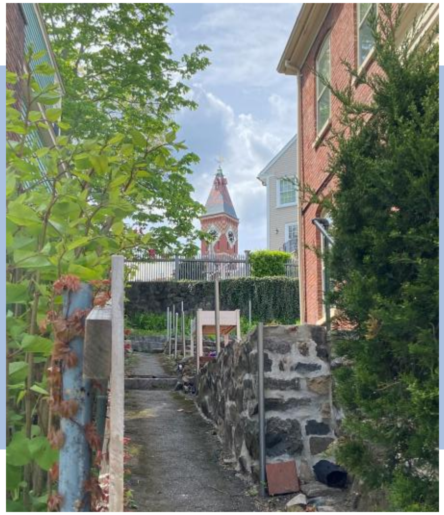
Tax Assistance Information Session

May 21, 2026, from 1 to 3 PM

Jacobi Community Center

10 Humphrey St.



Agenda

1:00	*Welcome*
	Massachusetts Senior Circuit Breaker Tax Credit Program
	Marblehead Means-Tested Senior Property Tax Program
	Personal Exemption Panel Discussion
	Q&A
3:00	*Adjourn*

MA Senior Circuit Breaker tax credit overview

- As a senior citizen, 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 the tax year 2025 is $2,820.
- If the credit you're owed exceeds the amount of the total tax payable for the year, you will receive a refund check.

Who is eligible?

- You must be a Massachusetts resident or part-year resident.
- You, or your spouse, must be 65 or older by December 31 of the tax year. You are not eligible if your status is married filing separately.
- You must file a Schedule CB 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 must not exceed:
    - $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.

Who is eligible? (cont.)

- 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.
  - The assessed valuation of the homeowner's residence, before residential exemptions but after abatements, cannot exceed $1,298,000 during the calendar year 2025.
- If you are a renter, 25% of your annual Massachusetts rent must exceed 10% of your total Massachusetts income for the tax year.
- The Schedule CB must be filed with your state personal income tax return.

How to calculate your Circuit Breaker credit

Homeowner example	
Annual property taxes	**$7,000**
+ 50% of water & sewer	**$1,200**
− 10% of total income	**($6,500)**
Circuit Breaker credit	**$1,700**

Renter example	
25% of annual rent ($2,500/mo)	**$7,500**
− 10% of total income	**($6,500)**
Circuit Breaker credit	**$1,000**

Other important details

- The filing deadline for the tax year 2025 was April 15, 2026.
- If you qualified for the credit but did not file a Schedule CB last year, you can amend your prior year return to include the Schedule CB for that year. You have up to three years from the last day for filing your return to submit the Schedule CB.
- An eligible taxpayer who does not normally file a state income tax return may obtain a refund by filing a return with the Schedule CB.

Resources available

- The Schedule CB and detailed information on how to file are available at: www.mass.gov/dor/circuitbreaker
- You can also call the Massachusetts Department of Revenue Customer Service Bureau with questions at:
  - (617) 887-6367 or toll-free (800) 392-6089
- Help filing your taxes during tax season is offered by:
  - AARP at www.aarp.org/money/taxes/aarp-taxaide/
  - Massachusetts Association for Community Action (MASSCAP) Volunteer Income Tax Assistance (VITA) program at www.masscap.org/freetaxprep/

Marblehead’s New Senior Tax Exemption Program

Marblehead’s New Senior Tax Exemption

- Marblehead’s new means-tested senior property tax exemption is intended to be a highly targeted property tax relief program for seniors that takes into account the unique demographics of our town and our limited municipal resources.
- The exemption is designed to step in when state-funded tax relief programs, like the Circuit Breaker credit, are not enough to protect our long-time senior residents from rising property taxes.
- Unlike the state Circuit Breaker program, Marblehead’s program is:
  - A property tax exemption, not an income tax credit
  - Available only to homeowners, not renters
  - A municipal program funded and managed by the town of Marblehead, not the state
  - A supplement to, not a replacement of, state tax relief benefits

Marblehead's New Senior Tax Exemption

- **What it IS…**
  - Highly targeted property tax relief to seniors who need it most
  - Available to Marblehead's seniors only AFTER they receive the maximum state Senior Circuit Breaker credit, and their property taxes are STILL a disproportionate share of their income
  - A significant new responsibility for our Assessor, Todd Laramie, and his team, Lee Difilipo and Viktorija Babrauskaite – THANK YOU!

- **What it ISN'T…**
  - A broad tax exemption available to all Marblehead seniors
  - A redistribution of property taxes to favor one demographic group over another
  - A marketing tool to pass an override

Marblehead’s New Senior Tax Exemption

- Marblehead’s program is based on extensive research and the benchmarking of 20 other communities in Massachusetts with similar programs.
- Interviews of assessors in seven of those communities were conducted, and our program was tailored to reflect their recommendations and feedback based on their experience.
- After passing Town Meeting in May 2025, the home rule petition creating our program was reviewed by the Massachusetts House, Senate and the Department of Revenue. On April 29, 2026, it was approved without any changes and signed into law by Governor Healey.

Marblehead's Senior Tax Exemption

- It's difficult to project the number of participants who will be eligible for this program, particularly in the first year.
- As a result, the Select Board is given the authority to set a cap on the total amount of exemptions available under this program, as well as the maximum exemption per participant.
- As stated at the 2025 Town Meeting, for the first year of the program (FY 2027), the Select Board anticipates setting the maximum exemption per participant at $2,000 and the cap on all exemptions at $200,000.
- Based on our research of comparable towns, we estimate that around 100 Marblehead senior homeowners who apply will be eligible.

Who is eligible?

Age	At least 65 years old. If your home is co-owned, the co-owner must be at least 60 years old.
Residency	You have owned a home in Marblehead as your primary residence for at least 10 years.
Assessed Home value	Your home's assessed value is at or below Marblehead's average assessed home value ($1,291,507 — updated annually).
Income	Within the income limits set by the Select Board. Limits are adjusted annually.
Assets	You do not have excessive assets that fall outside the intended recipients of this program. Guidelines will be set by the Select Board.
Circuit Breaker filing	You apply for the state's Senior Circuit Breaker tax credit, if eligible.

How your tax exemption is calculated

The goal

To bring eligible seniors' property taxes – plus half of their annual water and sewer bill – to 10% of their total income AFTER taking into account other forms of tax relief available.

Sample calculation	
Annual property taxes	**$8,500**
+ 50% of water & sewer	**$1,200**
− 10% of total income	**($6,000)**
− Circuit Breaker credit	**($2,820)**
Marblehead property tax exemption	**$880**

Next steps…

Select Board will	Assessor's Office will
1 Set income limits for participants.	1 Create the exemption application.
2 Provide guidance on what constitutes "excessive assets."	2 Set up internal review and approval processes.
3 Set the maximum exemption per participant and the total program cap.	3 Roll out the program for FY 2027.

This is a brand new program for Marblehead, and we expect to learn a lot in the first year. There is the potential to adjust certain eligibility criteria, application methodology and processes over time, so please stay tuned… and be patient with us!

Tax Exemption Timeline

Program Rollout

May '26	Nov '26	Feb/Apr '27
H.4225 Enacted	**Application Period**	**Q3/Q4 Tax Bills**
Program details and procedures to be developed in line with Town's FY27 and individual tax filings for CY25.	*Documentation needed:* - *Proof of age* - *Copy of your 2025 federal and state income tax returns* - *Copy of your 2025 filed Schedule CB* - *Trust documentation if the property is held in a trust.*	*Qualified residents receive exemption not to exceed annual amount of $2,000 net of other exemptions. Amount also determined by the number of participants and the annual cap established by the Select Board.* ***Timing still to be determined.***

Other property tax assistance programs

Q&A

Thank you!