

THE COMMONWEALTH OF MASSACHUSETTS

Massachusetts House of Representatives

State Representative Mindy Domb

3rd Hampshire District



January 29, 2024

Dear Friends,

I hope this letter finds you well. With tax season around the corner, I wanted to share with you information regarding a tax credit for seniors (65 or older by December 31, 2023), referred to as the Commonwealth's **Senior Circuit Breaker Tax Credit**.

The **Massachusetts Senior Circuit Breaker Tax Credit** was created by the Legislature to help provide tax relief for older adults. And thanks to the 2023 Tax Relief Law, **the credit will be doubled for tax year 2023!**

This fact sheet includes information on the Circuit Breaker Tax Credit, including eligibility requirements. **This is not an official tax document.** Should you have specific tax questions, please consult with a tax professional. If you have questions regarding the Circuit Breaker Tax Credit, please contact the Department of Revenue at 1-800-392-6089.

As always, if I can be or any assistance to you, please do not hesitate to contact my office at 413-335-1362.

Warm wishes for a happy and healthy new year,

A handwritten signature in black ink that reads "Mindy Domb".

MINDY DOMB

State Representative

Third Hampshire District

MASSACHUSETTS SENIOR CIRCUIT BREAKER TAX CREDIT

WHAT IS THE CIRCUIT BREAKER?

It's called the Circuit Breaker Tax Credit because it's "triggered," like an electrical circuit breaker, when property tax payments exceed 10% of a senior citizen's annual income. Those who qualify will still be required to pay property taxes to their local communities.

Older adults who are homeowners may be eligible to receive a credit on their Massachusetts state income taxes if their property taxes paid, together with half of their water and sewer bills, exceed 10% of their income. If the credit is greater than the amount of taxes owed, the state will refund the difference.

The maximum credit allowed for tax year 2023 is \$2,590.

Seniors who are renters may be eligible to receive a credit when 25% of their annual rent exceeds 10% of their total income, subject to the same \$2,590 maximum.

IS THERE A SPECIAL APPLICATION?

If eligible, you can claim the credit by submitting a completed Schedule CB, Circuit Breaker Credit, with your 2023 state income tax return.

Eligible seniors must file a return and claim a refund even if they do not owe taxes.

WHO IS ELIGIBLE?

Massachusetts residents who:

- Are age 65 or older by December 31, 2023 (for joint filers, it is sufficient if one taxpayer is 65 years of age or older).
- Own or rent residential property in Massachusetts and occupy the property as primary residence.
- Have an annual income of \$69,000 or less for a single filer who is not the head of household; \$86,000 or less for a head of household; or \$103,000 or less for joint filers.
- Have property assessed at no more than \$1,025,000.

MASSACHUSETTS SENIOR CIRCUIT BREAKER TAX CREDIT

WHO IS NOT ELIGIBLE?

- Nonresidents
- Married persons who do not file jointly.
- Those who are a dependent of another tax filer.
- Those who receive a federal or state rent subsidy directly, or those who live in a property-tax exempt facility.
- Those whose property is assessed at a value of more than \$1,025,000.
- Those who rent from a landlord who is not required to pay real estate taxes.

MORE TAX TIPS FOR SENIORS

No Tax Status

If qualified, you may not have to pay MA income taxes if your adjusted gross income is:

- Less than \$8,000 Single
- Less than \$14,400 Head of Household (plus \$1,000 per dependent)
- Less than \$16,400 Married, Joint Return (plus \$1,000 per dependent)

*Eligible seniors must file a return to claim the circuit breaker tax credit even if you do not owe taxes.

Limited Income Credit

You may qualify if your adjusted gross income is between:

- \$8,000-\$14,000 Single
- \$14,400-\$25,200 Head of Household (plus \$1,750 per dependent)
- \$16,400-\$28,700 Married, Joint Return (plus \$1,750 per dependent)

Exemption for Age 65+

You are eligible for a \$700 exemption if you are age 65 or older on December 31, 2022. The same exemption is available for your spouse if he or she is age 65 on December 31, 2023.

MASSACHUSETTS SENIOR CIRCUIT BREAKER TAX CREDIT

MORE TAX TIPS FOR SENIORS

Dependent member(s) of household Credit

For households with elderly or disabled dependents the credit is \$310 per individual.

Blindness, Medical, and Dental Exemptions

- You are eligible for a \$2,200 exemption if you or your spouse are legally blind.
- You are allowed an exemption for medical and dental expenses paid during the taxable year.

Non-Taxable Income

- Social Security payments received, as well as Veterans Administration compensation, are not taxable in Massachusetts.

Consult a tax professional for guidance on these items

- If you have questions about filing for the Circuit Breaker Credit, please call the Massachusetts Department of Revenue at 1-800-392-6089.
- **To find an AARP Foundation Tax-Aide**, please call 1-888-227-7669.

FOR MORE INFORMATION

Visit: <https://www.mass.gov/info-details/massachusetts-senior-circuit-breaker-tax-credit>