

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 income as well as exempt income

such as social security and public pensions)

(minus) - Exemptions (e) \$ _____

(includes exemptions for dependents, blindness

and age 65+ exemption)

= Total Annual Income (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):

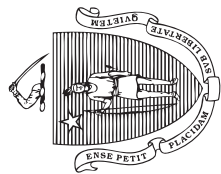
Line (b) \$ _____

(minus) - Line (d) \$ _____

Possible tax credit = (e) \$ _____

Remember

The maximum credit for tax year 2015 is \$1,070.



Rep. Tom Stanley
19 Neighbors Lane
Waltham, MA 02453

**IMPORTANT INFORMATION
TAX RELIEF FOR SENIOR CITIZENS**

www.tomstanley.org

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)

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 turn 65 before the close of the tax year. The same exemption is available for your spouse if he or she is 65 on Dec. 31st of the tax year.

Dependent Deduction

For households with elderly or disabled dependents the deduction is \$3,600 for a single dependent and \$7,200 for no more than two 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, are not taxable in Massachusetts.

You may wish to consult with a tax professional for guidance on these items.

Dear Friends,

I wanted to take the time to pass along some information to you regarding a tax credit program designed for Massachusetts seniors age 65 and older called "The Circuit Breaker."



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 **617-722-2230** or by emailing **Thomas.stanley@mahouse.gov**.

Sincerely,

A handwritten signature in black ink that reads "Thomas Stanley". The signature is written in a cursive style with a large, sweeping flourish at the end.

WHAT IS THE CIRCUIT BREAKER?

It's called the Circuit Breaker Tax Credit because it's "triggered," like an electrical circuit breaker when property 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 will receive a dollar credit on their Massachusetts state income taxes for every dollar that the total of their property tax, water and sewer bills exceed 10% of their income, up to the \$1,070 maximum.

IS THERE A SPECIAL APPLICATION?

If qualified, you can claim the credit by submitting a completed Schedule CB, Circuit Breaker Credit, with your 2015 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, 2016 (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 \$57,000 or less for a single filer; \$71,000 or less for a head of household; or \$85,000 or less for joint filers.
- Have property assessed at no more than \$693,000.

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 \$693,000 or more.
- Those who rent from a landlord who is not required to pay real estate taxes.

For your convenience, the worksheet on the following page is provided to give an idea of what your tax credit might be.