

# STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



INDIANA GOVERNMENT CENTER NORTH  
100 NORTH SENATE AVENUE N1058(B)  
INDIANAPOLIS, IN 46204  
PHONE (317) 232-3777  
FAX (317) 974-1629

**TO: County Auditors**

**FROM: Daniel Shackle, Commissioner**

**RE: Over 65 Circuit Breaker Income Threshold Calculation for Pay 2025**

**DATE: May 24, 2024**

During the 2023 Legislative Session, the General Assembly made changes to the Over 65 Circuit Breaker Credit to include the cost-of-living increase (“COLA”) from the Social Security Administration. Accordingly, the Department of Local Government Finance (“Department”) issues the following calculation. You should use these numbers to determine eligibility for the credit for 2024 Pay 2025 tax bills.

For single taxpayers, the base threshold is \$30,000 per Ind. Code § 6-1.1-20.6-8.5. As specified in Ind. Code § 6-1.1-20.6-8.5(a), the annual percentage increase is applied to the adjusted amount of income from the immediately preceding year.

For Pay 2025 tax bills, the [2024 Social Security Administration COLA](#) is 3.2%. With the COLA issued by the Social Security Administration, the single taxpayer threshold for 2025 tax bills is **\$33,653.52**.

$$\begin{array}{rclcl} \text{Pay 24 Single Taxpayer Threshold} & \times & (1 + 2024 \text{ COLA}) & = & \text{Pay 25 Single Taxpayer Threshold} \\ \$32,610 & \times & (1 + 3.2\%) & = & \$33,653.52 \end{array}$$

For married taxpayers, the base threshold is \$40,000. As with the single taxpayer threshold, Ind. Code § 6-1.1-20.6-8.5(a) specifies that the annual percentage increase is applied to the adjusted amount of income from the immediately preceding year.

With the COLA issued by the Social Security Administration, the married taxpayer threshold for 2025 tax bills is **\$44,871.36**.

$$\begin{array}{rclcl} \text{Pay 24 Married Taxpayer Threshold} & \times & (1 + 2024 \text{ COLA}) & = & \text{Pay 25 Married Taxpayer Threshold} \\ \$43,480 & \times & (1 + 3.2\%) & = & \$44,871.36 \end{array}$$

Thus, when determining eligibility for 2025 tax bills, officials should use the income thresholds of \$33,653.52 for single individuals and \$44,871.36 for married couples.

Questions may be directed to Jenny Banks, Director of Communications, at [jbanks@dlgf.in.gov](mailto:jbanks@dlgf.in.gov).