

## **CPA SURCHARGE INFORMATION AND EXEMPTION INFORMATION**

### ***Surcharge information***

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

Under MA law Chapter 267 of the Acts of 2000, communities can implement up to a 3% surcharge on Real Estate Taxes, with the funds going into a Community Preservation Fund overseen by a local Community Preservation Committee (CPC). There are 2 ways the CPA can be imposed in a municipality: either by city management, or by a majority of voters in a municipal election. In Medford, a 1.5% CPA surcharge was imposed by a majority of Medford voters in the 2015 municipal election and in FY2017 the CPA surcharge was added for the first time to the Real Estate Tax bills in Medford.

The CPA surcharge formula: First calculate your property tax. Then, calculate your CPA surcharge: deduct \$100,000 from your assessed value, recalculate your property tax, and multiply by 1.5%. That result is your CPA surcharge that is added to your Real Estate Tax bill.

### ***Exemption Information***

Homeowners who resided in the property as their primary residence can apply for an exemption of the CPA surcharge if they meet the 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 the terms of the trust
- Have occupied the property as their primary residence as of January 1 prior to the fiscal year
- All owners 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.

#### **MAXIMUM INCOME GUIDELINES FOR CPA EXEMPTION in FY2026**

<b>If under age 60 on 01/01/2025:</b>		<b>If 60 or over on 01/01/2025:</b>	
<b>2024 Income must have been less than:</b>		<b>2024 Income must have been less than:</b>	
1 person	\$90,104	1 person	\$112,630
2 people	\$102,976	2 people	\$128,720
3 people	\$115,848	3 people	\$144,810
4 people	\$128,720	4 people	\$160,900
5 people	\$139,018	5 people	\$173,772