

## Amnesty/Administrative:

### Massachusetts: Amnesty Program Offering Potential 100% Penalty Waiver Begins November 1

*Massachusetts Tax Amnesty 2024 Program*, Mass. Dept. of Rev. (9/10/24). The Massachusetts Department of Revenue (Department) announced that pursuant to recently enacted legislation authorizing it to establish a tax amnesty program where qualifying participants potentially may receive a 100% waiver of underlying penalties [see H.B. 4800, signed by gov. 7/29/24, and *State Tax Matters*, Issue 2024-31, for more details on this legislation], it will administer this program from November 1, 2024, through December 30, 2024. According to the Department, during this period, “Massachusetts will waive most penalties for eligible taxpayers who file outstanding returns and pay tax and interest owed for tax periods with returns due by December 31, 2024.” The Department explains that eligible taxpayers – including personal income or corporate excise taxpayers, trusts, or estates – may submit an “Amnesty Request” if they have a Massachusetts tax liability (including a corporate excise, personal income, estate, or sales/use tax liability) related to:

URL: <https://www.mass.gov/info-details/massachusetts-tax-amnesty-2024-program>

URL: <https://malegislature.gov/Bills/193/H4800>

URL: [https://dhub.deloitte.com/Newsletters/Tax/2024/STM/240802\\_2.html](https://dhub.deloitte.com/Newsletters/Tax/2024/STM/240802_2.html)

- Massachusetts unfiled returns, underreported tax, and/or other unpaid assessments;
- A current Massachusetts audit that will result in an assessment of penalties; or
- Massachusetts pending resolution, Appellate Tax Board, and collection cases.

Moreover, according to the Department, “non-filers may be eligible for a three-year limited look-back period.” If applicable, an Amnesty Request may be submitted “for all filing periods with a return due on or before December 31, 2024.” Under this amnesty program, eligible taxpayers generally will not be required to establish reasonable cause for the failure to file or properly report the underlying Massachusetts tax liability. The program also permits eligible taxpayers currently under audit by the Department to seek amnesty as to the amounts at issue in such audit. Importantly, the amnesty program expressly permits eligible taxpayers that have filed returns which underreport the Massachusetts taxes due to file amended returns and pay the resulting tax in exchange for penalty abatement – a provision that apparently is designed to encourage the voluntary disclosure of known outstanding taxes due.

The guidance addresses how to prepare for the upcoming Massachusetts tax amnesty program and the underlying Amnesty Request process, and notes that the Department will continue to post more information about the program as it becomes available. Please contact us with any questions.

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