From: Matt Poole
To: Tim Carroll

Cc: Warren M. Doty (warrenmdoty@gmail.com); James Malkin (jimmalkin@gmail.com); Bill Rossi

(bill.rossi@compass.com); Anna McCaffrey; Katie Carroll (squidrow@vineyard.net); Jan Buhrman

(jan@kitchenporch.com)

Subject: Re: FW: Title V Tax Credit Proposal

Date: Wednesday, March 15, 2023 3:49:33 PM

I think a general letter of support is obvious and helpful. I think a couple of tweaks/clarifications could be made to the explanation offered via the news service attachment BUT it is largely fine and accurate enough as it's being used. Perhaps a simple letter of support from BoH and SB (each) is appropriate(?).

Thanks, Matt Poole

On Tue, Mar 14, 2023 at 4:50 PM Tim Carroll < townadministrator@chilmarkma.gov wrote:

FYI

Would you like us to reach out to the Senator's office on this?

Tim Carroll

Town Administrator

Town of Chilmark

508-645-2101 O 508-627-0034 M 508-645-2110 F

From: Cyr, Julian (SEN) < <u>Julian.Cyr@masenate.gov</u>>

Sent: Monday, March 13, 2023 6:22 PM

To: amorse@provincetown-ma.gov; dtangeman@truro-ma.gov; Richard.Waldo@wellfleet-ma.gov; jbeebe@eastham-ma.gov; plombardi@brewster-ma.gov; jgoldsmith@chatham-ma.gov; jpowers@town.harwich.ma.us; esullivan@town.dennis.ma.us; rwhritenour@yarmouth.ma.us; mark.ells@town.barnstable.ma.us; LGibson@nantucket-ma.gov; jhagerty@edgartown-ma.us; jgrande@tisburyma.gov; townadmin@westtisbury-ma.gov; dpotter@oakbluffsma.gov; townadministrator@aquinnah-ma.gov; townadministrator@chilmarkma.gov; csumner@town.orleans.ma.us

Cc: Ganz, Elizabeth (SEN) < <u>Elizabeth.Ganz@masenate.gov</u>>; Holcomb, Michael (SEN)

< <u>Michael. Holcomb@masenate.gov</u>> **Subject:** Title V Tax Credit Proposal

Dear Cape and Island Town Administrators/Managers,

I wanted to share with you all an important proposal we've been working on with the Healey-Driscoll Administration to reform and expand the Title V Septic Tax Credit. The proposal was contained within the Administration's proposed tax reform package, H.42 - *An Act creating tax relief for affordability, competitiveness and equity.* We are working in close partnership with the Healey-Driscoll Administration to advocate for the inclusion and possible expansion of this tax credit proposal in a potential tax reform package the Legislature may take up. Below is a summary of the Governor's Title V tax credit proposal.

I have also attached a copy of an article that ran in the State House News Service on March 6th that contextualizes the thinking and discussion on this evolving debate at the state level. I believe the Cape Cod Times ran the story in today's paper.

I know that conversation about Title V regulations, water quality, and sewering are top of mind in all our communities. These issues remain among the highest on my priority list too. After all, moving forward on wastewater not only stewards our fragile environment, but will help us build the housing we need to sustain any hope of year-round community in the years ahead.

Please share this information with Select Board members and other relevant town staff. And certainly do not hesitate to reach out on this or any matter.

Respectfully,

Julian

(508) 360-6694

Summary of Governor Healey's Title V Tax Credit Proposal

- H. 42 was filed on March 1 as companion legislation to the Governor's FY24 budget.
- H. 42 is an overall tax package with a net cost of \$742 million.

• Governor Healey's Title V repair or replacement tax credit can be found in <u>H.42</u>, Sections 8,9, and 10. It amends MGL <u>Chapter 62 Section 6(i)</u>.

The proposal doubles the maximum Title V tax credits.

- Currently, taxpayers are allowed a tax credit equal to 40% of the expenditure for design and construction expenses for the repair or replacement of a failed septic tank or cesspool up to 40% of \$15,000.
- Meaning the maximum tax credit someone could receive would be \$6,000.
- The new proposal would raise the max expenditure to \$30,000.
- That would be a max tax credit of \$12,000 (40% of \$30,000).

The proposal allows taxpayers to access these credits on a faster schedule.

- Currently, the law limits the use of this credit to a maximum of \$1,500 a year with the ability to use excess credits over the following 5 years.
 - This means the faster a \$6,000 credit could be used is 4 years.
- The proposal would adjust the maximum per year credits that can be used to \$4,000.
 - Accelerating the fastest schedule to 3 years for a \$12,000 credit.

Julian Cyr

State Senator

Cape and Islands District

State House, Room 309

Boston, MA 02133

617-722-1570

Pronouns: He/Him/His

www.SenatorCyr.com