

## Income/Franchise:

### Massachusetts DOR Explains 4% Personal Income Surtax on Taxable Income Over \$1 Million

*4% Surtax on Taxable Income Over \$1,000,000*, Mass. Dept. of Rev. (10/11/23). The Massachusetts Department of Revenue (Department) posted implementation guidance reflecting that beginning with tax year 2023, Massachusetts taxpayers subject to personal income tax under Chapter 62 must pay an additional 4% surtax on taxable income over \$1,000,000, increased annually for inflation. In the guidance, the Department addresses topics like which taxpayers are subject to the 4% surtax; calculating income subject to the 4% surtax; related forms and electronic filing requirements; special rules for nonresident composite filers; impact on Massachusetts' elective pass-through entity excise tax; and underlying implications for withholding and estimated payments. Please contact us with any questions.

**URL:** <https://www.mass.gov/info-details/4-surtax-on-taxable-income-over-1000000#:~:text=Contact-What%20is%20the%204%25%20Surtax%3F,29%20of%20the%20FY24%20Budget>

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