

## INTRODUCTION

A tax exemption is a discharge from the obligation to pay all or a portion of a tax. Exemptions are conferred by the Legislature on particular categories of persons or property.

Clause 41C in Section 5 of Chapter 59 (with local options) provide exemptions to persons 65 years of age or older who satisfy certain whole estate or asset, annual income and residency requirements.

## EXEMPTION AMOUNT

The exemption amount for Clause 41C as approved in Oak Bluffs is \$1,000. In addition recipients of CL 41C exemptions also qualify for a full exemption of the Community Preservation tax with no further application required.

## APPLICATIONS

Applications must be filed annually with the Board of Assessors within three (3) months of the mailing of the “actual” tax bill. Tax Bills are typically mailed on January 1<sup>st</sup> of each year, but it is a good idea to check.

The assessors cannot act on late-filed applications

## ELIGIBILITY & DOCUMENTATION

An applicant for an exemption must provide to the assessors whatever information is reasonably required to establish eligibility.

This information may include, but not be limited to:

- 1 Birth certificate
- 2 Evidence of domicile and occupancy
- 3 Income tax returns

## AGE

An individual must be (a) 65 years or older on July 1 of the tax year or (b) joint owner with a spouse who meets the age requirement.

## OWNERSHIP AND DOMICILE

Under Clause 41C, an individual must own and occupy the subject property on July 1 of the tax year. Under Clause 41C, in addition to so owning and occupying the subject property, an individual must have been continuously domiciled in Massachusetts for the 10 years preceding the application and have owned and occupied the property or other property in Massachusetts for 5 years.

1. Ownership may be as a joint tenant or as a tenant in common with someone other than a spouse, in which case the exemption amount is reduced to that proportion of \$1,000 as the person’s ownership interest in the property.
2. The holder of a life estate satisfies the ownership requirement.
3. If the domicile is held in a trust, a person can only satisfy the ownership interest if he or she:
  - a) Is a trustee or co-trustee, **AND**
  - b) Possesses a sufficient beneficial interest in the domicile through that trust. (Owner cannot be the beneficiary of a 2<sup>nd</sup> trust that is the beneficiary of the trust that owns the home.)

**ANNUAL INCOME AND  
WHOLE ESTATE**

**Clause 41C**

***Gross receipts*** minus social security allowance for Fiscal Year **2018** must be less than:

\$37,559 if single

\$56,339 if married

***Whole estate*** less the value of the home except for the value of any portion which exceeds three dwelling units and produces income cannot exceed:

\$75,119 if single

\$103,289 if married

**FOR FURTHER  
INFORMATION  
CONTACT:**

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Assessing Department  
56 School Street  
PO Box 1327  
Oak Bluffs, MA 02557  
508-693-3554  
Ext. 150**

**TAXPAYER'S GUIDE TO  
REAL ESTATE TAX  
EXEMPTIONS  
IN MASSACHUSETTS**

**CLAUSE 41C**

**With Locally Approved  
Options  
Town of Oak Bluffs**

Revised 9/2014

**PERSONS  
65 YEARS OR OLDER**



**Fiscal Year 2020**