

HOUSE No. 3507

The Commonwealth of Massachusetts

PRESENTED BY:

Kate Hogan

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 to establish estate tax valuation for farms.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Kate Hogan</i>	<i>3rd Middlesex</i>
<i>Ann-Margaret Ferrante</i>	<i>5th Essex</i>
<i>Leonard Mirra</i>	<i>2nd Essex</i>
<i>Jennifer E. Benson</i>	<i>37th Middlesex</i>
<i>John W. Scibak</i>	<i>2nd Hampshire</i>
<i>Colleen M. Garry</i>	<i>36th Middlesex</i>
<i>Stephen Kulik</i>	<i>1st Franklin</i>
<i>Keiko M. Orrall</i>	<i>12th Bristol</i>
<i>James B. Eldridge</i>	<i>Middlesex and Worcester</i>
<i>Steven S. Howitt</i>	<i>4th Bristol</i>
<i>Carolyn C. Dykema</i>	<i>8th Middlesex</i>
<i>Sarah K. Peake</i>	<i>4th Barnstable</i>
<i>Barbara L'Italien</i>	<i>Second Essex and Middlesex</i>
<i>Chris Walsh</i>	<i>6th Middlesex</i>
<i>Jay R. Kaufman</i>	<i>15th Middlesex</i>
<i>Leah Cole</i>	<i>12th Essex</i>
<i>Gailanne M. Cariddi</i>	<i>1st Berkshire</i>
<i>William Smitty Pignatelli</i>	<i>4th Berkshire</i>

Michael O. Moore

Second Worcester

Susan Williams Gifford

2nd Plymouth

HOUSE No. 3507

By Ms. Hogan of Stow, a petition (accompanied by bill, House, No. 3507) of Kate Hogan and others for legislation to establish estate tax valuation for farms. Revenue.

The Commonwealth of Massachusetts

**In the One Hundred and Eighty-Ninth General Court
(2015-2016)**

An Act to establish estate tax valuation for farms.

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

1 Section 5 of chapter 65C of the General Laws, as appearing in the 2012 Official Edition,
2 is hereby amended by striking out subsection (c) and inserting in place thereof the following 2
3 subsections:-

4 (c) If the gross estate of a decedent includes real property devoted to use as a farm for
5 farming purposes, the estate may elect to either value such property in accordance with section
6 2032A of the Code, in effect on January 1, 1985 or, if the gross estate of a decedent includes
7 real property devoted to use for closely held agricultural land, the value of such land shall be
8 valued pursuant to the valuation set by the farmland valuation advisory commission established
9 pursuant to section 11 of chapter 61A for the fiscal year of the most recent growing season. If a
10 federal return is required to be filed the election under this subsection shall be consistent with the
11 election made for federal estate tax purposes. All the substantive and procedural provisions of
12 said section 2032A shall, insofar as pertinent and consistent, apply to the election made under

13 this subsection. The commissioner shall promulgate regulations to carry out the provisions of this
14 subsection and subsection (d).

15 (d) To qualify for valuation of closely held agricultural land pursuant to subsection (c) the
16 land shall meet the definition set forth in chapters 61, 61A or 61B and section 1A of chapter
17 128; provided, however that the land need not be classified by the municipal assessors pursuant
18 to said chapters 61, 61A and 61B.

19 Whenever the closely held agricultural land is valued and taxed as set forth in this section
20 no longer meets the definition of section 2 of chapter 61, sections 1 or 2 of chapter 61A or
21 section 1 of chapter 61B and section 1A of chapter 128, the land shall be subject to additional
22 taxes, called rollback taxes, in the current tax year in which it is disqualified and in those years of
23 the 9 immediately preceding tax years in which the land was so valued.