



Informational Guideline Release

Bureau of Municipal Finance Law
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Supersedes Inconsistent Prior Written Statements

CLAUSE 22F PROPERTY TAX EXEMPTION FOR PARAPLEGIC VETERANS

[Chapter 62, §§ 9-14 and 16 of the Acts of 2014](#)
(Adds **[G.L. c. 59, § 5\(22F\)](#)** and repeals G.L. c. 58, § 8A)

This Informational Guideline Release (IGR) informs local officials about recent legislation that impacts the operation of the property tax exemption for paraplegic veterans effective for FY2016. It also explains the standards and procedures that apply to this exemption generally.

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Supersedes Inconsistent Prior Written Statements

CLAUSE 22F PROPERTY TAX EXEMPTION FOR PARAPLEGIC VETERANS

[Chapter 62, §§ 9-14 and 16 of the Acts of 2014](#)
(Adds [G.L. c. 59, § 5\(22F\)](#) and repeals G.L. c. 58, § 8A)

SUMMARY:

These guidelines explain recent amendments made by the 2014 Veterans' Allowances, Labor, Outreach and Recognition Act (VALOR II) that impact the operation of the property tax exemption for paraplegic veterans. See [Chapter 62, §§ 9-13, 14 and 16 of the Acts of 2014](#).

The full exemption from property taxes on the domiciles of paraplegic veterans and their surviving spouses is now codified as Clause 22F of [G.L. c. 59, § 5](#). Currently, assessors grant the paraplegic veteran or surviving spouse an exemption under [G.L. c. 59, § 5](#), Clause 22(a) as a veteran with a minimum 10% disability rating and then obtain authority from the Department of Revenue (DOR) to abate the balances owed under [G.L. c. 58, § 8](#). See G.L. c. 58, § 8A repealed by Section 9 of the Act. Beginning in fiscal year 2016, the assessors will grant the full exemption under the new Clause 22F instead. A paraplegic veteran's surviving spouse remains eligible for the full exemption under the new Clause 22F, which also now extends the exemption to the veteran's spouse where ownership of the domicile is held by the spouse during the veteran's lifetime. **These amendments apply in all cities and towns without any local action.**

There is no change in the state reimbursement to cities and towns. The city or town funds the first \$175 of the exempted tax and the state reimburses the balance.

The new Clause 22F is treated the same as other personal exemptions provided by [G.L. c. 59, § 5](#) for purposes of the number of exemptions allowed per taxpayer, eligibility for the optional additional exemption and exemption application filing deadline.

GUIDELINES:

A. APPLICATION PROCEDURE

1. Application Deadline

A taxpayer must file an application on an approved form with the board of assessors for each fiscal year for which a Clause 22F exemption is sought ([State Tax Form 96](#), [State Tax Form 96-4](#) or [State Tax Form 96-5](#)). **Each year's application is due on or before December 15, or three months after the actual tax bill is sent, whichever is later.** [G.L. c. 59, § 59](#). Assessors may not waive the filing deadline or act on a late-filed application.

2. Appeals

An applicant aggrieved by the assessors' action on an application for an exemption may appeal to the state Appellate Tax Board, or the county commissioners if they live in a county where county government has not been abolished. The appeal must be filed within three months of the date the exemption was denied, or deemed denied if the assessors did not act. [G.L. c. 59, §§ 64 and 65](#).

B. EXEMPTION QUALIFICATIONS

1. Eligibility Date

As with other personal exemptions, Clause 22F exemption status is determined as of July 1. [G.L. c. 59, § 5 \(first paragraph\)](#). Any eligibility requirements for the exemption must be met as of that date.

2. Applicant's Status

a. Veteran

An applicant for a Clause 22F must be a veteran, or a spouse or surviving spouse of a veteran.

Veterans are individuals who served on active duty in the Armed Forces of the United States during peace or wartime periods and were discharged from military service. Their last discharge or release must have been under other than dishonorable conditions. See [G.L. c. 4, § 7, Clause 43](#); [Department of Veterans' Services Chart](#).

b. Durational Residency

As with other veteran exemptions, the veteran must (1) have resided in Massachusetts at least six consecutive months before entering the service, or (2) have resided in Massachusetts at least five consecutive years before applying for the exemption.

In communities accepting the local option in [G.L. c. 59, § 5](#), however, the number of years a veteran who did not reside in Massachusetts before entering the service must have resided in Massachusetts is one consecutive year. Once accepted, the option applies to all veteran exemptions under [G.L. 59, § 5, Clauses 22, 22A, 22B, 22C, 22D, 22E and 22F](#).

3. **Service-connected Disability**

In the first year the exemption is sought, the applicant must provide a certification by the United States Department of Veterans Affairs (VA), or the branch of the military in which the veteran served, that according to its records the veteran has paraplegia due to his or her military service. **Once the assessors have granted the exemption, the veteran does not have to include a certification with applications in future years.**

For applications by a surviving spouse, a VA or branch of service certification that establishes the veteran had paraplegia at the time of death must be provided in the first year the Clause 22F exemption is sought **only** if the assessors had not granted the veteran that exemption during the veteran's lifetime.

4. **Ownership**

The applicant must be a paraplegic veteran, the spouse of a paraplegic veteran or the surviving spouse of a paraplegic veteran who owns the property on July 1.

The applicant may be the sole owner, or may own the property jointly with a spouse or other natural persons. The property may not be owned in whole or in part by a business, governmental or non-profit entity.

As with other personal exemptions, an applicant who holds a life estate in the property is considered its owner. If the property is held in trust, the applicant must be a trustee who also has a sufficient beneficial interest in the property.

5. **Domicile**

The applicant must occupy the property as his or her domicile on July 1. If the spouse of the veteran is the applicant, the veteran must also occupy the property as his or her domicile.

C. **EXEMPTION AMOUNT**

The exemption is for the entire amount of the real estate tax assessed on and attributable to the domicile, including any Community Preservation Surcharge assessed on that tax.

If the property is greater than a single-family house, then only the same percentage of the full tax and surcharge as the part of the house occupied by the veteran, or if deceased, the veteran's surviving spouse, is exempt from the tax.

D. ACCOUNTING

All exemptions granted are charged to the overlay.

F. STATE REIMBURSEMENT

Subject to appropriation, cities and towns will be reimbursed for the full exemption granted amount minus the first \$175 of the exemption.

FEATURES OF CLAUSE 22F PARAPLEGIC VETERAN'S EXEMPTION

STATUS	Certified by the VA or branch of service as a paraplegic veteran
OWNERSHIP	Paraplegic veteran, spouse or surviving spouse must own the property on July 1 (Same as Clauses 22-22E)
DOMICILE	<p>Paraplegic veteran or surviving spouse owner must occupy the property as domicile on July 1 (Same as Clauses 22-22E)</p> <p>Veteran must (1) have resided in Massachusetts at least 6 consecutive months before entering the service, or (2) have resided in Massachusetts at least 5 consecutive years before applying for the exemption. (Same as Clauses 22-22E)</p> <p><u>Local Acceptance Option</u></p> <p>Veteran must (1) have resided in Massachusetts at least 6 consecutive months before entering the service, or (2) have resided in Massachusetts for 1 consecutive year before application date (If accepted applies to Clauses 22-22F)</p>
EXEMPTION AMOUNT	Full, except if property is more than a single family house, the same percentage of the full tax as the part of the house occupied by the veteran, or if deceased, the surviving spouse, is exempt (Same as Clauses 22A-22E)
APPLICATION DEADLINE	December 15 or 3 months after the actual tax bill is sent, whichever is later (Same as Clauses 22-22E)
STATE REIMBURSEMENT	Exemption granted less the first \$175