



November 13, 2006

Robert Reardon
Board of Assessors
City Hall
795 Massachusetts Avenue
Cambridge, MA 02139

Re: Clause 22D
Our File No. EM2006-935

Dear Mr. Reardon:

You asked whether the additional optional exemption applies to the Clause 22D exemption that was recently amended by the Legislature.

Clause 22D is included in the list of personal exemptions that are increased by any optional additional exemption adopted under Chapter 73, §4 of the Acts of 1986, as amended by Chapter 126 of the Acts of 1988. That statute allows a community to give recipients of personal exemptions an additional exemption of any percentage up to 100 percent of the personal exemption granted, subject to certain requirements. In particular, the application of any additional exemption cannot reduce the tax below the prior year's tax. If it does, then only that amount of the additional exemption that results in the taxpayer paying at least the amount owed for the prior year can be granted. See IGR 89-207, which is available on our website.

You asked specifically whether a surviving spouse who qualifies for a Clause 22D exemption of \$2,500 can receive an exemption of \$5,000 in a year the city grants an optional additional exemption of 100 percent. The taxpayer could qualify for that amount provided that the application of the additional \$2,500 does not reduce the tax below the prior year's tax.

If you have any further questions, please do not hesitate to contact us.

Very truly yours,

A handwritten signature in black ink, appearing to read "Kathleen Colleary".

Kathleen Colleary, Chief
Bureau of Municipal Finance Law

KC/JFC