

# CITY OF NEWBURYPORT



IN CITY COUNCIL

**ORDERED:**

April 8, 2024

That, effective for fiscal year 2025, the City of Newburyport increases the maximum abatement amount from \$1,500 to \$2,000 per fiscal year for senior citizens that participate in the property tax work-off program in accordance with [M.G.L. c. 59, § 5K](#).

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Councillor Sharif I. Zeid

**In City Council April 8, 2024:**

Motion to collectively refer ORDR00551, ORDR00552, ORDR00553 to Budget & Finance, and ORDR00554, ORDR00555, ORDR00556, ORDR00557, ORDR00558 to Budget & Finance and COTW by Councillor Zeid, seconded by Councillor McCauley. Roll call vote, 10 yes, 1 absent, motion passes.



CITY OF NEWBURYPORT  
FINANCE DEPARTMENT

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SEAN R. REARDON  
MAYOR

ETHAN R. MANNING  
FINANCE DIRECTOR/CITY AUDITOR

To: President and Members of the Newburyport City Council

From: Ethan R. Manning, Finance Director/City Auditor

Date: April 4, 2024

Subject: Senior Tax Work-Off Program Increase to Maximum Assistance Amount

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On October 4, 2023, Governor Healey signed “An Act to Improve the Commonwealth’s Competitiveness, Affordability, and Equity” into law ([St. 2023, c. 50](#)). Section 2 of the Act increased the maximum senior work-off abatement program amount from \$1,500 to \$2,000, pursuant to [G.L. c. 59, § 5K](#). Any increases may begin in fiscal year 2025. A majority vote of the City Council is required to effectuate this increase beginning July 1, 2024. Note that the maximum amount for the veterans' work-off program is still capped at \$1,500 per [G.L. c. 59, § 5N](#), so there is no increase available under that particular statute.

Below are the participation and earned benefits for the past three fiscal years. For the most recent fiscal year, the total property tax abatement provided by this program was \$57,655. We anticipate that the change to the maximum assistance amount could increase the amount abated per year by approximately \$20,000 to \$25,000, depending on participation. These abatements are charged to the “overlay” account, which is an amount that is carried in the annual revenue estimate for any property tax abatements and exemptions that are processed.

Year	# of Participants	Total Earned Benefit	Maximum Benefit (100 hours or \$1,500)	Maximum Benefit (133.33 hours or \$2,000)	Maximum Benefit Difference
FY21	22	\$28,327	\$33,000	\$44,000	\$11,000
FY22	47	\$71,413	\$70,500	\$94,000	\$23,500
FY23	42	\$57,655	\$63,000	\$84,000	\$21,000
				<b>3-Yr. Average</b>	<b>\$18,500</b>

Please see [IGR-2023-10](#) for more information on the senior work-off program. Details on how to participate in Newburyport’s program can be found on the Council on Aging website [here](#).

Thank you for your consideration.