



**TOWN OF SOUTHBOROUGH
OPERATIONAL POLICIES AND PROCEDURES**

Area of Concern: Senior Property Tax Work-Off Program

Policy: Senior Property Tax Work-Off Program

Date Approved: April 29, 2014

Modified: February 13, 2024

Policy Statement

Since Fiscal Year 2000, the Town of Southborough has offered a program to senior homeowners to trade volunteer work hours in town departments for a reduction of their property tax bill. Effective July 1, 2024, the maximum amount of the reduction increased from \$1,500 to \$2,000 per fiscal year. The main purpose of this program is to assist seniors who are having difficulty with increasing property tax bills. The town benefits by providing various town departments with the ability to accomplish tasks for which they lack staff, or to free up full-time employees to focus on other tasks, or to provide needed office coverage. Given the popularity of the program over the past years and the limited number of spaces that can be accommodated, the Town gives preference to those applicants with household incomes under \$45,000.

In the past, seniors have worked at the Senior Center, Library, Assessor's Office, Town Clerk's Office, Selectmen's Office, DPW, Building, Conservation, Planning, and in various schools. Examples of the types of work done in the past include: data entry, organizing the swap shop at the transfer station, receptionist at town hall, office assistant in various offices, assisting in classrooms at the schools, and building maintenance. The Town will also try to match any special areas of expertise that a senior might bring to the appropriate department.

Policy Description

1. Responsible Department

The Senior Center is the Town department that manages the Senior Property Tax Work-Off Program. The Senior Center Director coordinates with the Assessors Department to validate information provided by the resident to prove qualifications. Assessors are responsible for making sure there is adequate funding in the town's overlay reserve fund to support this program.

2. Qualifications for Participation

The program year runs from the first week of April to the end of the following February. The applicant may complete a set number of hours, not to exceed a net reduction of \$2,000. The maximum number of hours to be worked is calculated by dividing \$2,000 by the current Massachusetts minimum wage hourly rate. Each program year is considered separate and

distinct from the prior year, and therefore applicants repeating the program must re-apply annually.

To qualify for the program, an applicant must::

- Be 60 years of age or older at the time of application;
- Be a Southborough resident;
- Own and occupy the property to which the tax credit will be applied

3. Submission requirements and deadlines

Applications will be available in March at the Senior Center, the Assessor's Office, and on the Town of Southborough's website (www.southboroughma.gov). Applications will be accepted at the Senior Center beginning in early April. The individual who will perform the work must either submit his/her own application in person or have another individual who is not applying for the program bring in the application on their behalf.

In addition to a completed application, applicants must provide the following documents:

- a copy of the tax bill for the property to be abated
- *if total household income is under \$45,000*: proof of income from Social Security, pensions, and investment income
- a completed W-4 form

This information should be placed in a sealed envelope which will be reviewed by the Assessor's Office for verification of income and residence and will be held in a locked file at that office in complete confidence. The Town urges all interested seniors to apply regardless of income. If less than 30 applications are received, the income requirement will be waived. All applications will be numbered in the order received, with those who have household incomes of under \$45,000 being prioritized. Those with a household income of over \$45,000 will be considered in the order in which they were received if all 30 slots have not been filled. Applicants must reapply each year in order to be considered. The application process will close two weeks after sign-up so participants can begin work. Applications received after that date will be considered to fill slots as available.

4. Filling of available positions

Several of the Southborough town departments will offer positions requiring varying skills. Participants will be accepted on a first come, first served basis provided the applicants are deemed qualified for the work by the department personnel. If you are placed in one of the 30 available slots, then you will be matched with an available position. If an available match is not found by June 1, then the applicant will be removed from the list and the Town will move to the next available qualified applicant.

If a participant is accepted, but unable to complete the number of hours within the required time period, the Town reserves the right to replace that participant with another applicant from the

waiting list to complete the remaining available hours. Participants will receive a tax reduction consistent with the number of hours they were able to complete.

5. Applicability of Payment/Tax Reduction

The \$2,000 tax reduction will not be paid directly to the participant. The \$2,000 (*less any federal taxes and Medicare taxes withheld*) will be applied to the last quarterly tax bill in April as a reduction to the real estate tax. This program is not considered regular employment and any work completed is not eligible for unemployment benefits.

Per Massachusetts Law Chapter 184, Section 52 of the Acts of 2002, the property tax reduction earned by the taxpayer under this program is not considered income or wages for the purpose of state tax. However, the amount is subject to federal and Medicare taxes. Upon completion of the program, a check will be issued by the town and applied to real estate taxes. Upon the end of the calendar year, this benefit will be transmitted to the IRS and a W-2 Form will be issued to the participant. It will be the participant's responsibility to report this on their annual tax filing.

References

Massachusetts Law Chapter 184, Section 52 of the Acts of 2002

10-21-2002, Art. 17 Special Town Meeting \$500-\$750

9-29-2009, Art. 2 Special Town Meeting \$750-\$1000

4-25-2017, Art. 21 Annual Town Meeting \$1000-\$1500