



The Massachusetts Department of Revenue's (MADOR) 60-day tax amnesty program began March 16, 2015. It applies to a variety of taxes levied on or before Jan. 1, 2015, and it includes different types of taxes than the ones included in the most recent amnesty program, such as corporate excise taxes, including financial institutions, insurance, public utilities, and banks, estate taxes, fiduciary income taxes, and individual use taxes on motor vehicles. This program runs through May 15, 2015.

Approximately 24,000 qualifying taxpayers received a Tax Amnesty Notice from the MADOR. The notices include individual period balances, the amount of unpaid penalty to be waived if the amnesty balance is paid in full by the due date, and the amnesty amount due.

Under the program, the MADOR will waive assessed but unpaid penalties for taxpayers who remit full payment of all outstanding taxes and interest for any period listed on the notice by the May 15 deadline.

The MADOR launched a website to assist taxpayers.

Just before this amnesty program started, Masslive.com reported that Massachusetts Gov. Charlie Baker would offer another one next year with the hope to raise an additional \$100 million. The 2016 program would run for all of fiscal year 2016, which begins on July 1, 2015, and waive penalties for individuals and businesses who owe back taxes to the state because they have not filed a return. Brendan Moss, a spokesman for the Secretary of Administration and Finance, said the goal is to get people into the system who have never filed taxes. He estimated that 10,000 to 20,000 people would file their taxes under the program. An additional benefit is that the program will result in new tax revenue in future years. The last time the state ran a tax amnesty program like this proposed one, for non-filers, was in 2002, and it brought in \$176 million during a two-month period.

Masslive.com also pointed out that Massachusetts has a history of using amnesty programs aimed at various groups to bring in otherwise lost revenue. For example, in February 2015, the amnesty program targeted corporate tax filers. (The state is still tallying the revenue generated from that program.)

The September-October 2014 amnesty raised \$69.1 million and targeted people who owed personal income taxes and non-corporate business taxes like the meals and rooms tax.

The 2010 amnesty covered sales, rooms and meals, and other non-personal, non-corporate taxes, and raised \$32.6 million.

The 2009 program focused on those who owed personal income and use taxes, and raised \$32.2 million.

Last month, we addressed the effectiveness of tax amnesty programs, and noted that Massachusetts ranked #10 in tax collections per capita in 2013.