



Associated Industries of Massachusetts
One Beacon Street, 16th Floor
Boston, MA 02108
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December, 2012

Re: New Property Tax Filing with Massachusetts Department of Revenue

Dear AIM member,

If you are exempt from personal property tax at the local level because you are a manufacturing or research-and-development company and have not yet registered with the Massachusetts Department of Revenue (DOR), your ability to claim this tax exemption is in jeopardy.

All companies that qualify for local property-tax benefits must now file online with the Massachusetts Department of Revenue (DOR) to claim those benefits. Corporations must file an Annual Certification of Entity Tax Status between now and April 1. For more details please read below.

Please contact Brad MacDougall, Vice President for Government Affairs, bmacdougall@aimnet.org or 617-262-1180, if you have questions.

Sincerely,

A handwritten signature in black ink that reads 'John A. Regan'. The signature is fluid and cursive, with a large initial 'J' and 'R'.

John Regan
Executive Vice President
Government Affairs



Associated Industries of Massachusetts

[Companies Seeking Local Tax Benefits Must Now File with State](#)

Posted by Brad MacDougall on Wed, Nov 14, 2012 @ 01:30 PM

Manufacturers and other companies entitled to local property-tax benefits must now file online with the Massachusetts Department of Revenue (DOR) to claim those benefits.

Corporations seeking to maintain favored property-tax status must file an Annual Certification of Entity Tax Status between now and April 1 to ensure that they appear on DOR's Division of Local Services List of Corporations for 2013. Cities and towns use "The List" to determine which corporations and entities treated as corporations are entitled to local property tax benefits. The List also specifies all entities treated as business corporations for Massachusetts tax purposes that have been granted the "manufacturing corporation" classification.

Joseph X. Donovan, a tax lawyer at [Sullivan and Worcester](#), says tax law changes in 2009 meant that the Department of Revenue could no longer use filings with the Secretary of the Commonwealth to alert local officials about the tax status of a company.

"While the change to a new procedure was necessary, there is a real risk that companies that are unaware of the requirement for the first time to make an *annual* filing to protect favored local property tax status will find themselves effectively declassified, with potentially very harsh consequences," Donovan said.

"While they will be able to cure the declassification by challenging it in the Appellate Tax Board, that route can be quite costly, and resolution of any dispute before the Board can take a long time. We should hope that taxpayers that find themselves before the Board in such circumstances will be permitted to quickly and informally resolve with opposing counsel the 'foot fault' of failure to file the form."

The DOR publishes The List electronically on its Web site on or about April 1. Omission from the list or any particular classification may be appealed by the employer.

Here are some resources for employers:

- 1) [Demo application form](#) *If the link doesn't send you directly to the DEMO, then follow these instructions:
 - a) Click on "Take a Tour"
 - b) Click on "Business Master Administrator"
 - c) Click on "Begin Tour"
 - d) Click on "Annual Certification of Entity Tax Status"
- 2) [FAQ on Annual Certification](#)
- 3) [The List](#)

AIM applauds the DOR's effort to improve the accuracy of this list and to streamline administrative matters. The association has encouraged the DOR to find additional ways to streamline policies for collecting data on local property tax classification. Should you have any suggestions or questions, please contact [Brad MacDougall, Vice President for Government Affairs](#) or 617-262-1180.