

MORE TAX TIPS FOR SENIORS

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)

No Tax Status

If qualified, you may not have to pay state 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)

Exemption for Age 65+

You are eligible for a \$700 exemption if age 65 before December 31, 2018. The same exemption is available for a spouse if he or she is 65 before December 31, 2018.

Dependent Deduction

For households with elderly or disabled dependents, the deduction is \$3,600 for a single dependent and \$7,200 for two or more dependents.

Capital Gains on Sale of Residence

On a principal residence sold after December 31, 1997, a gain of up to \$250,000 is not subject to tax. For joint filers, the gain excluded from tax is \$500,000.

Non-Taxable Income

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

WANT TO FIND OUT MORE?



Senate President Karen E. Spilka

Email: karen.spilka@masenate.gov

Call: (617) 722-1500

Visit: 24 Beacon Street, State House
Room 332, Boston, MA 02133



**Massachusetts Department of Revenue
Customer Service Bureau**

Visit: www.mass.gov/dor

Call: (617) 887-6367

THE CIRCUIT BREAKER

A TAX RELIEF PROGRAM
FOR MASSACHUSETTS
SENIOR CITIZENS

BROUGHT TO YOU BY

Senate President
★ ★ ★ Karen
Spilka
For Our Future

FEBRUARY 2019



DEAR FRIENDS,

It is my great pleasure to share information about the Circuit Breaker tax credit program designed for Massachusetts seniors, age 65 and older.

Living on a fixed income can be challenging, and this tax credit can help alleviate some of the burden of property taxes. In this brochure, you will find information to help you to determine your eligibility.

If you have any questions or need more information, please call my office any time at 617-722-1500

Warm Regards,

WHAT IS THE CIRCUIT BREAKER?

The Circuit Breaker is a refundable tax credit for eligible seniors, age 65 or older, whose property tax payments exceed 10% of their annual income.

All who qualify must still pay property taxes to their local communities. However, they will receive a dollar credit for every dollar their property tax, and water and sewer bills, exceed 10% of their income, up to the \$1,100 maximum in tax year 2018.

Senior citizens who rent their homes can also take advantage of the same dollar-for-dollar credit, up to the same \$1,100 maximum in tax year 2018, if 25% of their annual rent exceeds 10% of their annual income.

HOW MUCH IS THE CREDIT?

The credit is capped at \$1,100 for the 2018 tax year.

IS THERE A SPECIAL FORM OR APPLICATION?

If qualified, you can claim the credit by submitting a completed Schedule CB, Circuit Breaker Credit, with your 2018 state income tax return.

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

WHO IS ELIGIBLE?

- Must be a Massachusetts resident, age 65 or older before December 31, 2018 (for joint filers, it is sufficient if one taxpayer is 65 years of age or older).
- Must own or rent residential property in Massachusetts and occupy the property as your primary residence.
- Must have an annual income of \$58,000 or less for a single filer; \$73,000 or less for a head of household; and \$88,000 or less for joint filers.

WHO IS NOT ELIGIBLE?

- Married persons who do not file jointly for this credit.
- Those who are a dependent of another tax filer.
- Those who receive 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 \$778,000 or more.
- Renters who receive a subsidy.