

# SCRPT Program Updates

2021



# **DLS- Division of Local Services**

## **MA Department of Revenue**

### **Informational Guideline Release**

#### **Summary**

The Informational Guideline Release (IGR) informs local officials about two local acceptance statues that allow cities and towns to establish property tax work-off programs for seniors.

The recent release supersedes prior guidelines on the property tax work-off abatement program.

# Scope of Abatement

- ▶ Age
  - ▶ An individual must be 60 years of age to earn a property tax abatement under a program for seniors
- ▶ Ownership
  - ▶ Volunteers/Workers must be the assessed owner of the property on which the tax is to be abated or have acquired ownership before the work is performed and the abatement applied.
- ▶ Timeframe
  - ▶ Credit will only be applied directly to the volunteer's tax bill. Reimbursement checks will no longer be issued.
    - ▶ In situations where the home was sold, the seller should ensure the abatement will be applied at the time of closing. No checks will be issued



# FY22 Tax Bill Program



- ▶ July 1, 2021 - February 28, 2022
  - ▶ Shortened transition year to adhere to updated guidelines
  - ▶ Two options depending on when hours are completed
    - ▶ Total hours completed by December 1, 2021
      - ▶ Final timesheet due to Ashley ASAP by **December 8th, 2021**
      - ▶ Abatement applied to February 2022 (3<sup>rd</sup> quarter) and May 2022 (4<sup>th</sup> quarter) tax bills
      - ▶ Abatement will appear as federal income on 2021 W-2
      - ▶ If you participated in the FY21 program, wages for both years will appear on 2021 W-2
    - ▶ Hours completed by February 28, 2022
      - ▶ Final Timesheet due to Ashley ASAP by **March 7th, 2022**
      - ▶ Abatement applied to May 2022 (4<sup>th</sup> quarter) tax bill
      - ▶ Abatement will appear as federal income on 2022 W-2
      - ▶ If you participate in the program in FY 23, wages for both years will appear on 2022 W-2
      - ▶ Prorated credit will be abated for hours completed by February 28, 2022
- ▶ Timesheets submitted after **March 7<sup>th</sup>** will be applied to the 2023 tax bill

# FY23 Tax Bill Program



- ▶ November 16, 2021 - November 15, 2022
  - ▶ Final timesheet due to Ashley as soon as work is completed
  - ▶ Abatement will be applied to the February 2023 (3<sup>rd</sup> quarter) and May 2023 (4<sup>th</sup> quarter) tax bills
  - ▶ Abatement will appear as federal income on 2022 W-2
  - ▶ Prorated credit will be abated for hours completed by November 15, 2022
- ▶ Registering/Renewing
  - ▶ Applications for the FY23 program due Friday, November 12, 2021
    - ▶ Application, CORI, W-4

# Moving Forward

- ▶ Applications will be completed in the fall
- ▶ All SCRPT program years will begin November 16 and end the following November 15
- ▶ Abatements will be applied evenly to the February and May tax bills
- ▶ Delays turning in your timesheets will delay your abatement to a future tax year

Questions??