

CIRCUIT BREAKER EXTENSION PROGRAMS

**COMPARISON OF PROGRAMS IN
SUDBURY, CONCORD, & WAYLAND**

PROPERTY TAX STUDY COMMITTEE, MAY 10, 2019

SUDBURY PROGRAM

- 65+ and co-owner 60+; homeowner for at least 10 years in Sudbury
- Must meet income criteria for state Circuit Breaker Credit
- Property value no more than 10% above average value (\$799,600 for FY19)
- Additional verification of income and assets
- Pays up to difference between tax + water bill and 10% of income
- Funded up to .5% of residential levy in year 1, and 1% of residential levy in subsequent years
- Sunset clause requires reauthorization of program by Town Meeting every 3 years

For Comparison:

- Average Lincoln home value for FY19 is \$1,149,169
- Estimated # of eligible households in Lincoln is 401
- Helps home owners only

CONCORD PROGRAM

- 65+ and co-owner 60+; homeowner for at least 10 years in Concord
- Must meet income criteria for state Circuit Breaker Credit
- Property value no more than median Concord house value (\$881,550 for FY20)
- Assets (excluding residence) < \$250K
- Goal: pay no more than 10% of income; capped at 50% of property tax bill
- Funded by a .5% tax rate increase
- Sunset clause requires reauthorization of program by Town Meeting every 3 years

For Comparison:

- Median Lincoln home value for FY19 is \$999,800.
- Estimated # of eligible households in Lincoln is 331
- Helps home owners only

WAYLAND PROGRAM

- 65+; homeowner for at least 10 years in Wayland
- Must be eligible for state Circuit Breaker Credit
- Matches the state Circuit Breaker credit
- Funded through overlay reserve. Lincoln's equivalent is Allowance for Abatements (currently \$75K)
- No sunset clause
- Has been in place since 2008

For Comparison:

- State limit is \$778,000
- Estimated number of eligible households in Lincoln is: 209
- Helps home owners only

Cases	Assessment Threshold	Number of Residents	Number of Unique Addresses	Percent	Comment
Residents 17 and older as of 5/1/2019		4,802	2,112		includes individual apartment numbers, excludes Hanscom housing
Residents 65 and older as of 5/1/2019		1,651	1,130	54%	includes individual apartment numbers, excludes Hanscom housing
Residents 65 and older as of 5/1/2019, bought property more than 10 years ago	all	449			
	\$1,149,169	345			FY2019 single-family mean
	\$999,800	284			FY2019 single-family median
	\$778,000	175			2018 MA Circuit-Breaker threshold
Residents 65 and older as of 5/1/2019, bought property less than 10 years ago, sale classified as FAMILY	all	73			These sales could be from individuals to trusts, or between spouses, indicating ownership of more than 10 years.
	\$1,149,169	56			
	\$999,800	47			
	\$778,000	34			
Totals	all	522			
	\$1,149,169	401			
	\$999,800	331			
	\$778,000	209			

SUMMARY

- State Circuit Breaker program helps renters and homeowners
- Programs in other towns are for homeowners only
- Questions raised:
 - Is there a standard, rational, defensible way other towns calculate their thresholds? Which classes of property are included in the determination of the median/mean?
 - Would this program get to those most in need of assistance? Would we want a program that extends additional benefits to renters, not just homeowners?