



Tax Year 2009 State Income Tax Credit for Low to Moderate-Income Seniors Age 65 and Older

Circuit Breaker Income Tax Credit

For Information call the DOR
at 1-617-887-MDOR

The Circuit Breaker Income Tax Credit provides tax relief for low to moderate income senior citizens. Qualifying senior citizens may claim a credit on their state income tax returns for the real estate taxes paid on their Boston residential property, effective for the tax years beginning on or after January 1, 2001.

Are you eligible?

Check the boxes below to determine if you are eligible for the Circuit Breaker tax credit:

I was at least 65 years of age or older by December 31, 2009.

AND

I am a homeowner. The assessed value of my principal residence is no greater than \$788,000 as of January 1, 2009 AND my "total income" is no greater than \$51,000 for seniors not filing as head of household, \$64,000 for head of household, or \$77,000 for joint returns.

OR

I am a renter at my principal residence whose "total income" is no greater than \$51,000 for seniors not filing as head of household, \$64,000 for head of household, and \$77,000 for joint returns.

Additional Criteria

You will not be eligible to receive the Circuit Breaker credit if any one of the following applies:

- You claim "married filing separate" on your state income tax return.
- You receive a federal or state rent subsidy.
- You rent from a landlord who is not required to pay real estate tax.
- You are the dependent of another taxpayer.

Credit Calculation

Homeowners:

For homeowners, the Circuit Breaker Credit is equal to the amount by which your property tax payments in the current tax year, including 50% of the water and sewer charges paid to the Water & Sewer Commission, exceeds 10% of your total income. The real estate tax payment should not include interest on delinquent accounts, betterments, exemptions or abatements granted by the Assessor's Office.

Renters:

For renters, the Circuit Breaker Credit is equal to the amount by which 25% of the rent actually paid during the taxable year for occupancy of the principal residence exceeds 10% of your total income for the taxable year, provided that such amount does not exceed the maximum credit amount.

What is the maximum credit amount?

For the tax year 2009, the maximum credit amount is \$960.00. In order to apply for previous year credits you will need to submit an amended income tax return to the Department of Revenue (DOR). Visit the DOR website to find tax year maximum credit amounts.

How will I receive my tax refund credit?

You will need to follow the submission directions. In the event that your credit exceeds the amount of your income tax liability, the Department of Revenue will refund the credit without interest.

Submission Process

Taxpayers should submit proof of Circuit Breaker eligibility with their state income tax forms.

Claiming Credit on your Tax Return

- Fill out the Schedule CB Work sheets and the Schedule CB Circuit Breaker form.
- Homeowners will enter the Line 20 amount from the Schedule CB in Line 39 of Mass Form 1 or Line 44 of Form 1-NR/PY.
- Renters will enter the Line 24 amount from Schedule CB in Line 39 of Mass Form 1 or Line 44 of Form 1-NR/PY.

What to Enclose

- Schedule CB - Circuit Breaker form
- Homeowners should include documentation of real estate tax bills or the actual rent paid.
- Renters should include proof of rent paid.
- Homeowners, if applicable, should include water or sewer bills, or documentation of actual amount paid.

For More Information

Contact the Massachusetts Department of Revenue Customer Service Bureau at (617) 887-MDOR or toll free at 1-(800)392-6089 or the DOR website at www.dor.state.ma.us