

An exact and complete copy of the taxpayer's federal income tax return or other federal report as filed **must be enclosed with this return**. If no such report is filed, a copy of the taxpayer's balance sheet and income statement as prepared by its treasurer, auditor or accountant must be enclosed. Any return filed without this information is incomplete and subject to assessment penalties.

Instructions

Who Must File

Every corporation, individual, trust, partnership or other entity subject to MGL Ch. 121A, as amended, must file an annual return on Form 121A.

What Is a Valid Return?

A valid return is a return which properly documents how the taxpayer arrived at their gross income figure on line 1. Preliminary or audited financial statements and/or a copy of the federal form filed by the taxpayer are examples of proper documentation. In addition, the taxpayer must submit a letter from their city or town assessor attesting to the fair cash value of their property as of January 1, 2012. Failure to meet any of the requirements detailed in this section may result in a penalty for filing an insufficient return. Such penalties may be assessed at double the amount of the tax due.

When and Where Are Returns Filed

This return covers the 2011 calendar year and is due on or before March 15, 2012. Returns should be mailed to the **Massachusetts Department of Revenue, PO Box 7052, Boston, MA 02204**.

Payment of Tax

The entire amount of the tax less any previous payments made is due and payable on the due date. Even though the corporation may obtain an extension of time for filing its return, there is no provision in the law for extending the time for payment. Any portion of the tax not paid by the due date bears interest on the unpaid balance and a penalty of 1% per month, or fraction thereof, up to a maximum of 25%. Accordingly, even though a corporation secures an extension of time for filing its return, it is required to make an advance payment of its tax liability to prevent the imposition of interest on such amount from the due date until the date the return is completed and the balance of the tax is paid.

Extension of Time for Filing

Extension of time for filing returns will be granted for reasonable cause upon request. A taxpayer requesting an extension must file Form 355-7004 Misc. on or before March 15, 2012. At the time of filing Form 355-7004 Misc., taxpayers are required to pay **50%** of the tax shown to be due on the return when filed, less credits, if any, for previous payments made. Failure to pay such amount with the filing of Form 355-7004 Misc. will result in the voiding of the extension and the imposition of a late filing penalty.

Penalty for Late Return

Failure to file this return on or before March 15, 2012 or within any extension of time granted, will subject the taxpayer to a penalty of 1% of the amount required to be shown as the tax less payments made on or before March 15, 2012 for each month or fraction thereof, of delinquency up to a maximum of 25%.

Whole Dollar Method

The whole dollar method should be used when entering amounts in the Computation of Excise.

Local Tax Rate

The rate to be used when filing returns for the calendar year 2011 is the rate established for the fiscal year July 1, 2011 to June 30, 2012.

Gross Income

Gross income includes all gross receipts from whatever source, whether taxable or non-taxable. Gross income means payments made by persons for the right to reside in or occupy a portion or all of the project. Gross income does not include federal interest deduction payments authorized by 12 U.S.C., s. 1715 z-1 (1970). Payments actually made by a governmental unit to or on behalf of any tenant which are in addition to payments actually made by the tenant are includable in gross income only with respect to projects undertaken prior to March 22, 1976; and are excludable from gross income with respect to projects undertaken on or after March 22, 1976, or projects meeting the requirements of St. 1975, c. 827, s. 21.

Voluntary Contribution for Endangered Wildlife Conservation

Any corporation that wishes to contribute any amount to the Natural Heritage and Endangered Species Fund may do so on this form. This amount is added to the excise due. It increases the amount of the corporation's payment or reduces the amount of its refund.

The Natural Heritage and Endangered Species Fund is administered by the Department of Fisheries, Wildlife and Environmental Law Enforcement to provide for conservation programs for rare, endangered and nongame wildlife and plants in the Commonwealth.