

COMMITTEE ON REVENUE ~ HOUSE BILL SUMMARY

Bill Number: H.3209

Name: AN ACT MODERNIZING WORKFORCE OPPORTUNITIES FOR OLDER WORKERS

Sponsor(s): Rep. Alice Hanlon Peisch (Wellesley)

Hearing Date: June 16, 2025

Reporting Date: August 15, 2025

Prior History: N/A

CURRENT LAW:

M.G.L. c. 62 § 6 – Credits: Massachusetts offers credits against personal income tax liability for individuals who meet certain thresholds and eligibility requirements. A tax credit is a dollar-for-dollar reduction in taxes due.

M.G.L. c. 63 – Credits: Massachusetts offers credits against corporate excise tax liability for corporations and financial institutions who meet certain thresholds and eligibility requirements. A tax credit is a dollar-for-dollar reduction in taxes due.

Corporate tax credits are generally found in c. 62, § 6 as well as in c. 63 because taxes on pass-through entities like S Corporations and partnerships are “passed through” to the individual owners and taxed as personal income under c. 62. Regular C corporations are taxed under c. 63.

PROPOSED CHANGE(S):

This bill establishes a comprehensive Age-Friendly Employer Certification program in Massachusetts designed to support and incentivize employers who create positive work environments for older workers (defined as individuals aged 55 and above).

The program offers multiple tax credits to employers who implement age-friendly practices such as remote/hybrid work, job-sharing, flexible schedules and equal opportunity hiring. Certified employers can receive tax credits up to \$2,500 or 10% of the wages paid to each qualifying employee (whichever is lesser) for hiring and retaining older workers.

Employers certified as Age-Friendly providing accommodations such as flexible scheduling or paid leave to employees aged 62 or older who are caregivers for elderly family members would receive an additional state tax credit up to 15% of the cost of such accommodations.

Employers certified as Age-Friendly would be allowed a nonrefundable credit up to \$2,500 for each qualified trainee aged 55 or older who receives training or professional development targeting older employees through an authorized training program. Eligible training programs must be certified by the Massachusetts executive office of labor and workforce development.

Employers certified as Age-Friendly providing extended health insurance benefits to employees aged 55 or older would receive a tax credit up to 25% of the cost up to \$2,500 per worker annually.

To qualify, employers must ensure the employee's primary residence and workplace are in Massachusetts, and the employee must be employed for at least 12 consecutive months. The Massachusetts executive office of labor and workforce development will administer the program, conduct outreach to educate employers about the benefits of hiring older workers, and partner with community organizations to connect older workers with employment opportunities.

The program would create a public registry recognizing certified Age-Friendly Employers and come into effect on January 1, 2026.