

Sewer Connection Relief Proposed (as of January 2024)

The Commonwealth's budgeting process took a significant step forward on Wednesday, January 24th when the Healey/Driscoll Administration filed its \$56.1 billion [Fiscal Year 2025 budget recommendation](#). The Administration's budget recommendation, filed as House 2, will be followed by filings by the House, and finally the Senate. A Conference Committee made up of members of the House and Senate will then meet to reach a final agreement on the budget for both the full House and Senate to vote on. If approved by both, it will be presented to the Governor for final review.

The budget recommendation includes funding for many programs and services that affect our community including investments in education, childcare, transportation, and housing. One item of particular interest to many in Dennis is an amendment to [Massachusetts General Law Chapter 62 Section 6 \(i\)](#) which specifies the criteria under which a property owner qualifies for a tax credit related to design and construction costs to upgrade or replace a failed septic system or cesspool pursuant to the provisions of Title 5 as promulgated by the Department of Environmental Protection in 1995. [The proposed amendment](#) would expand eligibility for the tax credit to include design and construction costs associated with "connection to a sanitary sewer collection system, if such ... connection is required pursuant to the provisions of Title 5 of the State Environmental Code, the provisions of a watershed permit issued by the department of environmental protection, or other requirements or conditions for implementation of the watershed permit imposed by the permittee or the department of environmental protection."

Inclusion of the proposed amendment in the Commonwealth's final budget would provide relief to those who are scheduled to connect to the Town's sewer system.

SECTION 45

Section 45 Title V Septic Tax Credit Clarification

Section 6 of said chapter 62, as most recently amended by sections 12 to 16, inclusive, of **chapter 50 of the acts of 2023**, is hereby amended by striking out subsection (i) and inserting in place thereof the following subsection:-

(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 60 per cent of the expenditures for design and construction expenses for the repair, replacement, or upgrade of a cesspool or septic system or connection to a sanitary sewer collection system, if such repair, replacement, upgrade or sewer connection is required pursuant to the provisions of Title 5 of the State Environmental Code, the provisions of a watershed permit issued by the department of environmental protection, or other requirements or conditions for implementation of the watershed permit imposed by the permittee or the department of environmental protection. Said expenditures shall be the actual cost to the taxpayer or \$30,000, whichever is less; provided, however, that

said credit shall be available to eligible taxpayers beginning in the tax year in which the repair, replacement, upgrade or sewer connection was completed; and provided, further, that said credit shall not exceed \$4,000 in any tax year and any excess credit may be applied over the following five subsequent tax years up to an aggregate maximum of \$18,000. 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.

SUMMARY

This section clarifies that upgrades to septic systems or connections to sewer required by DEP's Title 5/Watershed Permitting regulations, 310 CMR 15.00, are eligible for the Title V septic tax credit.