



CITY OF BOSTON • MASSACHUSETTS

OFFICE OF THE MAYOR  
MARTIN J. WALSH

June 1, 2020

TO THE CITY COUNCIL

Dear Councilors:

I hereby transmit for your approval an Order authorizing the City of Boston to lower the interest rate that accrues on property taxes deferred by eligible seniors from 4% to 1%, effective for Fiscal Year 2021.

The City last lowered the deferral interest rate in 2007, when it adopted a local option pursuant to MGL Chapter 59, Section 5, Clause 41A, allowing it to reduce the 8% interest rate originally set by said statute to 4%. I am now proposing that the City lower this rate from 4% to 1%.

Applicants must be at least 65 years of age and owned an occupied property for at least 5 years. The gross income limit is currently at \$60,000 for tax year 2019, the maximum limit established annually for the “circuit breaker” state income tax credit amount for single seniors not heads of household under Chapter 62, Section 6(k).

The Tax Deferral 41A program should be considered when a taxpayer’s current expenses make the continued ownership of their home difficult. Delaying tax payments until a home is sold may be an option for some seniors to maintain financial security. In FY19, 31 taxpayers took advantage of this option, deferring over \$167 thousand.

I respectfully request your favorable action on this Order.

Sincerely,

Martin J. Walsh  
Mayor of Boston

**CITY OF BOSTON  
IN CITY COUNCIL**

**Ordered:** That pursuant to Massachusetts General Laws Chapter 59, Section 5, Clause 41a, the interest rate applied to deferred taxes shall accrue at the rate of 1% in the City of Boston.

I HEREBY CERTIFY THAT  
THE FOREGOING, IF PASSED IN  
THE ABOVE FORM, WILL BE IN  
ACCORDANCE WITH LAW.  
BY Eugene L. O'Flaherty  
EUGENE L. O'FLAHERTY  
CORPORATION COUNSEL