



MASSACHUSETTS ASSOCIATION OF REALTORS®

2015-2016 Legislative Priorities

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

An Act improving housing opportunities and the Massachusetts economy

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, many of which are found in 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;
- Approving special permits by a majority vote.

Support Copper Pipe Theft Prevention

An Act regulating secondary metals dealing

Homes that have been robbed of plumbing and wiring are a community problem, hurting home values in neighborhoods in which thefts occur. The problem is widespread and cities and towns in the Commonwealth, as well as across the US, have become targets for metal thieves. Vacant houses are an increasing concern in many communities of the Commonwealth. Many fall into disrepair, attract crime, and create safety issues in neighborhoods. 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.

Support Mortgage Forgiveness Debt Relief And Debt Cancellation

An Act relative to discharge of indebtedness of principal residence from gross income

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 Rent Escrow

An Act relative to capital relief in a counterclaim

This legislation seeks to clarify the process that occurs when tenants allege violations of the state sanitary code and withhold rent. If passed, tenants would be required to deposit withheld rent in an escrow account while the dispute is adjudicated. The funds would only be released when the repairs are completed, the landlord and tenant reach an agreement, or a judge orders a fair settlement. MAR supports rent escrowing as an equitable solution to the problem of safely maintaining rental housing while also preserving a tenant's right to withhold rent for serious deficiencies.

Oppose Local Imposition of 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

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.