

RESIDENTIAL EXEMPTION INFORMATION

DESCRIPTION

Each year the Town Manager and The City Council have the option of approving an exemption of what is currently 25% of the average assessed value of all Class One residential parcels to be applied to residential parcels that are the principal residence of taxpayer as of January 1st of the previous year.

The Residential Exemption is a dollar amount of value that is exempt from taxation. For example, in FY 2017, a home eligible for a residential exemption would have had \$95,794 deducted from the property's assessed value rendering a tax savings of \$1373.69 for that household. This credit of \$1373.69 will appear on the third quarter (January) tax bill with ½ applied to the 3rd quarter and ½ applied to the 4th quarter.

The Residential Exemption is in addition to any other exemption that a taxpayer may be entitled but cannot reduce the tax owed to less than ten percent of the fair cash value of the domicile.

WHO CAN APPLY FOR FY 2018?

A taxpayer who owns and occupies residential property as their principal residence as of **January 1, 2017** may apply for this exemption.

For the purpose of this exemption, **the principal residence is the address from which your Massachusetts STATE Income Tax Return is filed.** To verify eligibility, a copy of **your 2016 STATE return is required.** You may withhold financial information that is on your return.

An individual owner may qualify for a Residential Exemption on ONE parcel only.

WHAT FORMS ARE REQUIRED?

The Residential Exemption application and required documentation list is available in the Assessors' Office or may be **downloaded** from the Assessor Department page on the City of Chelsea web site.

WHEN MUST AN APPLICATION BE FILED?

An application for Residential Exemption must be filed with the Assessor's Office within three months of the mailing of the third quarter (actual) tax bill. Example: You can apply for FY18 starting April 1, 2017 up until April 1, 2018 (3 months after the actual bill) However, if you apply after October 2017, your credit may appear in full on the 4th quarter bill versus ½ in the 3rd and ½ in the 4th quarter.

APPEAL OF THE ASSESSOR'S DECISION

You may appeal the disposition of your application. The disposition notice will provide you with further information about the appeal procedure and deadline.

*For additional information, please contact the Assessor's Office at 617-466-4010.

FY2018 Residential Exemption Documentation
(PLEASE READ CAREFULLY)

To qualify for a **FY2018** Residential Exemption, you had to own and occupy your property on **January 1, 2017**. To confirm your residency, you **must submit the following documents**:

Please pay close attention to the types of acceptable documentation and the dates of the documentation noted in bold. All submitted documents including your tax return are **not** open to public inspection.

1. A copy of your **calendar year 2016 STATE of Massachusetts Resident Income Tax Return, (NOT FEDERAL)**. The form must be a copy of the return filed showing your name and the address in question on the front side and your signature or your accountant's signature at the bottom of the page. You do not need to submit copies of other schedules and **feel free to withhold your financial information**. If you filed electronically or filed an extension, you should be able to provide us with a copy. Your full social security number must appear on the tax return.
2. **Driver's License, Passport or MA Id.**
3. **Automobile registration** showing your name at the address in question with an effective date prior to **01/01/17**.
4. **Telephone bill** addressed to you at the property in question covering the period that includes **01/01/17**.
5. **One utility bill**, (gas, electric, or cable television) addressed to you at the property in question covering the period that includes **01/01/17**. **Note that utility bills must show the mailing address, not just where the service is provided**, (you may need to contact your utility company). Water, Excise and property tax bills are not acceptable.
6. **Bank statement** addressed to you at the property in question covering the period that includes **01/01/17**. Feel free to withhold financial information.

Note: If you own or partially own ANY other residential real estate, you must submit a copy of the most recent actual property tax bill for the property.

Please note that the Board of Assessors reserves the right to require additional documentation.