

## **Frequently Asked Questions: Residential Exemption**

### **The application has a due date of April 1, 2025. Why should I pre-qualify and not just wait to see if the Select Board declares a residential exemption?**

Applications filed after the decision is made (most likely in November) would have a substantial negative impact on Town finances. Rather than being paid for by non-qualified residential properties, these exemptions would be funded from the “overlay” account, essentially a Town savings account for future abatements and exemptions. Poor pre-qualification results would make any decision in favor of a residential exemption far less likely. Further, applicants after the decision is made are essentially paying themselves from their own savings (any reduction in overlay is ultimately funded by all taxpayers).

### **Do I have to file an exemption form every year to qualify?**

No. Generally, you only need to be approved once, although some transfers or changes of mailing address may require filing again. And the Board may periodically audit some or all properties.

### **Why do I need to provide my Federal Income Tax Return?**

The language of MGL Ch 59 Sec 5c (the residential exemption) reads in part “...such an exemption shall be applied only to the principal residence of a taxpayer as used by the taxpayer for income tax purposes.”

The Massachusetts Department of Revenue standardized application form requires assessors to gather this form of documentation.

We are only interested in the address you provide the IRS on your tax forms. Please cover, black out, or otherwise redact all social security numbers and income figures. Your income is NOT a factor in qualifying.

If you are submitting a driver’s license for further documentation of your address (if you show a PO box for instance on your tax return), please cover, black out, or otherwise redact the driver’s license number.

### **Can I qualify if my property is held in by a trust or LLC?**

Trusts will almost always qualify if one or more residents is a trustee on the trust. If no residents are trustees (for instance adult children are the trustees), the property cannot qualify.

LLCs cannot qualify.

### **What if my Federal Income Tax Return shows my physical street address but uses Vineyard Haven, Chilmark, or Edgartown instead of West Tisbury due to postal delivery?**

You do not need to provide a copy of your driver's license if the street number and street name match your property address on your tax bill. Driver's licenses are needed when a PO Box is used, or another address that isn't the same as the residence address.

**What if I moved to West Tisbury after January 1<sup>st</sup> of 2024?**

In order to qualify for fiscal year 2025, your property must have been your principal residence on January 1<sup>st</sup> of 2024. You can still send us the application and we will review it for the next fiscal year. You will not need to apply twice.

**What if my property is my principal residence, but I can't supply the listed documentation?**

Please call or email our office. If you file income taxes, you must supply that documentation. If you have a driver's license, you must show that documentation. But some people don't file income taxes, and some don't have driver's licenses. If the property is your principal residence, the Board will work with you to find alternative forms of documentation.