



Lancaster

MASSACHUSETTS

Prescott Building
701 Main Street
Lancaster, MA 01523

Community Preservation Act

Mass General Law Chapter 44B

Lancaster residents adopted the Community Preservation Act (CPA) at the annual town meeting in June 2020 and the town election in November 2020. 187 municipalities have chosen to adopt the CPA. Lancaster's CPA bylaw allows the town to place a 1% surcharge of real estate taxes on the tax bills beginning Fiscal Year (FY) 2022. The surcharge will help pay for affordable housing, historic preservation, as well as open space and recreation. The allocation of funds is required to be 10% for each of those 3 categories, with the remaining 70% allocation (among those categories) to be decided by all voters at the annual town meeting. In addition, the state provides an annual disbursement to towns that adopt CPA – until Lancaster voted to approve the CPA, we had been missing out on these funds from the state. The state funds are sourced from fees that are paid at the Registry of Deeds for real estate transactions.

The town also adopted three (3) exemptions to the law:

1. All **residential** parcels are exempt the first \$100,000 of assessed value before the 1% surcharge is applied. This is done automatically.
Example: Assessed value is \$300,000. The 1% surcharge is applied to the taxes generated from \$200,000 of assessed value: $\$200,000 \times 19.98$ (tax rate per thousand) = $\$3,996 \times 1\%$ surcharge = $\$39.96$ (total CPA tax for FY 2022).
2. Households with an owner 60 years of age and older who qualifies as a resident and as **moderate income eligible household** may qualify for a total exemption (*see income limits on page 2*).
3. Non-senior households with an owner who qualifies as a resident and as a **low income eligible household** may qualify for a total exemption (*see income limits on page 2*).

Lancaster will follow Massachusetts state requirements for the exemption application and qualifications. This includes submitting signed copies of previous calendar year Federal Income Tax filings for **ALL household members** with your application. Tax filings that have been altered or incomplete applications will not be accepted for processing.

If you do **NOT** file Federal Income taxes, a copy of **ALL** income statements, i.e.: Social Security, Pension/Retirement statement and any other income statements will be required to verify annual income. In addition, you must sign an affidavit, available at the Assessor's Office. Submitted documentation is **NOT** open to public inspection and will be kept private.

Applications for the exemption must be filed annually with the Assessor's Office. Applications are available at the Assessor's Office and online at <https://www.ci.lancaster.ma.us/assessors-department>. Applications are due by April 1st.

Granted exemptions will be applied to your 4th Quarter (May) tax bill. Filing the application does not stay the collection of your surcharge. To avoid interest and collection charges, residents must pay the surcharge as billed by the due date.

Age and residency requirements for FY2022 CPA exemptions must be met as of January 1st, 2021.

Income requirements are based on U.S. Department of Housing & Urban Development (HUD)'s Annual Area Median Income (AMI) and the CPA statute of MGL Chapter 44B. Income limits will be updated in Spring 2022 for FY2023.

There are two qualification categories:

Over 60 years of age with annual income not exceeding the limit for household size		Under 60 years of age with annual income not exceeding the limit for household size	
Moderate Income is 100% of HUD's AMI figure; Low Income is 80% of HUD's AMI figure. Please Note: Due to the definition of Low Income Housing in the CPA statute, these Low Income Limits are slightly different from HUD's Low Income figures.		Moderate Income is 100% of HUD's AMI figure; Low Income is 80% of HUD's Area Median Income figure. Please Note: Due to the definition of Low Income Housing in the CPA statute, these Low Income Limits are slightly different from HUD's Low Income figures.	
Household Size	Annual Income Limit	Household Size	Annual Income limit
1	88,550	1	70,840
2	101,200	2	80,960
3	113,850	3	91,080
4	126,500	4	101,200
5	136,620	5	109,296
6	146,740	6	117,392
7	156,860	7	125,488
8	166,980	8	133,584

Source: Massachusetts Community Preservation Coalition, 2021

If you have questions about the exemptions or if you need help completing your application, please contact the Assessor's Office for assistance. The Assessor's Office, which is located in the Prescott Building at 701 Main Street, is open Monday 9:00 a.m.– 5:00 p.m. and Tuesday– Thursday from 9:00 a.m. – 4:00 p.m. You can reach them at 978-365-3326 x1312 or by emailing assessors@lancasterma.net

The Community Services Liaison (CSL) at the Community Center can also help you with completing your application. Contact the CSL at 978-365-3326 x1109 or by emailing csl@lancasterma.net

The Town's CPA Committee is currently being formed. The Committee will have its own page on the Town's website at <https://www.ci.lancaster.ma.us/boards>. In the meantime, please visit <https://www.communitypreservation.org/about>.

