



# Commonwealth of Massachusetts

## OFFICE OF THE COMPTROLLER

ONE ASHBURTON PLACE, 9TH FLOOR  
BOSTON, MASSACHUSETTS 02108  
(617) 727-5000  
MACOMPTROLLER.ORG



WILLIAM McNAMARA  
COMPTROLLER

## MEMORANDUM

To: Chief Fiscal Officers, MMARS Liaisons, and Payroll Directors  
From: Kevin McHugh, Assistant Comptroller  
Cc: General Counsels and Internal Distribution  
Date: January 5, 2022  
Re: Tax and Payroll Updates for Tax Year 2022

Comptroller Memo FY2022-15

### Executive Summary

HR/CMS must be updated to comply with a number of IRS and DOR requirements regarding employer responsibilities for tax year 2022. This memo highlights the requirements and the necessary department actions to be compliant, including recent changes in state and federal taxation.

### Federal Tax Law Changes are included to the extent the IRS has published such guidance

Tax brackets and supplemental wage rate are included in this memo. As changes are published, CTR will update these items with revisions to this tax memo.

The standard deduction for married filing jointly increases to \$25,900 for tax year 2022, up \$800 from the prior year. For single taxpayers and married individuals filing separately, the standard deduction increases to \$12,950 for 2022, up \$400, and for heads of households, the standard deduction will be \$19,400 for tax year 2022, up \$600.

The personal exemption for tax year 2022 remains at \$0, as it was for 2021; this elimination of the personal exemption was a provision in the Tax Cuts and Jobs Act of 2018. For tax year 2022, the top rate is:

- 37 percent for individual single taxpayers with incomes greater than \$539,900 (over \$647,850 for married couples filing jointly).

- 35 percent for incomes over \$215,950 (over \$431,900 for married couples filing jointly)
- 32 percent for incomes over \$170,050 (over \$340,100 for married couples filing jointly)
- 24 percent for incomes over \$89,075 (over \$178,150 for married couples filing jointly)
- 22 percent for incomes over \$41,775 (over \$83,550 for married couples filing jointly)
- 12 percent for incomes over \$10,275 (over \$20,550 for married couples filing jointly)
- 10 percent for incomes of single individuals with incomes less than \$10,275 (less than \$20,550 for married couples filing jointly)

## 26 Pay Periods in 2022

There will be 26 pay periods processed in Tax Year 2022 beginning with pay period ending 1/1/2022 and concluding with the pay period ending 12/17/2022.

- There are no system changes made to Deduction Processing; the existing deduction amounts will continue.

## Federal/Medicare and MA State Withholdings

The Federal Supplemental Rate is 22%; Medicare at 1.45% and Additional Medicare rate at 0.9% for wages over \$200,000 remain the same.

- The MA State tax rate remains 5% pending confirmation of DOR releasing 2022 circular M.

## Non Resident Aliens (NRA)

To ensure proper Non Resident Alien Tax Withholdings, employing departments must ensure the citizenship credentials, visa and other required documentation have been received. Documents vary depending on Visa type. NRA employees must provide the required information and complete the necessary forms using GLACIER, the Commonwealth's secure Online Tax Compliance System. To gain access to the Glacier application, please contact the CTR Statewide Payroll Team at [Statewidepayroll@mass.gov](mailto:Statewidepayroll@mass.gov). For more details see the Non Resident Alien Taxation section of the [HR/CMS Knowledge Center \(Requires Sharepoint\)](#).

## Massachusetts Minimum Wage

The 2022 Massachusetts Minimum Wage increased by \$0.75 to \$14.25 an hour. Departments should review MPAY018 Report available on Mobius View.

## Massachusetts Paid Family and Medical Leave

The combined contribution decreased to .0068 of eligible wages; .0056 for Medical and .0012 for Family. Departments must manage both MLI and FLI Status on the State Tax Data Page, see the Maintain Tax Data Job Aid. The available options are unchanged: Subject, Paid By Department or Exempt. For more information go to the Department of Family and Medical Leave on Mass.Gov: <https://www.mass.gov/orgs/departement-of-family-and-medical-leave>.

## Standard Mileage Rates

The 2022 optional standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes is 58.5¢ per mile, a slight increase from 2021 . Any mileage reimbursements greater than 58.5¢ will need to be taxable.

## Same Sex Marriage

For federal tax purposes, marriages of couples of the same sex are treated the same as marriages of couples of the opposite sex. The term “spouse” includes an individual married to a person of the same sex. However, individuals who have entered into a registered domestic partnership, civil union, or other similar relationship that are considered a marriage under state law are considered married for federal tax purposes. For more information, see Revenue Ruling 2013-38 on IRS website : <https://www.irs.gov/>

## Social Security

(Where applicable) the social security tax rate for 2022 is unchanged at 6.2%; the wage limit has increased to \$147,000.

## State Retirement Cap

The definition of “regular wages” in M.G.L. c. 32 caps retirement deductions for new employees becoming members in the Retirement Systems to 64% of the 26 U.S.C. 401(a)(17) amount including, but not limited to, the applicable limits for any calendar year under 26 U.S.C. 401(a)(17).

The 2022 Salary Limit is \$195,200 (64% of \$305,000) for anyone that became a member on or after January 1<sup>st</sup>, 2011.

## Savings Plans (Deferred Compensation)

The Standard and Catch-Up Limits for 457 and 403B plans have increased:

- Normal \$20,500;
- 3 Year Catchup (457) \$20,500;
- the Over 50 limit remains unchanged \$6,500.

Reminders:

- (3-year Catch-up) When an employee elects the 3 year catch-up, they will only appear on the monthly deferral report once. There will be no further reporting unless there is another change submitted through the Plan Provider. Therefore, any future years need to be created upon the initial notification.
- (Over 50) The Commonwealth will have an automatic update for employees who are 50 years old or turning 50 within the calendar year; this update will automatically insert a row "Age 50-Extend Limit (B)" into the Savings Management page.

### Health Care Spending/Dependent Care (change)

Benefit Strategies is the Plan Administrator for the Group Insurance Commission HCSA/DCAP (since June 30, 2019).

The 2022 HCSA Limit is unchanged, the Fee decreased: DCAP \$5,000; HCSA \$2,850 (minimum \$250); the administrative fee (HCSAF) \$1.00 month.

Departments should familiarize themselves with the HCSA/DCAP/IRS 2 ½ month grace period when considering 2022 goal amounts at <https://www.mass.gov/non-medical-gic-benefits>.

For more information about the HCSA/DCAP pre-tax programs, contact Benefit Strategies at 1.877.353.9442 or visit the GIC website.

### New Hires

Every newly hired employee must complete Form I-9 and Form W-4. Both the employer and the employee are responsible for completing the Form I-9.

- Form I-9 can be found here: <https://www.uscis.gov/sites/default/files/document/forms/i-9-paper-version.pdf>
- Form W-4 can be found here: <https://www.irs.gov/pub/irs-pdf/fw4.pdf>

### Social Security Verification

Over the course of the year, data on/about new hires is submitted to the Social Security Administration for verification. CTR staff contact individual departments to resolve any discrepancies. These discrepancies must be resolved to ensure that new hires receive future benefits.

## Correcting SSNs/ Duplicate Employee IDs

Requests to correct W-2s or to combine employee balances, as a result of entering an incorrect SSN, go to the CTR Payroll Team. CTR Payroll may request that the Department CFO review the issue to identify and correct any Internal Control weaknesses.

## W-4 Filing (Employees must file a Form W-4 Annually to Continue “Exempt” Status)

If an employee wishes to claim EXEMPT from withholding taxes, (s)he must file a new Form W-4 by February 15. If the employee fails to submit a new Form W-4, the employer must withhold based on the last ‘nonexempt’ W-4 statement on file; if none exists then withhold as “Single” with “0” (zero) Deductions. See IRS Publication 15 for more details.

### Reminders:

- Departments must notify exempt employees to resubmit a new W-4 Form.
- In addition, exempt employees with a valid (my system profile) email address will receive a system generated reminder to resubmit online using Self-Service.
- All employees can update their W-4 online using Self-Service.
- Report HTAX103 identifies exempt employees who must file a new W-4. See the new Job Aid for W-4 Exempt Process  
[http://www.hrcms.state.ma.us/KnowledgeCenter/TrainingAndSupportTools/JobAids/JobAidDownloads/PY\\_5.5RD\\_%20W4%20Exempt%20Process.docx](http://www.hrcms.state.ma.us/KnowledgeCenter/TrainingAndSupportTools/JobAids/JobAidDownloads/PY_5.5RD_%20W4%20Exempt%20Process.docx)
- If employees use the IRS form, they need to write “Exempt” in the space below Step 4(c) on the form. Departments do not need to send W-4 forms claiming “Exempt” status to the IRS.

## 2022 W-4 Form

We are not expecting any significant changes to the 2022 Form W-4, Employee’s Withholding Certificate, this should be similar to 2020 and 2021 Form W-4 but is very different from 2019. This is due to the federal tax law changes that took place in 2018. The Internal Revenue Service (IRS) is not requiring all employees to complete the revised form and has designed the withholding tables so that they will work with both the new and prior year forms. However, all employees will be required to use the 2022 Form going forward.

[https://www.irs.gov/forms-pu/about-form-w-4.](https://www.irs.gov/forms-pu/about-form-w-4)

The IRS recommends a Paycheck Checkup to withhold the right amount.

<https://www.irs.gov/individuals/tax-withholding-estimator>

## IRS Lock-in Letter

The IRS uses information reported on Form W-2 to identify employees with withholding compliance problems. In some cases, if a serious under-withholding problem is found, the IRS may issue a lock-in letter to the employer specifying the corrected withholdings. Departments must furnish the employee copy to the employee within 10 business days of receipt and begin withholding based on the date specified in the notice.

New W-4 submissions are only accepted if the new Form W-4 withholds more than the IRS Notice. See Publication 15 for more details at <https://www.irs.gov/pub/irs-pdf/p15t.pdf>.

## Federal Tax Levy Exemption Tables

The IRS issues Publication 1494 regarding the “personal exemption” amounts to be used for calculating levies. Where applicable, HR/CMS will be updated with 2022 tables. Levies from prior years do not need to be updated unless the employee submits a new Form 668-W. Deductions will continue based on the original year’s exemption tables and rates.

## Qualified Transportation and Parking Benefits (change)

The Qualified Transportation Benefit Plan (QTBP) allows employees the choice to direct a portion of their salary into reimbursement accounts to pay for certain work-related parking and/or mass transit expenses on a pre-tax, salary reduction basis. The Pre-tax amounts are:

- Federal \$280 for both Transit and Parking
- Massachusetts \$150 for Transit and \$285 for Parking

Benefit Strategies is the vendor administering the Transportation benefits. The HR/CMS deductions QTPARK and QTTRAN are set-up as pre-tax for both Federal and Massachusetts withholdings up to the limit. If the expenses exceed the maximum, the remainder will be included in a post-tax account and appear on the employee’s paycheck as TRANST for state taxes and TRANFD for federal taxes.

Departments must ensure transit deductions are set-up correctly in HR/CMS. Transit Pass Deductions are taken during the first pay period end date one month in advance. In HR/CMS the Parking benefit is taken during the second pay period end date one month in advance.

There are job aids for managing these deductions in HR/CMS. These job aids are available at [HR/CMS Payroll Job Aids in the Knowledge Center\(Requires SharePoint\)](#) under the section “Qualified Transportation Benefits”.

## Employer Provided Qualified Parking Benefits

Pursuant to the Internal Revenue Code Section 132(f), IRS Publication 15-B, and Department of Revenue Technical Information Releases (TIR) 05-16 Section IV. A., employers who provide employees with free parking valued in excess of the federal and state exclusion amounts are

required to add any excess value to the employee's gross income for tax reporting and withholding purposes.

The Federal exclusion amount for tax year 2022 has increased \$10 to \$280 per month.

The Massachusetts exclusion amount for tax year 2022 has increased \$10 to \$285 per month. The code PKS will be available to handle the separate State calculation in 2022. PKF will be used for the Federal calculation. Departments will need to manage both entries.

### Fair Market Value of Parking at State Facilities (Change)

This includes parking at the State House, McCormack, Hurley/Lindemann Garages and the Outside Guaranteed Reserved Spaces at the State House.

The Division of Capital Asset Management and Maintenance (DCP) conducted the annual survey of Government Center parking rates. DCP has determined that the fair market value remains \$438 per month for qualified parking for these locations. Public parking garages in the immediate vicinity were identified, and a comparable lot was selected based on the most reasonable rates.

- The \$10 increase in Federal Monthly Exclusion will require updating the amounts in HR/CMS for these locations. The PKF amount for Government Center locations is \$158 per month (\$438 less \$280).

### Other Parking Places

If your Department provides some employees with free employer-provided parking that is not listed above, you are required to determine the monthly fair market value of this non-cash parking benefit each year. IRS guidance requires that the fair market value be determined based on either:

- If the parking is available to the public, the monthly rate is the rate that the general public pays for the same parking, *not* the lower group or corporate rate that your Department actually pays for the spaces.
- If the parking is not available to the public, the Department must survey the rates at local parking facilities that are both comparable and in the same vicinity as the Department's site.

The Department sets a monthly value based on the monthly rate for parking at a comparable lot (*not* any lower amount that your Department actually pays for the spaces).

Departments that provide free parking in facilities other than the McCormack, State House, Hurley/Lindemann Building and Merrimac Street lots should re-determine the fair market value of this parking fringe benefit for tax year 2022. Please refer to IRS Publication 15B, "Employers

Tax Guide To Fringe Benefits”, for additional guidance on non-cash fringe benefits and use the exclusion amounts outlined in this memo (Federal \$280 and State \$285).

Periodically, the Office of the Comptroller will review the status of employee records as they relate to benefit and tax requirements, as well as the department evaluations of parking values assigned.

### Tax Reporting Requirements Based upon “Access”, Not Employee “Use” of Parking

With the limited exception of the few state employees who are assigned “non-personal use vehicles”, there are no exemptions from the tax reporting and withholding requirements for employer-provided parking (even if the parking is required to perform their jobs). The value of a parking fringe benefit is determined by the parking “access” not by the actual “use” of the parking space by an employee.

The value of the parking benefit is the same whether an employee is assigned a reserved parking space or granted guaranteed access to unassigned spaces.

COVID-19, Remote Work, Employer Provided Parking and Imputed Income Reporting for CY 20, CY 21 and CY22 – as a reminder, the imputed income reporting for an employer provided parking space, as determined by the IRS revolves around access to the parking space and not actual usage of the parking space. Therefore, so long as the parking space was available for a specific person’s use (Throughout the COVID pandemic the McCormack Garage has been accessible for assigned users) and there was no affirmative action to surrender the space prospectively by that person, then the actual use of the space during a period of remote work (or otherwise) would not be a factor.

### Commonwealth-Provided Parking That Does Not Require Tax Reporting

The following types of Commonwealth-provided parking have been determined not to trigger the state and federal tax reporting requirements:

- Employee parking assignments at the Boston Merrimac Street parking lot (fair market value is \$240 which is less than the limit).
- Employees provided with passes for non-guaranteed or non-reserved on street or off street parking (e.g., “L Pass” spaces).
- Employees provided with limited access parking so long as the total daily space value for parking access for that employee does not exceed the \$280 Federal or \$285 State threshold per month for days granted access. The employee must **not** be able to park on any other days.

Examples include:

- Restricted night time access between 5 p.m. and 7 a.m.



- Parking space shared by multiple employees, each with restricted access with a monthly value which does not exceed federal or state thresholds
- Visitor parking access

### [Entering a Recurring Parking Non-Cash Benefit in HR/CMS](#)

The HR/CMS earnings code for imputed parking benefits is “PKF” Federal and “PKS” State. Departments should follow the Job Aid regarding the parking non-cash benefit in the [HR/CMS Knowledge Center\(Requires SharePoint\)](#) under the heading “General Deductions”. This benefit is processed one month in arrears. In HR/CMS, the January benefit is not processed until the February payroll.

- February 12, 2022 is the first pay period end date in February 2022.

See [Attachment A-Employee Non-Cash Parking Benefit](#) for a copy of the employee non-cash parking benefits HR/CMS Selection form.

If you have any questions, please submit a ticket using the LCM/MMARS Payroll Tile in the [CTR ServiceNow Portal](#).

Enc: [Attachment A-Employee Non-Cash Parking Benefit](#)  
[Annual Changes Matrix](#)

## Office of the Comptroller Annual Tax Changes Matrix

Description	2019	2020	2021	2022	Change
<b>Medicare Tax</b>	1.45% (No Maximum)	1.45% (No Maximum)	1.45% (No Maximum)	1.45% (No Maximum)	no
<b>Additional Medicare Tax</b>	0.9% on wages over \$200,000 (no employer share)	0.9% on wages over \$200,000 (no employer share)	0.9% on wages over \$200,000 (no employer share)	0.9% on wages over \$200,000 (no employer share)	no
<b>Social Security Tax (MBTA Only)</b>	6.2% on wages up to \$132,900	6.2% on wages up to \$137,700	6.2% on wages up to \$142,800	6.2% on wages up to \$147,000	yes
<b>Earned Income Credit Maximum Income For Eligibility</b>	The maximum Earned Income Credit amount is \$6,557 for taxpayers who have 3 or more qualifying children; \$5,828 who have 2 qualifying children; \$3,526 for 1 child and \$529 for no child. The revenue procedure has a table providing maximum credit amounts for other categories, income thresholds and phaseouts	The maximum Earned Income Credit amount is \$6,660 for taxpayers who have 3 or more qualifying children; \$5,920 who have 2 qualifying children; \$3,584 for 1 child and \$538 for no child. The revenue procedure has a table providing maximum credit amounts for other categories, income thresholds and phaseouts	The maximum Earned Income Credit amount is \$6,728 for taxpayers who have 3 or more qualifying children; \$5,980 who have 2 qualifying children; \$3,618 for 1 child and \$543 for no child. The revenue procedure has a table providing maximum credit amounts for other categories, income thresholds and phaseouts	The maximum Earned Income Credit amount is \$6,935 for taxpayers who have 3 or more qualifying children; \$6,164 who have 2 qualifying children; \$3,733 for 1 child and \$560 for no child. The revenue procedure has a table providing maximum credit amounts for other categories, income thresholds and phaseouts	yes
<b>Annual Exemption Factor (Federal § 151(d))</b>	Personal Exemptions have been replaced with new Standard Deduction: Single or Married filing separate-\$12,200, Married Joint -24,400, Head of House 18,350	Personal Exemptions have been replaced with new Standard Deduction: Single or Married filing separate-\$12,400, Married Joint -\$24,800, Head of House \$18,650	Personal Exemptions have been replaced with new Standard Deduction: Single or Married filing separate-\$12,550, Married Joint -\$25,100, Head of House \$18,800	Personal Exemptions have been replaced with new Standard Deduction: Single or Married filing separate-\$12,950, Married Joint -\$25,900, Head of House \$19,400	yes
<b>Annual Exemption Factor (Massachusetts)</b>	\$4,400 if single with 1 exemption.	\$4,400 if single with 1 exemption.			
<b>Income Tax Withholding Rates (Federal)</b>	Bracket rates: 10%, 12%, 22%, 24%, 32%, 35%, 37% and the Supplemental Withholding Rate is 22%. - Note : Tax rates have remained the same but the tax brackets have changed .	Bracket rates: 10%, 12%, 22%, 24%, 32%, 35%, 37% and the Supplemental Withholding Rate is 22%. - Note : Tax rates have remained the same but the tax brackets have changed .	Bracket rates: 10%, 12%, 22%, 24%, 32%, 35%, 37% and the Supplemental Withholding Rate is 22%. Note : Tax rates have remained the same but the income brackets have changed .	Bracket rates: 10%, 12%, 22%, 24%, 32%, 35%, 37% and the Supplemental Withholding Rate is 22%. Note : Tax rates have remained the same but the income brackets have changed	yes
<b>Income Tax Withholding Rates (Massachusetts)</b>	5.05%	5.00%	5.00%	no updates as of 12/15/2021	
<b>IRC §457(b) Deferred Compensation Elective Deferral Limits (Federal/Massachusetts)</b>	\$19,000	\$19,500	\$19,500	\$20,500	yes
<b>IRC §403(b) Tax Sheltered Annuity Elective Deferral Limits (Federal/Massachusetts)</b>	\$19,000	\$19,500	\$19,500	\$20,500	yes
<b>IRC §403(b) and 457 Plan Catch-up Contributions for Individuals age 50 and over Deferral Limits (Federal/Massachusetts)</b>	\$6,000	6500 the overall limit is 57K	\$6,500	\$6,500	no
<b>IRC §401(a)(17) and §404(I) Annual Compensation Limit (Federal/Massachusetts)</b>	<b>NOTE:</b> For those employees hired after January 1, 2011, there is a ceiling on the state retirement benefits paid while the amount of regular compensation subject to Retirement is capped at 64% of the Federal Limit under U.S.C. 401(a)(17). The U.S.C. 401(a)(17) limit is <b>\$280,000</b> . The 2019 limit is then <b>\$179,200</b> .	<b>NOTE:</b> For those employees hired after January 1, 2011, there is a ceiling on the state retirement benefits paid while the amount of regular compensation subject to Retirement is capped at 64% of the Federal Limit under U.S.C. 401(a)(17). The U.S.C. 401(a)(17) limit is <b>\$285,000</b> . The 2020 limit is then <b>\$182,400</b> .	<b>NOTE:</b> For those employees hired after January 1, 2011, there is a ceiling on the state retirement benefits paid while the amount of regular compensation subject to Retirement is capped at 64% of the Federal Limit under U.S.C. 401(a)(17). The U.S.C. 401(a)(17) limit is <b>\$290,000</b> . The 2021 Retirement limit is then <b>\$185,600</b> .	<b>NOTE:</b> For those employees hired after January 1, 2011, there is a ceiling on the state retirement benefits paid while the amount of regular compensation subject to Retirement is capped at 64% of the Federal Limit under U.S.C. 401(a)(17). The U.S.C. 401(a)(17) limit is then <b>\$305,000</b> . The 2022 Retirement limit is then <b>\$195,200</b> .	yes
<b>IRC §127 Educational Assistance Programs (Federal/Massachusetts)</b>	Provides income exclusion for up to <b>\$5,250</b> of employer provided, non-job related educational assistance for undergraduate and Graduate courses.	Provides income exclusion for up to <b>\$5,250</b> of employer provided, non-job related educational assistance for undergraduate and Graduate courses.	Provides income exclusion for up to <b>\$5,250</b> of employer provided, non-job related educational assistance for undergraduate and Graduate courses.	no updates as of 12/3/2021	
<b>IRC §132 Qualified Transportation Fringe Benefits - Transit Pass (Federal/ Medicare/ Massachusetts)</b>	Transit Pre-Tax amount is <b>\$265</b> for Federal and <b>\$140</b> for Massachusetts.	Transit Pre-Tax amount is <b>\$270</b> for Federal and <b>\$140</b> for Massachusetts.	Transit Pre-Tax amount is <b>\$270</b> for Federal and <b>\$145</b> for Massachusetts.	Transit Pre-Tax amount is <b>\$280</b> for Federal and <b>\$150</b> for Massachusetts.	yes
<b>IRC §132 Qualified Transportation Fringe Benefits - Parking (Federal/ Medicare/ Massachusetts)</b>	Parking Exclusion Amount is <b>\$265</b> for Federal and Massachusetts.	Parking Exclusion Amount is <b>\$270</b> for Federal and <b>\$270</b> Massachusetts.	Parking Exclusion Amount is <b>\$270</b> for Federal and <b>\$275</b> Massachusetts.	Parking Exclusion Amount is <b>\$280</b> for Federal and <b>\$285</b> Massachusetts.	yes
<b>Revenue Procedure 2007-70 Mileage Rate for Business Transportation</b>	0.58 cents/mile	0.575 cents/mile	0.56 cents/mile	no updates as of 12/15/2021	
<b>IRC 61 Fringe Benefits - Use of State Car (Federal/ Medicare/ Massachusetts)</b>	\$1.50 each way	\$1.50 each way	\$1.50 each way	no updates as of 12/15/2021	
<b>IRC 61 Fringe Benefits - Housing (Federal/ Medicare/ Massachusetts)</b>	The Housing benefit (both cash and non-cash) is taxable income. It should be added to the individual's federal and state taxable gross and is subject to applicable Medicare tax withholding.	The Housing benefit (both cash and non-cash) is taxable income. It should be added to the individual's federal and state taxable gross and is subject to applicable Medicare tax withholding.	The Housing benefit (both cash and non-cash) is taxable income. It should be added to the individual's federal and state taxable gross and is subject to applicable Medicare tax withholding.	The Housing benefit (both cash and non-cash) is taxable income. It should be added to the individual's federal and state taxable gross and is subject to applicable Medicare tax withholding.	no
<b>IRC 61 Fringe Benefits - Tangible Assets (Federal/ Medicare/ Massachusetts)</b>	The Tangible Assets benefit (both cash and non-cash) is taxable income. It should be added to the individual's federal and state taxable gross and is subject to applicable Medicare tax withholding.	The Tangible Assets benefit (both cash and non-cash) is taxable income. It should be added to the individual's federal and state taxable gross and is subject to applicable Medicare tax withholding.	The Tangible Assets benefit (both cash and non-cash) is taxable income. It should be added to the individual's federal and state taxable gross and is subject to applicable Medicare tax withholding.	The Tangible Assets benefit (both cash and non-cash) is taxable income. It should be added to the individual's federal and state taxable gross and is subject to applicable Medicare tax withholding.	no

## Office of the Comptroller Annual Tax Changes Matrix

Description	2019	2020	2021	2022	Change
<b>IRC 79 Fringe Benefits - Imputed Income (Federal/ Medicare/ Massachusetts)</b>	IRC section 79 provides that the cost of the Employer Provided Group-Term Life Insurance benefit with a value in excess of \$50,000, less any employee contributions, is taxable income. It should be added to the individual's federal and state taxable gross and is subject to applicable Medicare tax withholding.	IRC section 79 provides that the cost of the Employer Provided Group-Term Life Insurance benefit with a value in excess of \$50,000, less any employee contributions, is taxable income. It should be added to the individual's federal and state taxable gross and is subject to applicable Medicare tax withholding.	IRC section 79 provides that the cost of the Employer Provided Group-Term Life Insurance benefit with a value in excess of \$50,000, less any employee contributions, is taxable income. It should be added to the individual's federal and state taxable gross and is subject to applicable Medicare tax withholding.	IRC section 79 provides that the cost of the Employer Provided Group-Term Life Insurance benefit with a value in excess of \$50,000, less any employee contributions, is taxable income. It should be added to the individual's federal and state taxable gross and is subject to applicable Medicare tax withholding.	no
<b>IRC §125 Flexible Spending Accounts - Health Care Spending Account</b>	\$2,700. GIC pretax plan HCSA is administered by Application Software, INC. (ASIFLEX)	\$2,750. GIC pretax plan HCSA is administered by Application Software, INC. (ASIFLEX)	\$2,750. GIC pretax plan HCSA is administered by (Benefit Strategies)	\$2,850. GIC pretax plan HCSA is administered (Benefit Strategies)	yes
<b>IRC §125 Flexible Spending Accounts - Dependent Care Assistance Program</b>	\$5,000. GIC pretax benefit the Dependent Care Assistance Program (DCAP) is administered by Application Software, INC. (ASIFLEX). Exempt up to certain limits, <b>\$5,000</b> for married employee filing separate return).	\$5,000. GIC pretax benefit the Dependent Care Assistance Program (DCAP) is administered by Application Software, INC. (ASIFLEX). Exempt up to certain limits, <b>\$5,000</b> (\$2,500 for married employee filing separate return).	\$5,000. GIC pretax benefit the Dependent Care Assistance Program (DCAP) is administered by <b>Benefit Strategies, LLC</b> . Exempt up to certain limits, <b>\$5,000</b> (\$2,750 for married employee filing separate return).	\$5,000. GIC pretax benefit the Dependent Care Assistance Program (DCAP) is administered by <b>Benefit Strategies, LLC</b> . Exempt up to certain limits, <b>\$5,000</b> (\$2,750 for married employee filing separate return).	no
<b>IRC §125 Flexible Spending Accounts - Fee</b>	There is a monthly fee of \$2.50 applicable for HCSA or DCAP. Will be taken in Period 1.	There is a monthly fee of \$2.50 applicable for HCSA or DCAP. Will be taken in Period 1.	There is a monthly fee of \$1 applicable for HCSA or DCAP. Will be taken in Period 1.	There is a monthly fee of \$1 applicable for HCSA or DCAP. Will be taken in Period 1.	no
<b>440 Mass. 309, 798 NE2d 941 (2003). Imputed Income Health Benefit</b>	Defense Of Marriage Act (DOMA) now recognize same-sex marriages for marriage benefits.	Defense Of Marriage Act (DOMA) now recognize same-sex marriages for marriage benefits.	Defense Of Marriage Act (DOMA) now recognize same-sex marriages for marriage benefits.	Defense Of Marriage Act (DOMA) now recognize same-sex marriages for marriage benefits.	no
<b>CH58 Acts of 2006. Health Care Reform Act allows Non-IRS Dependents Health Coverage (Imputed Income Health )</b>	The Affordable Care Act allows young adults coverage up to age 26, even if the child no longer is a dependent or lives with parents. For MA, there is coverage up to the child's 26th birthday, OR two years after the child loses federal tax 'section 106' dependent status, whichever occurs first. Eligibility is determined by GIC.	The Affordable Care Act allows young adults coverage up to age 26, even if the child no longer is a dependent or lives with parents. For MA, there is coverage up to the child's 26th birthday, OR two years after the child loses federal tax 'section 106' dependent status, whichever occurs first. Eligibility is determined by GIC.	The Affordable Care Act allows young adults coverage up to age 26, even if the child no longer is a dependent or lives with parents. For MA, there is coverage up to the child's 26th birthday, OR two years after the child loses federal tax 'section 106' dependent status, whichever occurs first. Eligibility is determined by GIC.	The Affordable Care Act allows young adults coverage up to age 26, even if the child no longer is a dependent or lives with parents. For MA, there is coverage up to the child's 26th birthday, OR two years after the child loses federal tax 'section 106' dependent status, whichever occurs first. Eligibility is determined by GIC.	no