Elements of a Proposed Senior Property Tax Relief Warrant Article
(As Presented by Select Board Members Alonzo and Franco 28 February 2023)

Summary: The purpose of the proposed senior property tax relief program is to provide to longtime residents of Lunenburg with demonstrated need relief from real estate taxes that present an unmanageable hardship.

Eligibility for the Lunenburg Senior Tax Relief program will require an applicant to meet at least the following criteria:

1. The Applicant must have applied for and been granted the State's Senior Circuit Breaker Tax Credit

2. Each Applicant named in an application who has attained the eligibility age of 70 years for an elderly exemption in Luneburg under M.G.L. Chapter 59, Section 5, Clause 41(C) must have applied for and been granted this exemption.

3. Each Applicant named in an application must have attained the age of 65 years by the close of the calendar year immediately preceding the year of application.

4. The Applicant must have owned and occupied a home in the Town of Lunenburg, as his or her primary residence, for at least 15 consecutive years pre-dating and including the date of application.

5. The Applicant must demonstrate to the satisfaction of the Lunenburg Board of Assessors that (s)he, and each co-applicant, owns no other significant assets such as, by way of nonlimiting example, a second home, a trust fund, securities, equities, and bonds.

6. *The Applicant must submit a timely application with the Board of Assessors (Wakefield defined this as August 1 to September 30)*

7. The Applicant must submit an application, and demonstrate eligibility, for each year for which property tax relief is sought.

8. The amount of relief granted to each Applicant under this program shall not exceed 100 percent of the Circuit Breaker Tax Credit for which the Applicant qualified in the previous year.

Cap on Tax Relief Fund Tied to Levy

It is to be understood that any relief granted under this program will result in a reduction of the property tax bills to whom relief has been granted. The resulting reduction in revenue collected must be compensated for elsewhere. It is not envisioned that these funds will be drawn from the overlay. Rather, the total dollar value of relief granted under this program will be spread among all remaining tax payers, residential, commercial, and industrial, inclusive.

In arriving at the eligibility parameters, the number of eligible persons and associated impacts were modeled and estimated by our Principal Assessor. Accordingly, the final version of a Warrant Article placed before Town Meeting may include changes to the eligibility requirements outlined above. For instance, the eligibility age may be raised to 70 years and or the years of residency may be raised from 15 to 20, or to some number in between.

In addition to reducing funding exposure by adjusting age and residency requirements, Select Board members Alonzo and Franco are suggesting a cap on the total funds available to the relief program. As envisioned, the cap would be tied the levy. More specifically, for the purposes of discussion in the creation of a Warrant Article, Alonzo and Franco are suggesting that the total dollar value of relief granted in the aggregate not exceed 1% of the real property tax levy.

What Happens if Requests for Relief Exceed Available Funds?

Any senior tax relief program implemented must account for the possibility that the total dollar value of requests for relief will exceed the total funds available to the relief program, and how relief funds are to be distributed in such an event. It is envisioned and proposed by Select Board members Alonzo and Franco that a Warrant Article would provide for apportioned distribution of the total in the relief fund on the basis of the percentage that each Applicant's eligibility would represent if relief funds were unlimited. As an example:

Assume that 5 total applicants applied for relief with corresponding dollar values as follows:

Applicant A:	$1,000.00	(20% of total request value)
Applicant B:	$1,500.00	(30% of total request value)
Applicant C:	$1,000.00	(20% of total request value)
Applicant D:	$800.00	(16% of total request value)
Applicant E:	$700.00	(14% of total request value)

Total in Requests: $5,000.00

Further assume now that the total value of the funds available for relief is $4,000.00, which is insufficient to meet the full demand from relief. Accordingly, each of the 5 Applicants above would receive in actual relief the percentage of $4,000.00 corresponding to the percentage that his or her relief request/eligibility represented relative to the total request value. The resultant individual relief values granted to each of the 5 Applicants would therefore be as follows:

Applicant A:	$800.00	(20% of total relief value)
Applicant B:	$1,200.00	(30% of total relief value)
Applicant C:	$800.00	(20% of total relief value)
Applicant D:	$640.00	(16% of total relief value)
Applicant E:	$560.00	(14% of total relief value)

Total Relief Value: $4,000.00

In other words, relative to the example, because the total funds available ($4,000.00) is 80% of the total dollar value of relief requested ($5,000.00), each Applicant would receive 80% of the relief that (s)he requested, and for which eligibility (in the absence of the cap tied to the levy) was established.