



2021 Instructions for Massachusetts Urban Redevelopment Excise Return **Form 121A**

This form has an electronic filing requirement.
See instructions.

Filing Due Dates

Massachusetts General Laws (MGL) ch 62C §§ 11 and 12 require C corporations to file their tax returns on or before the 15th day of the fourth month following the close of each taxable year (April 15 in the case of corporations filing on a calendar year basis). S corporation tax returns are due on the 15th day of the third month following the close of each taxable year. See Technical Information Release (TIR) 17-5.

Because of the observance of Emancipation Day in Washington D.C. on Friday, April 15, 2022, federal returns otherwise due on April 15 will generally be treated as timely if filed by Monday, April 18, 2022. However, Monday, April 18, 2022, is Patriot's Day, a legal holiday in the Commonwealth of Massachusetts. Therefore, Massachusetts corporate excise returns and payments with a due date of April 15, 2022, shall be treated as timely if filed and paid on or before April 19, 2022. **Note:** First quarter estimated payments and S corporation returns are still due on March 15, 2022.

For most calendar year filers, returns must be filed by April 19, 2022.

Expansion of Mandatory Electronic Filing for Corporate Excise Returns

Effective for tax periods ending on or after December 31, 2021, electronic filing and payment of tax will be required of all business corporations and financial institutions subject to tax under MGL ch 63, with no income threshold. For more information, see TIR 21-9: Expansion of Certain Electronic Filing and Payment Requirements.

Extension Due Dates

Urban redevelopment corporations are allowed an automatic extension to file their tax returns if they satisfy the payment requirements stated in TIR 15-15. For urban redevelopment corporations, tax returns filed on extension are due 6 months from the due date (October 15 in the case of C corporations filing on a calendar year basis). See TIR 17-5.

Taxpayers meeting certain payment requirements will be given an automatic seven-month extension in the case of corporate excise taxpayers filing combined reports and a six-month extension for other corporate taxpayers. Taxpayers filing unrelated business income tax returns will be given an eight-month extension. For further information, see TIR 15-15.

Note: An extension of time to file is not valid if the corporation fails to pay at least 50% of the total tax liability or the minimum tax of \$456, which ever is greater, by or before the return due date.

Any tax not paid on or before the due date — without regard to the extension — shall be subject to an interest charge.

Who Must File Form 121A?

Every entity subject to taxation under MGL ch 121A must file an annual return on Form 121A. In most instances returns and payments must be submitted electronically. Failure to submit the return electronically when required to do so may result in a penalty of \$100. For further information on electronic filing requirements, see TIR 21-9.

What Is a Valid Return?

A valid return is a return that properly documents how the taxpayer arrived at their gross income figure on line 1a in the Computation of Excise section. Preliminary or final 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, 2022. Failure to meet these minimum requirements may result in a penalty for filing an insufficient return.

Filing an Amended Return

If you need to change a line item on your return, complete a return with the corrected information and fill in the **Amended return** oval. An amended return can be filed to either increase or decrease your tax. Generally, an amended return must be filed within three years of the date that your original return was filed. Electronic filing requirements apply to amended returns and disputes. See TIR 21-9 for further information.

If your amended return is being submitted due to an IRS BBA Partnership Audit then fill in the **Amended return due to IRS BBA Partnership Audit** oval.

Consent to Extend the Time to Act on an Amended Return Treated as Abatement Application

In certain instances, an amended return showing a reduction of tax may be treated by DOR as an abatement application. Under such circumstances, by filing an amended return, you are giving your consent for the Commissioner of Revenue to act upon the abatement application after six months from the date of filing. See TIR 16-11. You may withdraw such consent at any time by contacting the DOR in writing. If consent is withdrawn, any requested reduction in tax will be deemed denied either at the expiration of six months from the date of filing or the date consent is withdrawn, whichever is later.

Filing an Application for Abatement

File an Application for Abatement, Form ABT, only to dispute one of the following:

- ▶ Penalties.
- ▶ Audit assessments.
- ▶ Responsible person determinations.

or the fastest response time, file your dispute online at mass.gov/masstaxconnect. If you are not required to file electronically or you cannot file online, use Form ABT.

Visit mass.gov/info-details/amend-your-tax-return-or-request-an-abatement-of-tax for additional information about filing an amended return, or filing an application for abatement.

Whole Dollar Method

The whole dollar method should be used when entering amounts on the return.

Registration Information

For any questions about a project's registration information please contact the assessing department of your project's city or town or contact DOR at (617) 887-5101 or (617) 887-6710. If your project encompasses several properties, only one property address is necessary. Taxpayers submitting final returns should contact DOR regarding their filing requirements.

General Instructions

Line 1

Fill in the applicable oval if the taxpayer is a corporation, individual, trust or a partnership. Fill in **Other** if the taxpayer is not a corporation or a partnership. Other taxpayers include non-profit corporations, for-profit corporations, joint ventures, public/private partnerships, insurance companies, and financial institutions.

The information provided in Item 5 should contain the name, title and contact information (if different from the registration address) of the person DOR should contact with any questions regarding the financial data associated with the project.

Item 7 refers to Section 8 or similar government subsidized rent payment programs. Projects approved prior to March 22, 1976 must include these payments in line 1a gross income figure in the Computation of Excise.

Computation of Excise Line Item Guidance Line 1a

Line 1a must include all payments described within MGL ch 121A, § 10, as amended. For projects using alternate gross income calculation methods (e.g. square footage) please include the pertinent pages of your project's agreement. For additional guidance call DOR at (617) 887-MDOR, toll-free within Massachusetts at (800) 392-6089 or visit our website at www.mass.gov/dor.

Line 4

Line 4 refers to the three years valuation period that takes place prior to the project becoming a 121A corporation. City of Boston projects should use the figure provided on the fair cash value letter.

Line 7

The appropriate rate is the fiscal year 2021 local tax rate. This rate covers the period beginning July 1, 2021 and ending June 30, 2022. Please contact your project's city or town's assessing department to obtain the FY2022 local tax rate.

Line 9

Any corporation that wishes to contribute to the Natural Heritage and Endangered Species Fund may do so on this form. This amount is added to the excise due. The Natural Heritage and Endangered Species Fund is administered by the Department of Fisheries, Wildlife and Environmental Law Enforcement.