

Tax tips

- Be sure to keep all your tax records, such as returns, receipts, and statements, for three years. We may ask you to produce records that prove your deductions or expenses.
- If we grant you an extension of time to file your tax return, that doesn't extend the time you have to pay. When you request an extension, you must make full payment of all estimated taxes you owe.
- E-file your income tax returns for free! To see if you qualify, visit www.tax.ny.gov (search: *free file*).

Tips to avoid tax scams

Don't be fooled by threatening phone calls

The New York State Tax Department and the IRS will never threaten you over the phone. Before we contact you via phone or email, we will always send you a letter first.

Avoid identity theft

Your tax return includes a great deal of valuable personal information, such as your Social Security number. Monitor your financial accounts for suspicious activity. Don't give your return to anybody except a tax preparer you trust.

Beware of phishing emails

You may receive sophisticated, authentic-looking emails that seem to be from the Tax Department, the IRS, or other legitimate agencies. If these emails ask for personal or financial information, or inform you of serious tax problems you haven't heard of before, they're bogus. We will never ask for such information by email.

Be cautious when hiring a tax preparer

Make sure your tax preparer is registered with the IRS and New York State. Find out how much the preparer will charge before you give them your files. Make sure the preparer will sign your return as your representative. Don't hire a preparer who wants you to sign a blank return ahead of time. If the preparer offers you a loan before you get your actual refund, beware of high interest rates.

Question inflated refund claims

If the preparer says you'll be getting a refund that seems suspiciously large, ask for a copy of the completed return. If the preparer hasn't finished it yet, find another preparer. The preparer should never charge you based upon a percentage of your refund.

Office of the Taxpayer Rights Advocate

If you have trouble resolving a tax issue with the Department of Taxation and Finance and have exhausted all other administrative remedies, the Taxpayer Rights Advocate may be able to help.

To find out how we can help you, visit the Office of Taxpayer Rights Advocate page at www.tax.ny.gov (search: *OTRA*).

Where can I get more information?

New York State information for seniors

Publication 36, *General Information for Senior Citizens and Retired Persons*

IRS information for seniors

Publication 554, *Tax Guide for Seniors*

Language access

To increase your access to information, we've translated vital documents on our website into Spanish, Chinese, Russian, Bengali, Korean, and Haitian Creole (search: *language*).

Donate life

Become an organ donor today! To learn more, visit: <https://donatelife.ny.gov/register>.

Online Financial Education Program

We've launched a new Financial Education Program for all New Yorkers. The online curriculum is broken into seven modules, covering a range of topics—from tax credits to free tax filing options and predatory tax preparers. It includes many tools and resources to help you understand the benefits available to you as a taxpayer in New York.

Access the Financial Education Program from our website: (search: *financial education*).

TAX BASICS

Senior Citizens



Learn more at
www.tax.ny.gov

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CO-307 (1/21)



Department of
Taxation and Finance

How do I get help with my taxes?

The IRS's Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE) programs offer free basic tax return preparation to qualified individuals. You may qualify to have your income tax completed by IRS Certified community volunteers who can prepare and file your tax return at no cost.

- **Volunteer Income Tax Assistance (VITA)**
- **Tax Counseling for the Elderly (TCE)**

Website: www.irs.gov/vita

Phone: 1 (800) 906-9887

The New York State Tax Department also provides free help. Our volunteers can guide you through tax preparation software for filing your federal and state income tax returns.

Facilitated Self Assistance (FSA)

Website: www.tax.ny.gov/fsa

What's the easiest way to file my taxes? E-file!

We've joined the Free File Alliance to offer you more options to electronically file (e-file) your federal and New York State income tax return at no cost.

If your adjusted gross income was \$72,000 or less, you may be eligible to e-file your return for free! To see if you qualify, visit www.tax.ny.gov (search: *free file*).

You can e-file your income tax returns using your:

- personal computer;
- smart phone; or
- tablet.

What can I do to pay less tax?

As a senior, you may qualify for special income tax benefits, including:

- modifications that reduce your federal adjusted gross income, which reduces your tax bill;
- tax credits, which may reduce your income tax due, or increase your tax refund; or
- property tax benefits, credits, and exemptions.

Modifications to reduce your tax bill

When calculating your New York adjusted gross income, you may subtract the following from your federal adjusted gross income:

- **Social Security benefits:** You may subtract all benefits included in your federal adjusted gross income from your New York adjusted gross income.
- **Pension and annuity income:** If you were at least 59½ during the tax year, you may subtract up to \$20,000 (married taxpayers who both received pension or annuity income may each subtract up to \$20,000).
- **Pensions of federal, New York State, and local governments:** Qualified pension benefits or distributions from these sources are exempt from New York State, New York City, and Yonkers income tax regardless of your age.
- **Long-term residential care:** Depending on your age, you may deduct a portion of the costs of your long-term care benefits.

For more information, see:

- Form IT-201, *Resident Income Tax Return*
- Form IT-203, *Nonresident and Part-Year Resident Income Tax Return*
- Form IT-225, *New York State Modifications*

Estimated tax

Many seniors receive income that doesn't have income tax withheld, such as pension or annuity income, interest, or some types of unexpected income. In such cases, you may need to pay estimated tax.

You can pay estimated taxes electronically by creating an Individual Online Services account or by using Form IT-2105, *Estimated Tax Payment Voucher for Individuals*.

To find out if you need to pay estimated tax, visit www.tax.ny.gov (search: *estimated*).

Income tax credits to reduce your tax bill

Many New York State seniors qualify for additional savings through income tax credits.

Real property tax credit

If your household gross income is \$18,000 or less, and you pay property tax or rent, you may be eligible for the real property tax credit of up to \$375. Even if you owe no tax or don't have to file a tax return, you could still receive the credit. For more information, see Form IT-214, *Claim for Real Property Tax Credit*.

Nursing home assessment credit

This credit is available only to individuals who paid the nursing home assessment imposed on a New York State nursing home. It can be found on the billing statement from the nursing home. It is not the amount of expenses paid. This credit can be refunded to you, even if you owe no tax. For more information, see Form IT-258, *Claim for Nursing Home Assessment Credit*.

Long-term care insurance credit

If you paid premiums for qualified long-term care insurance, you may be eligible for this credit, which is 20% of the premiums paid during the tax year. For more information, see Form IT-249, *Claim for Long-Term Care Insurance Credit*.

Property tax savings

Many property tax savings are available for seniors, veterans, and persons with disabilities. Check with your assessor to see if these exemptions are offered in your local municipality. For a full list of property tax exemptions and eligibility guidelines, see www.tax.ny.gov (search: *owners*).

New York State School Tax Relief Program (STAR)

STAR provides millions of homeowners with hundreds of dollars in savings each year on their primary residence. For more information and to register, see www.tax.ny.gov/star.

Senior citizens exemption

Local governments and school districts in New York State can opt to grant a reduction in property taxes paid by qualified seniors, by reducing the home's assessment by as much as 50%. Seniors who receive STAR may also receive this exemption.

