

Property Tax Exemption in Massachusetts (As of July 11, 2019)

See:

TAXPAYER'S GUIDE TO LOCAL PROPERTY TAX EXEMPTIONS RELIGIOUS and CHARITABLE
ORGANIZATIONS Clauses 3, 10, 11

[Explains procedures on getting exemption]

at

<https://www.mass.gov/files/documents/2017/09/25/religiousandcharitableorg.pdf>

General Laws

Part I, Title IX, Chapter 59, Section 5

[Introductory paragraph as amended by 2016, 218, Sec. 116 effective November 7, 2016. For text effective until November 7, 2016, see above.]

The following property shall be exempt from taxation and the date of determination as to age, ownership or other qualifying factors required by any clause shall be July 1 of each year unless another meaning is clearly apparent from the context; provided, however, that any person who receives an exemption pursuant to clause Seventeenth, Seventeenth C, Seventeenth C 1/2, Seventeenth D, Twenty-second, Twenty-second A, Twenty-second B, Twenty-second C, Twenty-second D, Twenty-second E, Twenty-second F, Twenty-second G, Thirty-seventh, Thirty-seventh A, Forty-first, Forty-first B, Forty-first C, Forty-first C 1/2, Forty-second, Forty-third, Fifty-sixth or Fifty-seventh shall not receive an exemption on the same property pursuant to any other provision of this section, except clause Eighteenth or Forty-fifth.

...

Tenth, Personal property owned by or held in trust within the commonwealth for religious organizations, whether or not incorporated, if the principal or income is used or appropriated for religious, benevolent or charitable purposes.

Eleventh, Notwithstanding the provisions of any other general or special law to the contrary, houses of religious worship owned by, or held in trust for the use of, any religious organization, and the pews and furniture and each parsonage so owned, or held in [irrevocable trust](#), for the exclusive benefit of the religious organizations, and including the official residences occupied by district superintendents of the United Methodist Church and the Christian and Missionary Alliance and of the Church of the Nazarene, and by district executives of the Southern New England District of the Assemblies of God, Inc., Unitarian-Universalist Churches and the Baptist General Conference of New England, and the official residence occupied by the president of the New England Synod of the Lutheran Church in America, Inc., and the official residence occupied by a person who has been designated by the congregation of a Hebrew Synagogue or Temple as the rabbi thereof, but such exemption shall not, except as herein provided, extend to any portion of any such house of religious worship appropriated for purposes other than religious worship or instruction. The occasional or incidental use of such property by an organization exempt from taxation under the provisions of 26 USC Sec. 501(c)(3) of the Federal Internal Revenue Code shall not be deemed to be an appropriation for purposes other than religious worship or instruction.

From: Religious and Charitable Exemptions in Massachusetts
<https://www.brooklinema.gov/DocumentCenter/View/678/Taxpayers-Guide-to-Property-Tax-Exemptions?bidId=>

Introduction

In Massachusetts, the property tax is assessed by cities and towns to fund local services. Localities operate on a fiscal year that begins on July 1 and ends on June 30. Taxes are assessed as of the January 1 before the beginning of the fiscal year to the owner of record on that date. Taxes are a single liability payable in two or four installments during the fiscal year depending on the type of payment system the locality uses.

Institutions and organizations, such as hospitals, schools, churches and cultural institutions, may qualify for an exemption from local taxes on real and personal property they own. Ownership does not automatically entitle an organization to an exemption, however. This brochure explains the general criteria that must be met and procedures that must be followed for an exemption to be granted.

Administration

The board of assessors in each city or town is responsible for administering property tax exemptions. Exemptions are granted by the assessors according to Massachusetts law.

Qualification Date

Exemption status is determined as of July 1, which is the first day of the local fiscal year. An organization must meet all eligibility requirements as of July 1 to receive an exemption from taxes for that year. Exemption from taxation is a privilege and the organization must prove clearly and unequivocally that it qualifies.

Religious Organizations (M.G.L. Ch. 59 §5 Clauses 10 and 11)

A religious organization is exempt from local taxation on:

- All personal property (a) owned by, or (b) held in trust within Massachusetts for use by, the organization for religious or charitable purposes.
- A church or house of religious worship (a) owned by, or held in trust for, the organization and (b) used and occupied for religious services or instruction. The exemption also applies to parking lots and halls used for religious classes and other church activities. Incidental or occasional use for other purposes does not affect the exemption, but any portion regularly leased or occupied for other purposes is taxable.
- A parsonage (a) owned by, or held in irrevocable trust for the exclusive benefit of, the organization, and (b) used and occupied as a residence for clergy.

All other property owned by a religious organization is taxable unless it qualifies for a charitable exemption.

From: FILING FOR A PROPERTY TAX EXEMPTION (MASSACHUSETTS)
<https://www.boston.gov/departments/assessing/filing-property-tax-exemption>

...

For **religious organizations**, the property generally must:

- be a house of worship
- be used for religious instruction, or
- be used as living quarters by the pastor as of July 1 of the fiscal year.

The property must be owned by the religious organization or held in trust. If part of the property isn't used for religious purposes as outlined above, that part of the property can't be exempt under the religious usage rules. But, that part of the property may qualify as a charitable organization if other requirements are met.

In addition, a corporation buying a property on or before July 1 with the purpose of "removal there-to" may also qualify for exemption. Generally, the removal must involve relocation from one site to another. The exemption period is temporary and ends two years from the date of acquisition.

If your organization meets these requirements, you have two options to apply for a statutory exemption:

1. [Preliminary Consideration](#) before a tax bill is issued, or
2. an abatement filing after a tax bill is issued.

When applying, an organization will need to give us additional information about the organization and the property such as the articles of organization and by-laws as examples.

THE FORM 3ABC REQUIREMENT

Organizations seeking exemptions for real property or personal property they own on January 1 preceding the fiscal year have to complete a Form 3ABC, which is a state tax form, each year.

WHAT TO KEEP IN MIND

*An organization needs to file the form annually before the start of the fiscal year. The deadline is **March 2, 2020**.

Religious groups only need to file the form if they are seeking an exemption for other than religious purposes as outlined previously. All other organizations must file the form every year by March 1. This includes new applicants and groups that were previously exempted.

When filing the Form 3ABC, an organization needs to attach a “true copy” of the Form PC which they file with the Attorney General’s office every year.