

ADVISORY COMMITTEE'S RECOMMENDATION

**Recommendation:** FAVORABLE ACTION on Warrant Article 6 by a vote of 22-0-1.

<b>Executive Summary</b>	Article 6 is an annual warrant article to double the base amount of state-mandated local property tax exemptions for certain classes of qualifying individuals (including disabled veterans, blind persons, surviving spouses with low assets, and elderly taxpayers with both low income and low assets).
<b>Voting Yes will...</b>	Permit the Town to grant some additional property tax relief to approximately 90 qualifying taxpayers.
<b>Voting No will...</b>	For the first time since 1989, increase the tax burden on those qualifying individuals.
<b>Financial impact</b>	The estimated cost for FY24 of increasing these exemptions is \$42,600 and would be paid out of the Town's tax abatement overlay reserve account.
<b>Legal impact</b>	None.

**Background**

This article would allow the Town in FY24 to continue its current practice of doubling the base amount of certain state-mandated property tax exemptions for several classes of qualifying taxpayers, including disabled veterans, blind persons, surviving spouses with low assets, and elderly taxpayers with both low income and low assets. The Town is required by state law to give these taxpayers, if eligible, a base property tax exemption in the amount specified in Chapter 59, Section 5, of the Massachusetts General Laws and for which the Town is reimbursed by the state (fully for the elderly exemption and partially for the others). State law provides for a local, optional, annual increase in the mandated exemption classes and is paid out of the Town's tax abatement overlay reserve account. The proposed increases, which require annual re-authorizations, are recommended by the Board of Assessors and have been approved each year by Town Meeting since FY1989.

**Discussion**

The table below shows, for each category: the number of Brookline taxpayers who received an exemption in FY23, the base dollar amount exempted under state law for each category, the additional exemption amount proposed in this Warrant Article (which, in all categories, doubles the original amount), and the total cost to the Town.

<b>Description</b>	<b>Ch. 59, §5 Clause</b>	<b>FY23 # Granted</b>	<b>Base Amount Exempted (\$)</b>	<b>Additional Amount Exempted (\$)</b>	<b>Total Cost to Town (\$)</b>
Surviving spouses	17D	4	175	175	700

<b>Description</b>	<b>Ch. 59, §5 Clause</b>	<b>FY23 # Granted</b>	<b>Base Amount Exempted (\$)</b>	<b>Additional Amount Exempted (\$)</b>	<b>Total Cost to Town (\$)</b>
Veterans (10% disability)	22	41	400	400	16,400
Veterans (100% disability)	22E	6	1,000	1,000	6,000
Blind persons	37A	30	500	500	15,000
Elderly	41C	9	500	500	4,500
<b>TOTAL</b>		<b>90</b>			<b>42,600</b>

During the past nine years, veterans have constituted an average of 54% of the recipients of these exemptions, blind persons 32%, the elderly 10%, and surviving spouses 3%. These percentages do not reflect the proportional distribution of these demographic groups among Brookline's population (for example, seniors comprise over 20% of Brookline's total population, veterans and blind residents considerably less). One reason for these disparities is that the exemptions for veterans and blind taxpayers do not have any income or asset cap requirements, unlike those for the elderly and surviving spouses.

The actual annual cost to the Town of these doubled exemptions has been steadily decreasing during the past decade, dropping from \$62,000 in FY15, when there were 126 Brookline exemption recipients, to about \$55,000 in FY19, when the number of recipients was 110. In FY23, there are 90 recipients and the cost to the Town is \$42,600. Since 2019, the number of exemption recipients has decreased by 18%, and the total cost to the Town by 23%. This trend is likely to continue, and so the FY24 cost to the Town of doubling the base amount of these exemptions is unlikely to exceed \$42,600.

The Town plans to increase efforts to inform potential recipients about these exemptions. Currently, the burden is on the taxpayer to find out about available tax assistance programs and to apply for them each year before the April 1 deadline.

**Recommendation**

By a vote of 22-0 with 1 abstention, the Advisory Committee recommends FAVORABLE ACTION on Warrant Article 6.

ARTICLE 6 ADVISORY COMMITTEE VOTES

Article Description	Property Tax Exemptions
AC recommendation (Favorable Action unless indicated)	22-0-1
Ben Birnbaum	Y
Harry Bohrs	Y
Cliff Brown	Y
Patty Correa	Y
John Doggett	Y
Katherine Florio	Y
Harry Friedman	Y
David-Marc Goldstein	Y
Neil Gordon	
Susan Granoff	Y
Kelly Hardebeck	Y
Amy Hummel	Y
Anita Johnson	
Alisa Jonas	A
Janice Kahn	
Pam Lodish	Y
Joslin Murphy	Y
Donelle O’Neal, Sr.	Y
Linda Olson Pehlke	Y
Markus Penzel	Y
David Pollak	Y
Stephen Reeders	Y
Carlos Ridruejo	Y
Lee Selwyn	
Alok Somani	Y
Carolyn Thall	Y
Christine Westphal	Y
Dennis Doughty *	
* Chairperson does not vote except to break a tie	