

Dear Friends,

It is my pleasure to provide you with this update on the Circuit Breaker, a tax credit designed for Massachusetts seniors age 65 and older.

The Circuit Breaker is a property tax credit that was designed by the legislature with the hope of alleviating some of the burdens that property tax can create.

In this brochure you will find information to help you determine your eligibility. This informational brochure is not an official tax document; therefore, I encourage you to consult with a tax professional with your specific questions.

Should you have any general questions on this matter, please feel free to contact me. I can be reached at the State House by calling

617-722-2320 or by email:
Joan.Meschino@mahouse.gov

Very truly yours,



What is the Circuit Breaker?

It is called the Circuit Breaker Tax Credit because your eligibility is “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.

Seniors 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 2022 is \$1,200.

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 \$1,200 maximum.

Is There a Special Application?

If qualified, you can claim credit by submitting a completed Schedule CB, Circuit Breaker Credit with your 2022 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 before January 1, 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 \$64,000 or less for a single filer; \$80,000 or less for a head of household; or \$96,000 or less for joint filers

WHO IS NOT ELIGIBLE?

- Nonresidents
- Married persons who do not file jointly
- Those who are a dependent of another tax filer
- Those who receive federal or state rent subsidies directly; or those who live in a property tax-exempt facility
- Those whose property is assessed at a value of \$912,000 or more

Visit mass.gov/info-details/Massachusetts-senior-circuit-breaker-tax-credit for more information on eligibility.

Tax Credit Worksheet

This is not an official tax document

For Homeowners:

Your property tax (a) \$ _____

(plus) +

50% of water/sewer bill (b) _____

\$ _____

= (c) \$ _____

Annual Income (d) \$ _____

(includes taxable and exempt income)

(minus) – Exemptions (e) \$ _____

*(includes exemptions for dependents,
blindness and age 65+ exemption)*

= Total Annual incomes (f) _____

\$ _____

(times) x .10 = (g) \$ _____

**To calculate possible credit (h),
subtract (g) from (c):**

Line (c) \$ _____

(minus) – Line (g) \$ _____

Possible tax credit (h) \$ _____

For Renters:

Your annual rent (a) \$ _____

(times) x .25 = (b) \$ _____

Total Annual Income (c) \$ _____

*(See lines (d) and (e) above to
calculate*

total annual income)

(times) x .10 = (d) \$ _____

**To calculate possible credit (e),
subtract (d) from (b):**

Line (b) \$ _____

(minus) – Line (d) \$ _____

Possible tax credit = (e) \$ _____

Remember:

**The maximum credit for tax year
2022 is \$1,200**

To Contact

Representative Meschino

State House

Boston, MA 02133

Phone: 617-722-2320

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For more information about the Circuit Breaker Tax Credit, contact:

The Massachusetts

Department of Revenue

Customer Service Bureau

617-887-MDOR

Or toll-free at

800-392-6089

Or visit the

Department of Revenue website

www.mass.gov/dor

More state government information
is available by visiting

www.mass.gov

The Circuit Breaker 23rd Anniversary



Tax Relief for Massachusetts Senior Citizens

*Updated for 2022 by State
Representative Joan Meschino*