

**Senior Tax Work Off Program
Hadley Council on Aging
46 Middle Street
Hadley, MA 01035
(413) 586-4023 x1**

Policy Guidelines-2022

The Town of Hadley’s Senior Tax Work-off Program allows seniors of Hadley, age 60 and older, and who meet income eligibility guidelines, the opportunity to work for the Town and in return will receive a reduction in property taxes up to the amount of \$1,000 each year worked, based on the total hours worked, at a rate no less than the current state minimum wage, which will be \$14.25 per hour as of January 1, 2022. This program is in addition to other tax abatements and property exemptions for which senior tax payers may be eligible. Seniors must own and occupy the residence for which property taxes are paid and credit is being sought.

The Senior Tax Work-Off Program is open to residents who own and reside in their home in Hadley, pay real estate taxes to the Town of Hadley and meet the income guidelines. Participants must complete between 35 and 70 hours of service in the program, which runs from January 1, 2022 to October 31, 2022.

The Town of Hadley has 5 openings for the Senior Tax Work-off Program.

Income Guidelines:

The following income limits are required for participation in the program:
Based on the Massachusetts Median Income Level

Household Size and Combined TOTAL GROSS Annual Income

Household Size	Maximum Income 2022 60% of estimated state median income
1	\$40,951
2	\$53,551
3	\$66,151
4	\$78,751
5	\$91,351
6	\$103,951
7	\$106,314
8	\$108,676

Compensation

- \$14.25 per hour (Chapter 59 section 5K, General Laws of MA)
- Participants will receive an abatement for up to 70 hours of service. Any hours worked beyond the 70 cannot be accumulated for the Tax Work-off Program
- Maximum amount of abatement is \$1,000 per household, per year.

- Money earned through the Tax Work-off Program is reportable income for federal taxes only. Participants will receive either a 1099 or W-2 from the Treasurer's Office for the amount of money earned through the program.

Accounting and Tax Withholding

The following is not meant to be considered as tax advice or a legal opinion. Tax laws may change, and eligible participants are encouraged to review their tax status and responsibilities with a qualified tax specialist.

Tax Withholding

Each participant is mandated to include the abatement amount earned in his/her gross income for federal income and FICA (Federal Insurance Contribution Act) tax reporting. The amount of property tax reduction is not considered income or wages for the purpose of state income tax withholding, unemployment, or worker's compensation.

Tax Credit Reporting

At the end of the year, a 1099 or W2 income tax form will be issued to the participant, and the tax benefit will be reported to the IRS. It is the participant's responsibility to report the credits income on their annual tax filing. Participants are encouraged to talk with their tax advisors on the responsibility regarding state and federal reporting requirements.

Administration

Administration of the program is the responsibility of the Council on Aging in conjunction with the Assessor's Office.

Tax Credit Year – The program runs January 1 through October 31 and tax reductions are credited on the 3rd or 4th quarter of each year, after the senior has completed one full year of work in the program. Work must be completed no later than October 31 of each year to allow enough time for the Assessor's Office to process the tax credits.

The amount of credit will not be paid directly to the participant; it will be shown as a reduction to the property owner's real estate taxes on the last quarterly tax statement. Eligible participants must be issued a statement of credit prior to receiving their tax bill. A 1099 or W2 will be issued by the Treasurer's Office at the end of the year to the participant. **Carry over hours will not be permitted, as hours must be recorded and reported for the calendar year in which they are earned.**

Maximum Number of Hours Worked Annually: The maximum hours of a participant can work in the tax program is 70, for a total credit of \$1,000 in 2022.

The senior is required to commit to completing the maximum numbers of hours allowed in the program. However, partial credit will be granted based on the total number of hours worked for the year. The total hours may be earned by participating in one or more assignments, however, credit will not exceed a total of 37 between all assignments.

Taxpayer must:

- Be sixty (60) years of age or older as of January 1, 2022
- Only 1 (1) tax credit per family per calendar year is allowed
- Meet income eligibility requirements (see table on page 1)
- All hours of work must be completed by the participant. No other person can work on the senior's behalf to fulfill hours
- Own and occupy the property as his/her principle residence
- Be current with property tax and water/sewer payments
- Possess and identify employable skills
- Complete the application and provide necessary income verifications
- Complete a CORI check
- Be interviewed for job placement by the Hadley Senior Services Director or designee

Job Placement for a Tax Credit Position

- Individuals will be chosen based on the best match between the applicant's qualifications and the skill requirements of each job. There is no guarantee that a placement can be matched with a participant based on worksite needs and the skills of the participant.
- Applicants will be interviewed by the department supervisor of the position for which they have been placed.
- There will be a two (2) week probationary period to assess the appropriateness of the placement.
- Program participants may not work for relatives that are Town employees.
- Primary consideration will be given to first time applicants. Individuals previously chosen for the program may reapply in subsequent years. No applicant is guaranteed a position. A lottery system will be used if there are more applicants than available positions.
- Time sheets must be signed off by the department supervisor each day that is worked. A final accounting of time worked will be submitted to the Senior Services Director or designee by the supervisor. Once verified, the Senior Services Director will submit to the Assessor for the abatement based on the number of hours worked.

Deadline Dates:

- Call the Hadley Senior Center Director to indicate interest in the program and be screened for eligibility by **December 30, 2021**. If eligible, Hayley Wood will send or email the application and be available to provide assistance if needed.
- Your Application, resume (or list of skills) and income verification for the January 1, 2021 – October 31, 2022 program year deadline: **January 7, 2022**. Mail to the Hadley Senior Center (46 Middle Street, Hadley) or put in the Town Hall drop box.
- Participants qualifying for the program will be notified in mid **January, 2022**.
- Senior participants will be interviewed by the Senior Services Director **by the end of February** at the latest for job placement.

- Job site supervisor will interview participant as soon after placement as possible.
- Work may commence for participants after interviews have been completed and participant has been assigned. Worksite schedule will be determined by worksite supervisor and participant.

Withdrawal/Termination from the Program

Withdrawal: Participants who are considering dropping from the program must submit a two week notice prior to leaving. This is to allow the department head an opportunity to seek a replacement prior to the participants last day. Failure to provide the required notice may exclude future participation in the program.

Termination:

Participants who are no longer deemed capable of performing the duties of the position to which they are assigned, or who violate the provisions of the Town of Hadley Employee Handbook, will be suspended or terminated from the program. The Select Board may reassess the participant's continued capabilities and depending on outcome, may seek to place the senior on the waiting list until another position that is more suitable to his/her skills becomes available. However, participants already on the waiting list will have priority consideration for any open slots.