

# **FY26 TAX DEFERRAL CLAUSE 41A**

## OTHER EXEMPTIONS YOU MAY BE ELIGIBLE FOR

<b>Blind</b>	Clause 37A
<b>Circuit Breaker</b>	File with state income taxes. Call 800-392-6089 x2
<b>CPA</b>	Community Preservation Act
<b>Senior 65+</b>	Clause 41C&41D
<b>Senior Work-Off</b>	Volunteer Service
<b>Veteran</b>	Clause 22

For more information visit:

[www.wellesleyma.gov/taxrelief](http://www.wellesleyma.gov/taxrelief)

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<https://bit.ly/46yD4AK>

## Statutory Exemption

## *Taxpayer Information Guide*



*For more information:*

## BOARD OF ASSESSORS

525 Washington St.  
Wellesley, MA 02482  
(781) 431-1019 ext.2272  
[www.wellesleyma.gov](http://www.wellesleyma.gov)

Monday – Friday  
8:00 a.m. to 4:00 p.m.

Town of Wellesley  
BOARD OF ASSESSORS

## WHAT IS TAX DEFERRAL?

A tax deferral allows an age-qualified taxpayer to defer all or a portion of their tax obligation.

The Clause 41A\* tax deferral option should be considered when a taxpayer's current expenses make the continued ownership of his/her home difficult. The deferred amount will become a lien on the property.

It is also important to note that tax deferral may be used in conjunction with other exemption programs.

As opposed to a property tax exemption, the deferred taxes must eventually be repaid with interest, when the property is sold, transferred or upon the demise of the owner.

Taxes deferred prior to fiscal year 2004 will continue to accrue interest at 8% annually.

Through special legislation the Town of Wellesley was able to convince State Legislators to allow the Town to charge a lower interest rate. Starting with fiscal year 2004 the interest is calculated annually based on the two year constant maturity Treasury rate for the start of each fiscal year.\*\*

The interest rate for FY 2026 is 3.78%.

## REQUIREMENTS

Applicants must have:

- ◆ reached the age of 65 as of July 1 of the tax year
- ◆ owned and occupied the property for at least 5 years as of July 1 of the tax year
- ◆ resided in Massachusetts at least 10 years
- ◆ gross receipts cannot exceed \$50,000. If married, combined gross receipts cannot exceed \$50,000.

## OWNERSHIP

If the property is in a trust, the applicant must have beneficial interest.

## HOW LONG MAY TAXES BE DEFERRED?

Taxes may be deferred annually until the taxes due including the accrued interest equal 50 percent of assessed value of the property at that time. The taxes due will then continue to accrue interest until such time when the taxes are paid in full.

## HOW DO I APPLY?

Applications must be filed annually with the Board of Assessors by April 1.

If you filed in a previous year, an application will be automatically mailed to you.

For new applications, contact us at 781-431-1019 x2272 or download the form on our website at [www.wellesleyma.gov/taxrelief](http://www.wellesleyma.gov/taxrelief).

Applicants must include supporting documentation that will help the Board of Assessors make a determination of eligibility. These may include a birth certificate, evidence of occupancy, income tax returns or statements and other materials.

*Please note: filing an application does not mean you can postpone the payment of your tax.*

\*Mass General Laws, Chapter 59, Section 5, Clause 41A

\*\*<https://fred.stlouisfed.org/series/DGS2>