

March 2016

## MASSACHUSETTS DEPARTMENT OF REVENUE OFFERING AMNESTY

The Massachusetts Department of Revenue (“MA DOR”) is offering a limited opportunity for taxpayers who have failed to register, failed to file a tax return, and/or failed to report the full amount of tax owed on a previously filed return to come forward and correct their tax filings without incurring any tax penalties (“MA Tax Amnesty 2016”). Taxes covered under the MA Tax Amnesty 2016 include income, corporate excise, and sales and use taxes. Amnesty covers all tax periods through December 31, 2015. Taxpayers participating in the amnesty will benefit from a three-year limited lookback period.

Unlike previous amnesty programs offered by the MA DOR, this program is not available to taxpayers who are seeking to reduce their existing tax liabilities. Those who have filed fraudulent returns in the past are also not eligible. The MA DOR will not be sending out notices to eligible taxpayers. Rather, taxpayers themselves will need to come forward by completing and submitting a streamlined amnesty return online that will *only be available from April 1, 2016 through May 31, 2016*. The online amnesty return will be the sole return of record filed with the MA DOR. Taxpayers must also submit an electronic payment for the balance due at the time they file online their amnesty return.

Eligible taxpayers are encouraged to participate in the MA Tax Amnesty 2016 program. The MA DOR has recently implemented an integrated tax system that will make it easier for them to identify those who have not complied with Massachusetts tax laws. Failure to participate in this amnesty subjects taxpayers to greater consequences, such as:

- Possible assessment of double the amount of tax due and other penalties.
- Loss of the limited lookback period, there is no statute of limitations on unfiled returns.
- Facing the MA DOR’s strenuous enforcement efforts, including potential criminal prosecution.

As the MA Tax Amnesty 2016 program is available for a very short period of time, this is a great opportunity for taxpayers to clean up their past MA tax obligations. For more information or questions regarding this Tax Alert, please contact **Harry Miller** or **Jennifer Green**.

### ABOUT BURNS & LEVINSON

Burns & Levinson is a Boston-based, full service law firm with more than 125 attorneys in Massachusetts, New York and Rhode Island. Core areas of practice are Real Estate, Business Law, Business Litigation, Intellectual Property and Private Client Legal Services.

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