, for example, the residential exemption were \$95,000, a home with an assessed value of \$295,000 would be taxed on just \$200,000 of value (\$295,000 - \$95,000 = \$200,000). This exemption value, when multiplied by the current residential tax rate, represents the dollar savings amount of the exemption.

I own several homes, can I get more than one residential exemption?

No, only one residential exemption is granted to qualified applicants. If the exemption is approved, it is applied to the property used as your **PRINCIPAL** residence.

How are exemption applications reviewed?

The Assessing Department has three (3) months from the date on which the application was filed to review and make a decision on the application.

If the application is denied, you may file an appeal with the Appellate Tax Board within three (3) months of the decision date of the Assessing Department.