

## Title 5 Tax Credit

The following is an protion of the Massachusetts law concerning a Title 5 tax credit:

(i) Any owner of residential property located in the commonwealth who is not a dependent of another taxpayer and who occupies said property as his principal residence, shall be allowed a credit equal to 40 per cent of the expenditures for design and construction expenses for the repair or replacement of a failed cesspool or septic system pursuant to the provisions of Title V as promulgated by the department of environmental protection in 1995. Said expenditures shall be the actual cost to the taxpayer or \$15,000, whichever is less; provided said credit shall be available to eligible taxpayers beginning in the tax year in which the repair or replacement of said cesspool or septic system was completed; provided said credit shall not exceed \$1,500 in any tax year and any excess credit may be applied over the following three subsequent tax years. The amount of any such credit shall be reduced by an amount equal to the total interest subsidy or grant received from the commonwealth, whether directly or indirectly, toward the cost of said expenditures. The department shall promulgate such rules and regulations as are necessary to administer the credit afforded by this subsection, including, but not limited to, a notification system by the commonwealth to recipients of said interest subsidy or grant of the amount of the total subsidy provided by the commonwealth.

The entire Chapter of the law may be viewed at:  
<http://www.state.ma.us/legis/laws/mgl/62%2D6.htm>



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