

HOUSE No. 2852

The Commonwealth of Massachusetts

PRESENTED BY:

Mike Connolly

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act enabling a local option for a tax on vacant units in residential buildings.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Mike Connolly</i>	<i>26th Middlesex</i>	<i>2/12/2021</i>
<i>Lindsay N. Sabadosa</i>	<i>1st Hampshire</i>	<i>2/14/2021</i>
<i>Tami L. Gouveia</i>	<i>14th Middlesex</i>	<i>2/25/2021</i>
<i>Christopher Hendricks</i>	<i>11th Bristol</i>	<i>2/26/2021</i>
<i>Michelle M. DuBois</i>	<i>10th Plymouth</i>	<i>2/26/2021</i>
<i>Nika C. Elugardo</i>	<i>15th Suffolk</i>	<i>3/13/2021</i>

HOUSE No. 2852

By Mr. Connolly of Cambridge, a petition (accompanied by bill, House, No. 2852) of Mike Connolly and others that cities and towns be authorized to establish an excise tax on vacant units in large residential buildings. Revenue.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE HOUSE, NO. 3889 OF 2019-2020.]

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Second General Court
(2021-2022)**

An Act enabling a local option for a tax on vacant units in residential buildings.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 The General Laws are hereby amended by inserting after chapter 64N the following
2 chapter:—

3 CHAPTER 64O

4 LOCAL OPTION FOR A TAX ON VACANT UNITS IN RESIDENTIAL BUILDINGS.

5 Section 1. Any city or town that accepts the provisions of this chapter in the manner
6 provided in section 4 of chapter 4 may impose a local excise tax on a vacant residential unit as
7 provided for in this chapter. For the purposes of this chapter, the term vacant residential unit
8 shall mean either: (i) a residential unit, in a residential building containing at least 6 residential
9 dwelling units, that is not occupied by a tenant or subtenant for residential purposes for a term of

10 at least 90 consecutive days; or (ii) a newly constructed residential unit with a certificate of
11 occupancy, yet to be rented after 90 days of the issuance of the certificate of occupancy in a
12 residential building containing at least 6 residential dwelling units.

13 Section 2. The rate of the vacancy tax shall be 12.5 per cent of the annualized last agreed
14 upon monthly rental rate of each vacant residential unit or at a rate to be determined by the
15 municipality.

16 Section 3. The owner of a vacant residential unit shall register that unit with the assessor
17 of taxes in the city or town in which the unit is located within 30 days after it has become vacant,
18 on a form provided by the assessor. The form shall provide for any information prescribed by the
19 city or town; for example, the form may request information relative to methods by which the
20 owner has secured the property against unauthorized entry, declare any future plans for the
21 property, state whether or not there is a fire and liability insurance coverage and provide such
22 other information as the municipality may require. Upon registration of such unit, the board of
23 assessors shall assess the excise imposed by section 2 and commit the same to the collector of
24 taxes with their warrant for the collection of the excise. The excise shall be due and payable on
25 the same date property taxes are due in the city or town.

26 Section 4. Whenever the assessor has probable cause to believe based upon an inspection,
27 complaint or report that a residential unit is vacant and has not been registered as required by this
28 chapter, the assessor shall serve the owner of record as shown on the assessor's record or
29 authorized agent with a written notice requiring the owner to register the unit with the assessor as
30 vacant and pay the vacancy tax assessed pursuant to this chapter within the period of time
31 specified in the notice, which shall be no greater than 30 days.

32 Section 5. The vacant residential unit tax shall not apply to a vacant residential unit
33 undergoing redevelopment or reconstruction for which permits have been issued by the
34 municipality, which in the opinion of the municipality are being carried out diligently and
35 without unnecessary delay. A person who qualifies in any calendar year for exemption from the
36 excise imposed by this chapter shall be entitled to the exemption upon application to the assessor
37 for that year.