

Election Workers – Short notes

- Take retirement if *active with FRRS.
- Taxable but do not withhold FWT.
- No FICA or Medicare if annual election wages less than (\$2000 in 2022).
- No W-2 if wages less than \$600.

Election workers are individuals hired by government entities to perform services at polling places in connection with national, state and local elections. An election worker may be referred to by other terms and titles, for example, poll worker, moderator, machine tender, checker, ballot clerk, voting official, polling place manager, absentee ballot counter or deputy head moderator. These workers may be employed by the government entity exclusively for election work, or may work in other capacities as well. Compensation paid to election workers is includible as wage income for income tax purposes, and may be treated as wages for Social Security and Medicare (FICA) tax purposes.

Election workers may be compensated by a set fee per day or a stipend for the election period. The election period **may include attending training or meetings prior to and after the election.** Election workers may also be reimbursed for their mileage or other expenses.

Income Tax Withholding

Compensation paid for services and reimbursements paid under a nonaccountable plan are taxable to election workers; however, they aren't subject to income tax withholding under Internal Revenue Code (IRC) Section 3401(a).

Election worker services in Massachusetts are not covered under a Section 218 Agreement. Election workers and election officials that are paid less than the threshold amount in a calendar year (\$2,000 for 2022) are excluded from FICA taxes due to the mandatory Social Security and Medicare provision, which excludes from coverage those election workers, and election officials who earn less than the threshold amount.

If there is no Section 218 Agreement, the rules for mandatory Social Security and Medicare apply. Services not subject to mandatory Social Security and Medicare coverage include those performed by an election worker whose pay in a calendar year is less than the Federal threshold amount (\$2,000 for 2022, adjusted for inflation). FICA taxes apply from the first dollar paid if an election worker is paid the federal threshold amount or more. For example, when payments made to an election worker in 2022 meet the Federal threshold amount, \$2,000, all amounts paid to the worker are subject to FICA, including the first \$1,999.

If it's anticipated that an election worker may earn the Federal threshold amount or more in a calendar year, a State or local government employer may choose to begin withholding FICA taxes on the first dollar earned. If the worker then earns less than the Federal threshold amount in the calendar year, the worker would be entitled to a refund of the withheld FICA taxes. If the employer chooses not to begin withholding until after the worker earns the Federal threshold amount, then the employer would be liable for the total amount of FICA taxes due.

Government entities must file a Form W2 for election workers who receive payments of \$600 or more, even if no FICA and income tax were withheld.

Retirement:

- Take retirement if they are an *active member in the retirement system and hold other membership eligible positions. Call FRRS.
- Retiree of MA government (school, city, town) – no retirement, no OBRA, no social security.

Notes:

*- active means they are currently working in a government position, other than as an election worker, in FRRS and a member of the system. Example would be a Librarian for the town (or any other town in our system) working 25 hours a week and working as an election worker – take retirement deductions from the election wages. The wages will add to their retirement calculations. However, if this person is no longer working in another position and contributing retirement deductions but they still have funds with the system, then do not take retirement deductions unless you anticipate they will earn (election worker wages) more than the Federal threshold (\$2,000 for 2022).

Resources:

IRS - [https://www.irs.gov/government-entities/federal-state-local-governments/election-workers-reporting-and-withholding#:~:text=Services%20not%20subject%20to%20mandatory,B\)\(ii\)\(V\).](https://www.irs.gov/government-entities/federal-state-local-governments/election-workers-reporting-and-withholding#:~:text=Services%20not%20subject%20to%20mandatory,B)(ii)(V).)