CITY OF SALEM
Low/Moderate Income Exemption
COMMUNITY PRESERVATION ACT SURCHARGE

Exemption Eligibility Requirements

1. **Applicant must own the property as of January 1, 2016.** May be (1) sole owner, (2) co-owner, (3) life tenant or (4) trustee with sufficient beneficial interest in property under terms of trust.
2. **Applicant must occupy the property as primary residence as of January 1, 2016.**
3. **Applicant and each co-owner must have household income for the calendar year before January 1, 2016 at or below the limit for that owner's household type and number** (see Chart below for specific formula by household type). For property subject to trust, each co-trustee must meet income standard.

Calculation of Each Owner's Household Income

1. Household annual gross income from all sources.

Includes wages, salaries and bonuses, public and private pensions, retirement income, Social Security, alimony, child support, interest and dividend income, net income from business, public assistance, disability and unemployment insurance, regular contributions/gifts from party outside of the household.

2. Deduct Dependents Allowance.

Number of dependents on January 1, 2016 (not spouse) x $ 300. (Established by the State Department of Housing and Community Development, 760 Code of Massachusetts Regulation 6.05(4). Currently $300 deduction per dependent.)

3. Deduct Medical Expenses Exclusion.

Total out of pocket medical expenses of all household members for calendar year preceding January 1, 2016 (total must exceed 3% of household annual gross in order to be deducted).

Out of pocket medical expenses include health insurance premiums, payments to doctors, hospitals and other health care providers, diagnostic tests, prescription drugs, medical equipment or other expenses not paid or reimbursed by employers, public/private insurers or other third parties.

4. Equals Household Annual Income for CPA Exemption

Cannot exceed **Annual Income Limit for Household Type and Size** (see below)
The Annual Income Limit is based on the Area Wide Medium Income (AWMI) set by the U.S. Department of Housing and Urban Development (HUD).

Household Size (# persons)	Senior Household	Non-senior Household
1 person	68,670	54,936
2 person	78,480	62,784
3 person	88,290	70,632
4 person	98,100	78,480
5 person	105,948	84,758
6 person	113,796	91,037
7 person	121,644	97,315
8 person	129,492	103,594

CP-4
7/2009

The Commonwealth of Massachusetts

SALEM
Name of City or Town

Assessors' Use only
Date Received
Application No.
Parcel Id.

LOW INCOME PERSONS - LOW OR MODERATE INCOME SENIORS
FISCAL YEAR 2017 APPLICATION FOR COMMUNITY PRESERVATION ACT EXEMPTION
General Laws Chapter 44B

Return to: Board of Assessors

INSTRUCTIONS: Complete all sections. Please print or type.

A. IDENTIFICATION. Complete this section fully.

Name of Applicant _____

Telephone Number _____ Marital Status _____

Were you 60 years or older on January 1, 2016? Yes ☐ No ☐

If yes and first year of application, please attach copy of birth certificate.

Legal residence (domicile) on January 1, 2016

_____
No. Street City/Town Zip Code

Mailing address (if different) _____
No. Street City/Town Zip Code

Location of property: _____ No. of dwelling units: 1 ☐ 2 ☐ 3 ☐ 4 ☐ Other ____

Did you own the property on January 1, 2016? Yes ☐ No ☐

If yes, were you: Sole owner ☐ Co-owner with spouse only ☐ Co-owner with others ☐

Was the property subject to a trust as of January 1, _____? Yes ☐ No ☐

If yes, please attach trust instrument including all schedules.

Have you been granted any exemption in any other city or town (MA or other) for this fiscal year? Yes ☐ No ☐

If yes, name of city or town _____ *Type of exemption* _____

B. SIGNATURE. Sign here to complete the application.

This application has been prepared or examined by me. Under the pains and penalties of perjury, I declare that to the best of my knowledge and belief, the application and all accompanying documents and statements are true, correct and complete.

_____
Signature Date

If signed by agent, attach copy of written authorization to sign on behalf of taxpayer.

YOU MUST ALSO COMPLETE SCHEDULES C - F ON FOLLOWING PAGES

FILING THIS APPLICATION DOES NOT STAY THE COLLECTION OF YOUR SURCHARGE.
TO AVOID INTEREST AND COLLECTION CHARGES, YOU MUST PAY SURCHARGE AS BILLED BY DUE DATE.
IF EXEMPTION IS GRANTED AND SURCHARGE IS PAID IN FULL, REFUND WILL BE MADE.
THIS FORM APPROVED BY THE COMMISSIONER OF REVENUE

C. HOUSEHOLD MEMBERS. List all members of your household on January 1 and provide requested information. Please list any members who are 18 and older and not full time students last. Documentation may be requested to verify information provided.

	Full Name (First, Middle, Last)	Relationship to Applicant	Age as of 1/1	Occupation or School Grade
1.				
2.				
3.				
4.				
5.				
6.				

Continue list on attachment, in same format, as necessary.

D. HOUSEHOLD OUT OF POCKET MEDICAL EXPENSES DURING PRECEDING CALENDAR YEAR. List total medical expenses incurred by all household members during calendar year before January 1 that were not paid by or reimbursed by employer, public or private health insurance or other third party. Includes amounts paid in health insurance premiums, co-payments, deductibles and other out of pocket expenses. Documentation may be requested to verify expenses claimed.

TYPE OF EXPENSE	Total Out of Pocket for Preceding Calendar Year
Health insurance premiums	$
Doctors	$
Hospitals	$
Diagnostic tests	$
Prescription drugs	$
Medical equipment	$
Other	$
TOTAL OUT OF POCKET	$

E. HOUSEHOLD GROSS INCOME DURING PRECEDING CALENDAR YEAR. List income received from all sources for each member of household 18 and older and not full time student during calendar year before January 1. Please list members in same order as shown in Schedule C above. Copies of federal and state income tax returns may be requested to verify income reported for each household member.

TYPE OF INCOME	Applicant Name _____	Member 1 Name _____	Member 2 Name _____	Member 3 Name _____
Wages, salaries, other compensation	$	$	$	$
Social Security				
Other pension/retirement benefits				
Interest/dividends				
Rental income				
Net profits from business or profession				
Capital gains				
Alimony				
Child support				
Public assistance				
Unemployment compensation				
Disability compensation				
Other (specify):				
TOTAL GROSS INCOME - MEMBERS	$	$	$	$
TOTAL GROSS INCOME - HOUSEHOLD				$

Continue list on attachment, in same format, as necessary.

F. CO-OWNERS' HOUSEHOLD GROSS INCOME DURING PRECEDING CALENDAR YEAR.

Does Schedule E above include the gross income of all co-owners of the property as of January 1, _____? Yes ☐ No ☐

If no, a Schedule C, D and E must be attached for each co-owner not included.