



MASSACHUSETTS ASSOCIATION OF REALTORS®

2017-2018 Legislative Priorities

(Please note that these priorities are subject to change)

1st Time Home Buyer Savings Account

An Act authorizing the establishment of first-time homebuyer savings accounts (S1507)

Sponsor: Senator Julian Cyr (D-Truro)

Status: Joint Committee on Revenue

Why MAR Supports 1st Time Home Buyer Savings Accounts: Saving for a down payment and closing costs for a home is difficult. Programs like Home Buyer Savings Accounts provide a state tax-assisted avenue for individuals, couples, or family members to contribute to the purchase of a home. Each time a home is purchased there are many economic benefits to the community. For example, home buyers are most likely spending large sums of money at local home improvement stores, which generates sales taxes, income tax, and supports local jobs. Homeowners also pay property taxes; a key source of funding for local governments. Furthermore, owning a home also provides stability for families and the communities in which they reside as there are many documented social benefits of homeownership. Home Buyer Savings Accounts increase the overall well-being of citizens. Specifically, this program would allow future home buyers to deposit up to \$5,000 per year into a First Time Home Buyer Savings Account and then claim that contribution as a deduction on their income tax.

Support Land Use and Zoning Reforms: The H.O.M.E. Bill

An Act improving housing opportunities and the Massachusetts economy (S94 & H436)

Sponsor: Senator Michael Rodrigues (D-Westport) (S94) & Representative Angelo Puppolo (D-Springfield) (H436)

Status: S94 Joint Committee on Community Development & Small Business &

H436 Joint Committee on Municipalities

Why MAR Supports the H.O.M.E. Bill: Due to the short supply of housing in Massachusetts, potential homeowners continue to face increasing housing costs. One of the many issues driving the reduced housing stock is the presence of barriers to production resulting from current zoning laws. The Massachusetts Association of REALTORS® in conjunction with the Greater Boston Real Estate Board has filed legislation addressing these barriers. Several of the provisions include easing the production of cluster development housing; allowing in-law apartments by right; allowing multifamily housing construction by right; simplifying the dimensional variance burden and; approving special permits by a majority vote.

Support Mortgage Forgiveness Debt Relief

An Act relative to the relief of mortgage debt (S1568)

Sponsor: Senator Mark Montigny (D-New Bedford)

Status: Joint Committee on Revenue

Why MAR Supports Mortgage Forgiveness Debt Relief: The general tax rule that applies to debt forgiven is that the amount forgiven, sometimes referred to as phantom income, is treated as taxable income to the borrower. This bill would allow homeowners to complete loan modifications, short sales and foreclosures for which they have debt forgiven without making them liable to pay state taxes on the that debt. This bill would mirror the federal law, the Mortgage Debt Relief Act of 2007, to allow taxpayers to apply for this exclusion on their state tax return as well.

Support Copper Pipe Theft Prevention

S167-An Act regulating secondary metals dealings

Sponsor: Senator James Timilty (D-Walpole)

Status: Joint Committee on Consumer Protection & Professional Licensure

H1984- An Act regulating secondary metals dealings

Sponsor: Representative Ronald Mariano (D-Quincy)

Status: Joint Committee on Consumer Protection & Professional Licensure

Why MAR Supports the Regulation of Scrap Metal: The problem of copper pipe and wiring theft is widespread in cities and towns across the Commonwealth. Homes in every corner of the state have become targets for metal thieves who strip the metal from the home and sell it to scrap metal dealers. Homes that have been robbed of plumbing and wiring are a community problem, hurting home values in neighborhoods in which thefts occur. Further, the stripping of metal piping and other fixtures from the structure likely makes the home ineligible for conventional mortgage financing. MAR supports the regulation of the secondary metals dealing to dissuade thieves from stealing plumbing and wiring from homes.

Oppose Mandatory Energy Scoring

Status: Joint Committee on Telecommunications, Utilities and Energy

Why MAR Opposes Mandatory Energy Scoring and Audits: These bills seek to require sellers or their agents to perform a Mass Save energy audit prior to listing a home for sale and disclose to any prospective buyer the information in the energy audit at the time of the listing. Additionally, the bills commission the design and implementation of an energy scoring and labeling system. Over and above having an enormous impact on an individual's right to freely transfer land, such requirements would negatively affect the real estate industry in the Commonwealth. Massachusetts is home to some of the oldest housing stocks in the country and mandatory energy scoring of such older homes would significantly stigmatize and potentially devalue an individual's largest investment.

Oppose Expansion of Room Occupancy Tax

Status: Joint Committee on Revenue

Why MAR Opposes the Expansion of the Room Occupancy Tax: REALTORS® oppose bills imposing a room occupancy tax on short term vacation rentals. These proposals promote the creation of a new tax on all homeowners who choose to rent their homes for a short term, typically under 90 days. In addition to established businesses like hotels, motels and bed and breakfast establishments, these proposals would allow a city or town to levy a room occupancy tax on any apartment, single or multiple family housing, cottage, condominium or timeshare unit. Private homeowners would then be responsible for the collection, handling, and remittance of these taxes to the Department of Revenue.

Oppose Real Estate Transfer Taxes

Status: Joint Committee on Revenue

Why MAR Opposes Real Estate Transfer Taxes: REALTORS® strongly oppose real estate transfer taxes, which would authorize the creation of a new transfer tax on the sale of property in a municipality. The imposition of this type of new sales tax on homes could have serious implications for the Massachusetts economy and set the wrong precedent for the Commonwealth's tax policies. If allowed, Massachusetts communities facing budgetary deficiencies may seek transfer tax authority to solve local revenue problems. However, creating an "entrance or exit fee" to homeownership is the wrong way to solve this problem. Transfer taxes would increase the bottom-line price of many homes by thousands of dollars. These bills single out home buyers and sellers and subjecting them to this new tax only further exemplifies the inequitable nature of this taxing scheme.