

CPA SURCHARGE and EXEMPTION INFORMATION

The Community Preservation Act surcharge is a 1.5% surcharge on your Real Estate Tax bill.

Under state law, there are 2 ways the CPA surcharge could have been imposed in a city: either by city management, or by a majority of voters in an election. In Medford, the CPA surcharge was imposed by a majority of Medford voters in the 2015 election. In FY 2017, the CPA surcharge was added for the first time to the real estate tax bills in Medford.

The CPA surcharge formula: calculate your property tax, then deduct \$100,000 from your assessed value, recalculate your property tax, and multiply by 1.5%.

People can apply to be exempt from paying the CPA surcharge if they meet certain qualifying conditions:

- Owned the home as of January 1 prior to the fiscal year.
- Be the sole owner, co-owner, life tenant or trustee with sufficient beneficial interest under terms of trust.
- Have occupied the property as their primary residence as of January 1 prior to the fiscal year.
- Homeowner and each owner must have household annual income below the qualifying amounts determined by HUD and the CPA statute. For trusts, each co-trustee must meet the income limits.

INCOME MAXIMUM LIMITS for FY2025

If under age 60 on 01/01/24,

2023 income must be less than:

1 person: \$83,384
2 people: \$95,296
3 people: \$107,496
4 people: \$119,120
5 people: \$128,650

If 60 or over on 01/01/24,

2023 income must be less than:

1 person: \$104,230
2 people: \$119,120
3 people: \$ 134,010
4 people: \$148,900
5 people: \$160,812

You can apply through the Assessing Department, Room 109, 781-393-2435.