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TOWN OF MILFORD  
SENIOR VOLUNTEER TAX RELIEF  
PROGRAM



As amended August 7, 2017

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# SENIOR VOLUNTEER TAX RELIEF PROGRAM

## INTRODUCTION

### ADOPTION BY THE TOWN OF MILFORD

The Senior Volunteer Tax Relief Program was adopted by the Town of Milford in June of 2005 by a vote of the Town Meeting. Under this program, participating taxpayers sixty years of age, volunteer their services to the Town in exchange for a reduction in their tax bills. Over the years, the Board of Selectmen have voted to increase the earning maximum, currently \$1,000.00. They have also voted twice to increase the number of participants currently 40.

General Law Chapter 59 § 5K accepted June 2005. The Board of Selectmen has established local guidelines for this program, consistent with the intent of the law. Both the law and guidelines are included in this booklet.

### PROGRAM GOALS

This program was adopted in order to:

- Enhance the ability of Town Departments to extend their services as needed beyond the scope achievable with current staffing and appropriations;
- Provide a pool of qualified workers with applicable life skills for a variety of tasks;
- Provide quality service to the Town at a reasonable cost;
- Retain seniors and their expertise in the community by reducing their tax burden;
- Enable seniors to be actively employed and self-sufficient;
- Increase interest and involvement in Town government among seniors.

Additional tax relief exemptions are available through the Assessors' Office. A list of those exemptions is included in this booklet, but the most up to date information is always available at the Assessors' Office.

# SENIOR VOLUNTEER TAX RELIEF PROGRAM

## PROGRAM OPERATION AND ADMINISTRATION

The Senior Volunteer Tax Relief Program is administered by the Senior Center Director. Strict confidentiality is maintained at all times.

In September of each year a memorandum is issued to all Department Heads explaining the program. Included with the memorandum are Placement Request and Job Description Forms. Departments are asked to identify Appropriate Positions for senior volunteers.

Appropriate Positions are those that encompass work that could not otherwise be accomplished by regular paid staff. In other words, these positions must make a meaningful contribution to the departments' operation but are not positions that otherwise would be filled by union personnel. Examples include: painting fire hydrants, filing documents, taking an inventory of street signs, tutoring, taking an inventory of supplies, answering phones, etc.

Separate forms must be submitted for each placement request. These requests are then matched to the volunteer applications.

Applications and program guidelines will be available at the Senior Center on October 1st through October 15th of each year. After all completed applications are reviewed for eligibility and positions are filled, a waiting list will be kept.

Acceptance into the program will be rated on:

1. Meeting all eligibility criteria.
2. Possessing the qualifications and skills which best meet the available positions.
3. Financial need.
4. Timely application. No applications will be considered before or after the designated open application period.

All applicants must reapply for the program each year.

Individual preferences are considered wherever possible, as are Department Head requests for a particular participant.

The Department Head (or his/her designee) who will supervise the work will interview the prospective participant(s) and has the final decision on the applicant's suitability for the

# SENIOR VOLUNTEER TAX RELIEF PROGRAM

## PROGRAM OPERATION AND ADMINISTRATION

position. Applicants retain the right to refuse placement, but placement is not guaranteed. Once the individual is placed, a start date is determined and the Senior Center Director must be informed.

The Department Head (or his/her designee) will maintain and keep the participant's time sheet in his/her possession. For each day worked, the participant will fill out, initial and date the time sheet which shall then be co-signed by the Department Head (or his/her designee). When the hours are completed, the Department Head will return the time sheet to the Senior Center Director.

All hours must be completed by October 15th of each year. The Senior Center Director will submit a voucher to the Assessor's Office who will credit the participant's property tax account.

Both the Department Head and the participant will complete evaluation forms. Feedback from these evaluations will be used to evaluate and fine-tune the program for the following year.

The senior volunteer tax abatement is exempt from Massachusetts income tax but the Town is required to withhold Medicare and contribute to the Massachusetts deferred compensation SMART plan. Two deductions will be made to the abatement amount received on your property tax bill. The IRS regulations are included in this booklet.

# SENIOR VOLUNTEER TAX RELIEF PROGRAM

## MASSACHUSETTS GENERAL LAWS

### CHAPTER 59 SECTION 5K:

Property tax liability reduced in exchange for volunteer services; persons over age 60

*As amended by 2016, 218, Sec. 127 effective November 7, 2016.*

In any city or town which accepts the provisions of this section, the board of selectmen of a town or in a municipality having a town council form of government, the town council or the mayor with the approval of the city council in a city may establish a program to allow persons over the age of 60 to volunteer to provide services to such city or town. In exchange for such volunteer services, the city or town shall reduce the real property tax obligations of such person over the age of 60 on his tax bills and any reduction so provided shall be in addition to any exemption or abatement to which any such person is otherwise entitled and no such person shall receive a rate of, or be credited with, more than the current minimum wage of the commonwealth per hour for services provided pursuant to such reduction nor shall the reduction of the real property tax bill exceed \$1,500 in a given tax year. It shall be the responsibility of the city or town to maintain a record for each taxpayer including, but not limited to, the number of hours of service and the total amount by which the real property tax has been reduced and to provide a copy of such record to the assessor in order that the actual tax bill reflect the reduced rate. A copy of such record shall also be provided to the taxpayer prior to the issuance of the actual tax bill. Such cities and towns shall have the power to create local rules and procedures for implementing this section in any way consistent with the intent of this section.

In no instance shall the amount by which a person's property tax liability is reduced in exchange for the provision of services be considered income, wages, or employment for purposes of taxation as provided in chapter 62, for the purposes of withholding taxes as provided in chapter 62B, for the purposes of workers' compensation as provided in chapter 152 or any other applicable provisions of the General Laws, but such person while providing such services shall be considered a public employee for the purposes of chapter 258, but such services shall be deemed employment for the purposes of unemployment insurance as provided in chapter 151A.

A city or town, by vote of its legislative body, subject to its charter, may adjust the exemption in this clause by: (1) allowing an approved representative, for persons physically unable, to provide such services to the city or town; or (2) allowing the maximum reduction of the real property tax bill to be based on 125 volunteer service hours in a given tax year, rather than \$1,500.

# SENIOR VOLUNTEER TAX RELIEF PROGRAM

## ELIGIBILITY REQUIREMENTS

1. Applicant must be sixty (60) years of age or older as of January 1<sup>st</sup> of the current year.
2. Applicant must own and occupy the property before work is performed, as their principal residence. If the property is subject to a trust, the senior must have be one of the trustees.
3. Applicant must have resided in Milford for at least five (5) years.
4. Real estate tax payments must be current for the residence property.
5. Total gross income cannot exceed the Massachusetts Circuit Breaker threshold for the tax year preceding the application year. i.e. Application filed October 2017 uses 2016 Income and Circuit Breaker limits. **See annual TIR.**

Proof of all sources of income are required. The Senior Center Director will keep this information on file in a secure location and it will not be released to anyone else.

6. Assessed value of principal residence as of January 1 of the current year cannot exceed Massachusetts Circuit Breaker threshold for the tax year preceding the application year. **See annual TIR.**

# SENIOR VOLUNTEER TAX RELIEF PROGRAM

## LOCAL GUIDELINES

- Applications will be available at the Senior Center and the Selectmen's Office on October 1<sup>st</sup> and must be submitted to the Senior Center no later than October 15<sup>th</sup>.
- A CORI check is required for all participants.
- Only one work-off abatement per household, per year.
- Maximum amount of abatement is \$1,000.00.
- Participants will be credited for hours worked at the state's current minimum wage. Should the minimum wage amount increase during the year, the higher amount is to be used for the Tax Relief Credit. Maximum hours will change annually dependent on the minimum wage rate. **See attached Commonwealth wage notice.**
- Any work over the maximum number of hours will be considered volunteer hours and will not be compensated or carried over to another year.
- Work is to be performed in one calendar year from January 1<sup>st</sup> through October 15<sup>th</sup>.
- Timesheets are to be returned to the Senior Center Director by October 23<sup>rd</sup>.
- Abatements will appear on the 3<sup>rd</sup> and 4<sup>th</sup> quarter tax bills.
- Repeated absences will result in removal from the program.
- All work shall be performed for municipal departments on municipal property unless otherwise approved by the Town Administrator.
- There are 40 participant openings allotted to this program.
- Department heads may request a specific volunteer on an annual basis.
- Participants are responsible for their own transportation.
- Service on Town Committees and Boards does not qualify as service for this program.
- Re-application is required each year.
- All Town of Milford full-time, part-time and/or temporary employees who work a consistent schedule are excluded from participating in this program.
- There will not be credit for partial hours worked (except for death or illness subject to approval by the Town Administrator).
- The Senior Center will maintain a log of all applicants, the disposition of the application, department where participants are placed and participant contact information.

Local rules amended by the Board of Selectmen: August 7, 2017



# SENIOR VOLUNTEER TAX RELIEF PROGRAM

## TIMELINE

- SENIOR CENTER DOES OUTREACH IN SEPTEMBER
- APPLICATIONS WILL BE AVAILABLE OCTOBER 1<sup>ST</sup>
- APPLICATIONS MUST BE SUBMITTED BY OCTOBER 15<sup>TH</sup> BY 5:00 P.M.
- NOVEMBER SENIOR CENTER DISTRIBUTES REQUEST LETTERS TO DEPARTMENT HEADS
- DECEMBER APPLICANTS SCREENED FOR ELIGIBILITY AND SENIOR CENTER NOTIFIES APPLICANT AND DEPARTMENT HEADS OF PLACEMENT
- JANUARY VOLUNTEER BEGINS WORKING
- NEXT OCTOBER 15<sup>TH</sup> IS THE LAST DAY TO WORK
- OCTOBER 23<sup>RD</sup> IS DEADLINE TO SUBMIT TIMESHEETS AND EVALUATIONS
- SENIOR CENTER DIRECTOR SUBMITS WORK VOUCHER TO ASSESSORS BY NOVEMBER 2<sup>ND</sup>
- ABATEMENT APPLIED TO TAX BILLS DUE FEBRUARY AND MAY

# SENIOR VOLUNTEER TAX RELIEF PROGRAM

## STATUTORY EXEMPTIONS & DEFERRAL

These are administered through the Assessors' Office - Application deadline April 1<sup>st</sup>

### **Clause 41C – Elderly Exemption (\$500.00)**

Must be 66 years of age by July 1.

For a Single Person: Income less than \$24,537 per year – Assets not to exceed \$40,000

For a Married Person: Income less than \$36,806 per year – Assets not to exceed \$55,000

### **Clause 37 – Blind (\$437.50)**

Person must be considered legally blind as of July 1 and registered with the Massachusetts Commission for the Blind.

### **Clause 22 – Veterans (Various Exemptions)**

Provides exemptions to certain veterans, their spouses or surviving spouses, who were not dishonorably discharged.

22a	10% Disability (less than 100%)	Exemption	\$400
22c	Purple Heart	Exemption	\$400
22d	Surviving Spouse	Exemption	\$400
22e	Gold Star Parents	Exemption	\$400
22f	Victory Medal WW 1	Exemption	\$400
22A	Loss of Limb or Eye	Exemption	\$750
22B	Loss of Both Limbs/Eyes	Exemption	\$1,250
22C	Specially Adaptive Housing	Exemption	\$1,500
22D	Missing In Action/Spouse	Exemption	Full amount of tax
22E	100% Disability	Exemption	\$1,000
22F	Paraplegic	Exemption	Full amount of tax
22G	Accepted Local Option	Allows for 1 year Massachusetts residency and property can be in a trust for ownership	

### Clause 41A – Tax Deferral

Must be 65 years or older by July 1 of the year of application, and must have been a resident of Massachusetts for the preceding ten years. Applicants must have owned and occupied as domicile any real property in Massachusetts, for five years. Gross annual income cannot exceed \$40,000 in preceding year. If the applicant meets the requirements, he/she can defer all or a portion of the taxes for the year. The interest on the amount deferred is eight percent (8%) simple interest. The Town of Milford imposes a lien on the property when the deferral is approved.

# SENIOR VOLUNTEER TAX RELIEF PROGRAM

## FORMS

Circuit Breaker Income and Asset Limits

Minimum Wage Sheet

IRS Regulations

Department of Revenue Informational Guideline Release 02-210

Application

Volunteer Acceptance Letter

Non-Acceptance Letter

Letter to Department Head

Project Time Sheet

Voucher