

Massachusetts Security Deposit Laws: Limits, Deductions and Deadlines

Summary for landlords and property managers. Last reviewed October 29, 2026. Full guide: <https://www.generationadvisory.com/laws/massachusetts-security-deposit-laws>

Massachusetts has one of the strictest deposit laws in the country. Deposits are capped at one month of rent, must sit in a separate interest bearing Massachusetts bank account with receipts and a condition statement, and mistakes can cost the landlord three times the deposit.

Key points

- A security deposit cannot be more than one month of rent.
- The landlord must return the deposit, or the balance after lawful deductions, within 30 days after the tenancy ends.
- Deductions for damage require an itemized list signed under the pains and penalties of perjury, with estimates, bills or receipts, sent within the same 30 days; damage noted on the move in condition statement cannot be charged.
- The tenant earns interest at 5 percent a year, or the lower rate the bank pays, from the start of the tenancy, paid each year and at the end of the tenancy.
- A landlord who fails to hold, return or account for the deposit properly can owe three times the deposit, plus 5 percent interest, court costs and attorney fees, and loses the right to keep any of it for damage.

Massachusetts at a glance

Rule	Massachusetts	Law
Deposit limit	A security deposit cannot be more than one month of rent.	G.L. c.186, section 15B
Deadline to return the deposit	The landlord must return the deposit, or the balance after lawful deductions, within 30 days after the tenancy ends.	G.L. c.186, section 15B
Itemized deductions	Deductions for damage require an itemized list signed under the pains and penalties of perjury, with estimates, bills or receipts, sent within the same 30 days; damage noted on the move in condition statement cannot be charged.	G.L. c.186, section 15B

Rule	Massachusetts	Law
Interest on deposits	The tenant earns interest at 5 percent a year, or the lower rate the bank pays, from the start of the tenancy, paid each year and at the end of the tenancy.	G.L. c.186, section 15B
Penalty for wrongful withholding	A landlord who fails to hold, return or account for the deposit properly can owe three times the deposit, plus 5 percent interest, court costs and attorney fees, and loses the right to keep any of it for damage.	G.L. c.186, section 15B

Mistakes to avoid

- Skipping a dated move-in condition report with photos, then having nothing to compare against at move out.
- Charging for normal wear and tear.
- Missing the return deadline, even by a few days.
- Not asking for a forwarding address before the tenant leaves.
- Losing track of deposit money by mixing it with operating funds without a ledger.

Verify current law

Laws named in this summary:

- G.L. c.186, section 15B

Official sources:

- General Laws of Massachusetts (Massachusetts Legislature): <https://malegislature.gov/Laws/GeneralLaws>
- Mass.gov: The Attorney General's Guide to Landlord and Tenant Rights: <https://www.mass.gov/guides/the-attorney-generals-guide-to-landlord-and-tenant-rights>
- Mass.gov: Frequently asked questions about residential rental broker's fees: <https://www.mass.gov/info-details/frequently-asked-questions-about-residential-rental-brokers-fees>
- Massachusetts Trial Court: Housing Court: <https://www.mass.gov/orgs/housing-court>

General information, not legal advice. Check current law and talk to a Massachusetts attorney before you act.
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