

Senior Means Testing Exemption

Information

The Senior Means Testing Exemption is a local tax relief program that provides eligible long-term homeowners with a reduction in their real estate taxes based on age, income, assets, and property value requirements.

If eligible, the amount of the exemption will go towards your 3rd Quarter Tax Bill.

What are the Eligibility Requirements?

- Must be 65 or older at the close of the previous calendar year. If jointly owned, co-owner must be 60 or older
- Must own and occupy the primary residence for no less than 10 consecutive years
- Must meet income limits (The BOA will determine income limits)
- The total assessed value of the primary residence must not be greater than the prior year's maximum assessed value for the circuit breaker income tax credit qualifications.
- Must meet asset limits (The BOA will determine asset limits)
- Applicants must file every year during the application period
- Must have claimed the **MA State Circuit Breaker Tax Credit** in the previous tax filing year

What is needed to apply?

- Completed application
- Proof of age
- Proof of income
- Proof of assets
- Income Tax Return including Schedule CB
- Trust Documents (in applicable)

How much can you receive for the Senior Means Testing Exemption?

The percentage amount is determined by the BOA of 50% - 200% of the MA State Circuit Breaker Tax Credit received.

For example, the maximum MA State Circuit Breaker Tax Credit for tax filing year 2025 has a maximum credit of \$2,820

If eligible and receive the maximum MA State Circuit Breaker Tax Credit of the filing year, the town would grant an exemption pending the percentage determined by the BOA.

<u>BOA Voted Percentage</u>		<u>Exemption Amount towards Real Estate Taxes</u>
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50%	→	\$1,410
100%	→	\$2,820
150%	→	\$4,230
200%	→	\$5,640

Exemptions may not reduce the total tax bill by more than 50%. The exemption would be applied towards the 3rd Quarter tax bill

The Board of Assessors will determine the percentage.

To qualify for the Senior Means Testing Exemption applicants must receive the State Circuit Breaker Tax Credit on your tax filings.

What is the MA State Circuit Breaker Tax Credit?

The MA State Circuit Breaker Tax Credit is through State income tax return NOT through the Town of Groton.

As a senior citizen (65 or older by December 31 of the tax year), you may be eligible to claim a refundable credit on your Massachusetts personal income tax return.

The Circuit Breaker tax credit is based on the actual real estate taxes or rent paid on the Massachusetts residential property you own or rent and occupy as your principal residence.

The maximum credit amount for tax year 2025 is \$2,820. If the credit you're owed exceeds the amount of the total tax payable for the year, you'll be refunded the additional amount of the credit without interest.

For more information go to: <https://www.mass.gov/info-details/massachusetts-senior-circuit-breaker-tax-credit>

Qualifications for the State Circuit Breaker Tax Credit

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| <ul style="list-style-type: none">• You must be a Massachusetts resident or part-year resident.• You must be 65 or older by December 31 of the tax year.• You must file a <u>Schedule CB</u> with your Massachusetts personal income tax return.• You must own or rent residential property in Massachusetts and occupy it as your primary residence.• For tax year 2025, your total Massachusetts income doesn't exceed:<ul style="list-style-type: none">• \$75,000 for a single individual who is not the head of a household.• \$94,000 for a head of household.• \$112,000 for married couples filing a joint return. | <ul style="list-style-type: none">• If you are a homeowner, your Massachusetts property tax payments, together with half of your water and sewer expense, must exceed 10% of your total Massachusetts income for the tax year.• If you are a renter, 25% of your annual Massachusetts rent must exceed 10% of your total Massachusetts income for the tax year.• The assessed valuation of the homeowner's personal residence as of January 1, 2025, before residential exemptions but after abatements, cannot exceed \$1,298,000.• The <u>Schedule CB</u> must be completed within 3 years from the last day for filing the return, without regard to any extension of time to file. |
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