BOSTON CITY COUNCIL

Committee on Ways and Means
Benjamin J. Weber, Chair

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REPORT OF COMMITTEE CHAIR

June 24, 2026

Dear Councilors,

The Committee on Ways and Means was referred the following docket for consideration:

Docket #0697, Order to Accept Massachusetts General Laws Chapter 59, Section 5, Clause 41D, Authorizing Annual Increases to Senior Exemption Income and Asset Limits.

This matter was sponsored by Councilors Ruthzee Louijeune, Brian Worrell, and Benjamin J. Weber, and was referred to the Committee on April 1, 2026.

Summary of Legislation

Docket #0697 is an order to accept Massachusetts General Laws, Chapter 59, §5, Clause 41D, which would authorize annual increases to senior exemption income and asset limits in Massachusetts General Laws, Chapter 59, §5, Clause 41C. Said limits would be increased annually by an amount equal to the increase in the Consumer Price Index published by the United States Department of Labor, Bureau of Labor Statistics. The Commonwealth's Department of Revenue (DOR) would annually inform the City of the amount of this increase. Once accepted by the City, the provision shall take effect but said provision will not increase the City's reimbursement by the Commonwealth as related to the reimbursement received under this Chapter and Section of Massachusetts General Laws.

Massachusetts General Laws, Chapter 59, §5, Clause 41D is a complimentary clause to Massachusetts General Laws, Chapter 59, §5, Clause 41C. Clause 41C provides for senior property tax relief at a base amount of $1,000; due to a vote by the Council and acceptance by the Mayor of a specific provision of Clause 41C, the City has allowed for potential maximum tax relief of up to $2,000, provided that this additional amount would not reduce an applicant's final tax bill below the amount of tax owed in the previous year and would not reduce the taxable value of the applicant's property below 10% of the assessed value. By accepting Clause 41D, the City would be increasing the income and asset limits for Clause 41C by an amount equal to the increase in the Consumer Price index published by the United States Department of Labor, Bureau of Labor Statistics (known colloquially as a Cost of Living Adjustment (COLA)). If accepted, Clause 41D would be in effect starting in FY27 (July 1, 2026).

The following are eligibility requirements for Clause 41C that **would not change** if Clause 41D was accepted; the applicant has:

- Reached the age of 65 as of July 1 of the tax year
- Owned and occupied property as of July 1 of the tax year
- Owned and occupied any real property in Massachusetts for at least 5 years; or a surviving spouse who has inherited the property and occupied for at least 5 years
- Resided in Massachusetts for the past 10 years

The following are eligibility requirements for Clause 41C that would change if Clause 41D was accepted; income and asset limits for both individual and married applicants.

- Income limits for individuals would increase from **$20,000 to $20,540**
- Income limits for married couples would increase from **$40,000 to $41,080**
- Asset limits for individuals would increase from **$25,980 to $26,687**
- Asset limits for married couples would increase from **$55,000 to $56,045**

Importantly, asset limits do not include the value of the property in question. Additionally, when determining income limits, the assessor deducts the following: federal social security or railroad retirement, federal, Massachusetts, or Massachusetts political subdivision employee pensions, annuities or retirement plans.

If Clause 41D is accepted, the asset and income limits would increase every fiscal year, and the COLA would be based off of the prior fiscal year's base amount. Thus, in accepting this provision, the income and asset limits will increase over time.

Information Received at Hearing

The Committee held a hearing on Monday, June 15, 2026 to discuss Docket #0697. The following panelists testified: Hinlan Wong, Member of the Board of Review, Incoming Interim Chief of Assessing, City of Boston, Emily Shea, Commissioner of Age Strong Commission, City of Boston, Carolyn Villers, Executive Director, Mass Senior Action Council, and Lillie Bryan, President of Boston Chapter, Mass Senior Action Council.

Commissioner Shea provided an overview of the variety of ways seniors are made aware of tax exemptions, including cost saving clinics across City neighborhoods, the Seniority magazine, and one-on-one technical assistance. She stated the Age Strong Commission helps older adults in the application process from beginning to end, explaining eligibility requirements, helping gather proper documentation, and completing applications.

She stated a Cost of Living Adjustment (COLA) to 41C would prevent older people from losing eligibility due to social security or retirement income increasing and would help keep income limits within line of rising costs and everyday expenses; most importantly, it would preserve access to property tax relief that allows older people on fixed incomes to remain in their home and age in place.

Interim Chief Wong stated this proposal will be straightforward to implement and reiterated that the Clause 41C exemption is a base amount of $1,000 with up to $2,000 off a senior's tax bill. It is available to property owners over the age of 65 with certain income and asset limits, limits that this proposal (accepting Clause 41D) will allow to increase by a COLA of 2.7% for FY27. If accepted, the income limits would increase as follows: for a single individual, from $20,000 to $20,540; for a married couple, from $40,000 to $41,080. Asset limits would increase as follows: for an individual, from $25,980 to $26,687; for a married couple, from $55,000 to $56,045. If passed, these changes would take effect for FY27, meaning seniors could apply from July 1 of 2026 to April 1 of 2027. In FY26, the Assessing Department approved 446 applications out of 725 applicants for Clause 41C; in FY25, the Assessing Department approved 507 applications out of 885 applicants for Clause 41C. In accepting Clause 41D, the Department hopes more older adults will both apply and be eligible for the Clause 41C exemption. If the

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City accepts Clause 41D, the Department will have to update staff with the new limits and update brochures that are available to the public.

The State partially reimburses the City for 41C exemptions, at $500 per application, and the City covers the rest of the exemption. Interim Chief Wong stated that by State law, Clause 41C requires an annual application; new applicants will fill out an application, and renewal applicants will be sent an application by the City every year that must be filled out.

Summary of Amendments

The ordered clause of the docket was amended. Below are all amendments:

- Line 5: Addition of "Bureau of Labor Statistics'" after "U.S. Department of Labor"
- Line 7: Addition of "To the extent permitted by law, this acceptance shall apply to Boston's Clause 41C senior exemption, including as may be modified by home rule petition, general law, special law, or local acceptance, unless otherwise specified." in between the first and second sentence of the clause.

Committee Chair Recommended Action

As Chair of the Committee on Ways and Means, I recommend moving the listed docket from the Committee to the full Council for discussion and formal action. At this time, my recommendation to the full Council will be that this matter **OUGHT TO PASS IN A NEW DRAFT.**

Benjamin J. Weber, Chair
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