



BOSTON CITY COUNCIL

Committee on Ways and Means
Brian Worrell, Chair

One City Hall Square 5th Floor, Boston, MA 02201 ◊ Phone: (617) 635-3040 ◊ city.council@boston.gov

REPORT OF COMMITTEE CHAIR

October 23, 2024

Dear Councilors,

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

Docket #1303, Order to increase Veterans property tax exemption.

This matter was sponsored by Councilors Brian Worrell and Ruthzee Louijeune and referred to the Committee on August 28, 2024.

Summary of Legislation

Docket #1303 allows the City of Boston to accept General Laws Chapter 59, Section 5, 22I and 22J. 22I would allow for an annual cost-of-living adjustment (COLA) percentage increase (determined by the Commissioner of Revenue) in the amount of the exemption granted under G.L. c.59, s.5, Clause 22, Clause 22A, Clause 22B, Clause 22C, Clause 22E and Clause 22F. 22J would authorize an additional increase in the amount of the exemption granted under G.L. c.59, s.5, Clause 22, Clause 22A, Clause 22B, Clause 22C, Clause 22E and Clause 22F by up to 100% of the personal exemption amount. Pursuant to the accepted provisions, this order would be effective at the start of FY26.

Information Received at Hearing

The Committee held a hearing on Tuesday, October 22, 2022 to discuss Docket #1303, An Order to increase the veterans property tax exemption. The Committee was joined by Robert Santiago, Commissioner of the Office of Veteran Services, and Nicholas Arinello, Commissioner of the Assessing Department, who both provided testimony on behalf of the Administration.

Commissioner Santiago discussed the HERO Act, which was recently signed into law by Governor Maura Healey, which includes more than 30 provisions that will positively impact Massachusetts' veterans by increasing benefits, modernizing services, and promoting inclusivity. He highlighted that one of these provisions allows municipalities to double property tax exemptions with local options and ties the annual property tax abatement amount to inflation.

Commissioner Arinello explained the two parts of the original Order. The first would authorize an annual increase in the amount of the veterans tax exemption by a cost-of-living adjustment (COLA) percentage increase, as determined by the U.S. Department of Labor Statistics' Consumer Price Index. The second would provide an additional exemption up to 100% of the amount of the tax exemption granted to veterans. Regarding the second provision, he stated that the City already implements a similar property tax exemption program for seniors and veterans, so the acceptance of Clause 22J through this Order would not be necessary. Commissioner Arinello stated that the first provision, regarding COLA adjustment, will be implemented in FY26.

Summary of Amendments



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The original Order was amended to strike out the following, pursuant to the information gathered at the hearing:

"...and General Laws Chapter 59, Section 5, Clause 22J, (which authorizes an annual increase in the amount of the exemption granted under General Laws Chapter 59, Section 5, Clause 22, Clause 22A, Clause 22B, Clause 22C, Clause 22E and Clause 22F by 100% of the personal exemption amount, subject to the conditions in Clause 22J)"

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.**

Brian Worrell

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