

Tax Treatment of Social Security Benefits by the Federal Government and Northeastern States

Federal		
If combined income* is:		SS Benefits are:
Single/Separate/HoH/Widow(er)	Married Joint	
<\$25,000	<\$32,000	100% exempt
\$25,000-\$34,000	\$32,000-\$44,000	up to 50% taxable
>\$34,000	>\$44,000	up to 85% taxable

*Combined income is non-social security income (including tax-exempt interest) plus 1/2 of social security benefits.
Source: <https://www.ssa.gov/planners/taxes.html>

Northeastern States	Most state income taxes are based off federal Adjusted Gross Income (AGI), meaning that the portion of Social Security benefits that is exempt from federal tax is also exempt from state income tax. In addition, most states provide additional exemptions.						
	CT	ME	MA	NH	NY	RI	VT
Single/Separate/HoH/Widow(er)^*	AGI up to \$75,000^: SS benefits are 100% exempt >\$75,000: 75% exempt	100% exempt	100% exempt	N/A (only taxes dividend and interest income)	100% exempt	up to \$80,000*: 100% exempt >\$80,000: No exemption	up to \$45,000: 100% exempt \$45,000-\$55,000: Phased out exemption >\$55,000: No exemption
Married Joint	AGI up to \$100,000^: SS benefits are 100% exempt >\$100,000: 75% exempt	100% exempt	100% exempt	N/A (only taxes dividend and interest income)	100% exempt	up to \$100,000*: 100% exempt >\$100,000: No exemption	up to \$60,000: 100% exempt \$60,000-\$70,000: Phased out exemption >\$70,000: No exemption

^In CT, HoH and Widow(er) filers are granted the Married Joint threshold. Through 2018, individuals in CT with AGI up to \$50,000 and couples filing jointly with AGI up to \$60,000 can deduct 100% of their Social Security income. The threshold increases in 2019, per above.

*In RI, Widow(er) filers are granted the Married Joint threshold. The RI threshold is pegged to inflation, thereby increasing each year.

Sources: <https://portal.ct.gov/DRS/Publications/Announcements/2007/AN-20076-Taxability-of-Social-Security-Benefits-for-Connecticut-Income-Tax-Purposes>, <http://webserver.rilin.state.ri.us/Statutes/TITLE44/44-30/44-30-12.HTM>, <https://tax.vermont.gov/individuals/income-tax-returns/social-security-exemption>

Northeastern State Tax Breaks Related to Seniors

State	CT	ME	MA	NH	NY	RI	VT
Military pensions	100% exempt	100% exempt	100% exempt	N/A (only taxes dividend and interest income)	100% exempt	\$15,000 of federally taxable retirement income exempt if income up to \$100,000 married jointly (\$80,000 for single), threshold adjusts with inflation	Not exempt
Other pensions	Not exempt. As of 2018, requires pension payers to withhold income tax	\$10,000 exempt (this deduction is reduced by any Social Security and Railroad benefits, but not impacted by military pensions)	MA state and local government pensions 100% exempt; pensions from other state and local governments that don't tax MA public pensions are also 100% exempt		New York state and local pensions 100% exempt; out-of-state pensions, private pensions and retirement plans qualify for \$20,000 exclusion		
Defined Contribution Plans (e.g. 401(k))	Not exempt		Not exempt				
IRAs	Not exempt		Not exempt				
Social Security (also see next page)	Additional income-based exemption, plus partial exemption for everyone	100% exempt	100% exempt		100% exempt		

In addition to the categories above, railroad retirement benefits are exempt from state taxation in all 50 states, per the Railroad Retirement and Railroad Unemployment Insurance Acts.