CAUTION:

This tax return must be filed electronically.

Paper versions of this return **will not** be accepted.

If you have questions about filing electronically, contact us at 617-887-6367.

See https://www.mass.gov/info-details/dor-e-filing-and-payment-requirements for further information about our electronic filing and payment requirements.

2025

Massachusetts Department of Revenue

Form MA NRCR
Nonresident Composite Return

This form, and all accompanying schedules, must be filed electronically as required by 830 CMR 62.5A.1(11)(f)4.

For calendar year 2025 or taxable period beginning **2025 and ending**

Name of pass-through entity	Federal Identification number	Name of filing agent

Address of pass-through entity	City/Town	State	Zip

Fill in if name and/or address changed since last year	Fill in if filing Schedule TDS	Number of members included on return
○	○	

Fill in if this composite return is being filed on behalf of one or more upper-tier entities	Number of upper-tier entities represented
○	

Fill in if (see instructions)
○ Amended return ○ Federal amendment ○ Amended return due to IRS BBA Partnership Audit

This composite return is being filed by a
○ Partnership ○ S corporation

Fill in if at any time during 2025 you received (as a reward, award, or payment for property or services) or sold, exchanged, or otherwise disposed of a digital asset (or a financial interest in a digital asset). See instructions ○

Summary Information. The following lines represent summary amounts for all participants.

1	Rent, royalty, REMIC, partnership, S corporation, trust income/loss (from Schedule E Reconciliation, line 58)		**1**
2	Massachusetts state lottery winnings		**2**
3	Other income (from Schedule X, line 7)		**3**
4	Massachusetts bank interest (from Schedule B, line 5)		**4**
5a	Add lines 1 through 4		**5a**
5b	Enter amount from line 5a but not less than 0		**5b**
6	Interest and dividend income (from Schedule B, line 38)		**6**
7	Total 5.0% taxable income. Add lines 5b and 6		**7**
8	Tax on 5.0% income. Multiply line 7 by .05. **Note:** If choosing optional 5.85% tax rate, fill in ○ and see instructions		**8**
9	8.5% income from Schedule B (see instructions) a. 8.5% income	x .085	**9**
10	12% income from Schedule B (see instructions) a. 12% income	x .12	**10**
11	Tax on long-term capital gains (from Schedule D, line 22)		**11**
12	Credit recapture amount (from Schedule CRS)		**12**
13	Additional tax on installment sales		**13**
14	Total income tax. Add lines 8 through 13		**14**

E-File Only.
Paper returns will not be accepted.
See TIRs 16-9 and 21-9 for more information.

Statement of Adjustments. Explain adjustments to any items listed on the return above. Identify applicable line item and schedule.

I am the designated filing agent for the pass-through entity and am authorized to sign this return on behalf of the pass-through entity. If this is a tiered entity composite return, I have signed statements from the filing agents of each of the entities listed on this return indicating that they join in this composite return.

Fill in if Department of Revenue may discuss this return with the preparer	Paid preparer's name	Preparer's PTIN
○		

Paid preparer's phone	Paid preparer's EIN	

Paid preparer's signature	Date	Fill in if self-employed
		○

Summary Information. (cont'd.)

15	**AMENDED RETURN ONLY.** Overpayment from original return. **Not less than 0**. See instructions	**15**
16	Total. Add lines 14 and 15	**16**
17	Nonresident Composite Return withholding (enclose Schedule 62-WH). See instructions	**17**
18	Overpayment from prior year applied to this year's estimated tax	**18**
19	Massachusetts estimated tax payments	**19**
20	Payments made with extension	**20**
21	**AMENDED RETURN ONLY.** Payments made with original return. **Not less than 0**. See instructions	**21**
22	Total amount of ch 63D Entity-Level Tax paid for all participants by entity. (see instructions) ID number _____	**22**
23	Total payments. Add lines 17 through 22.	**23**
24	Overpayment. If line 16 is smaller than line 23, subtract line 16 from line 23. If line 16 is larger than line 23, go to line 27	**24**
25	Amount of overpayment applied to next year's estimated tax	**25**
26	Refund. Subtract line 25 from line 24	**26**
27	Tax due. Subtract line 23 from line 16	**27**
28	Interest	**28**
29	Late file/payment penalty	**29**
30	M-2210 penalty ○ Exception	**30**
31	Total balance due. Add lines 27 through 30	**31**

E-File Only.
Paper returns will not be accepted.
See TIRs 16-9 and 21-9 for more information.

Form MA NRCR Instructions **(Revised August 4, 2026)**

Note: This form, and all accompanying schedules, must be filed electronically as required by 830 CMR 62.5A.1(11)(f)4 and Technical Information Release (TIR) 21-9.

All new or updated provisions for 2025 are marked with three asterisks (***) at the end of the relevant title throughout these instructions.

4% Surtax **(Income over $1,083,150)**

Starting with tax year 2023, personal income taxpayers must pay an additional 4% (4% surtax) on taxable income over $1,000,000, increased annually for inflation (surtax threshold). For the 2025 tax year, the threshold is $1,083,150. See MGL ch 62, §§ 4(d) and 5A, as amended by §§ 28 and 29 of the FY24 Budget.

Note: The additional 4% surtax is **not** reported on Form NRCR Nonresident Composite Return.

All nonresident taxpayers whose total taxable income exceeds the surtax threshold must file a Form 1-NR/PY to report the 4% surtax, even if the nonresident participates in one or more composite return(s).

A nonresident taxpayer who participates in one or more composite return(s) must include all income from Massachusetts sources earned by the nonresident in the calculation of taxable income on Form 1-NR/PY. This includes the taxable income of the individual that is reported on any composite return that they participated in. Nonresidents subject to the 4% surtax that have elected to participate in composite returns may be eligible to reduce their state income tax reported on Form 1-NR/PY by the amount of income tax paid on their behalf by pass-through entities as part of composite returns.

A nonresident taxpayer whose total taxable income is equal to or under the surtax threshold is not required to file a Form 1-NR/PY and should not include any (1) income reported on any composite returns, or (2) income tax paid with a composite return, on a Form 1-NR/PY. See also 4% Surtax FAQ (https://www.mass.gov/info-details/4-surtax-on-taxable-income-over-1000000).

Form 63D-ELT **(Entity Level Tax)**

Effective for taxable years beginning on or after January 1, 2021, eligible pass-through entities treated as S corporations, partnerships or certain trusts that pass taxable income through to beneficiaries (Eligible PTEs) may make an annual irrevocable election to pay an excise on qualified income taxable in Massachusetts at a rate of 5% (.05) (PTE Excise). Massachusetts Form 63D-ELT must be filed by an Eligible PTE that has made the annual voluntary election to pay PTE Excise on its return (Schedule S of Form 355S, Schedule S of Form 63-FI, Form 2 or Form 3). Once the election is made for a tax year it is irrevocable and binding on all qualified members. See instructions for Form 63D-ELT for additional information relating to the PTE Excise.

Each qualified member of an electing eligible PTE is allowed a credit equal to 90% of its distributive share of PTE excise paid (PTE excise credit). A qualified member is a natural person, estate or trust subject to Massachusetts personal income tax as a shareholder, partner or beneficiary of an electing eligible PTE. A qualified member may be a resident, nonresident or part-year resident. A qualified member of an electing eligible PTE may claim a PTE excise credit against its personal income tax due for the taxable year in which the electing eligible PTE's taxable year ends. The PTE excise credit is refundable, meaning that any excess credit amount is treated as an overpayment for which the qualified member may request a refund. The PTE excise will expire if the federal SALT deduction limitation expires or is otherwise repealed. For further information, see MGL ch 63D §§ 1-7; TIR 22-6 Pass-through Entity Excise. See also Elective pass-through entity excise FAQs (mass.gov/service-details/elective-pass-through-entity-excise).

Who must file Form MA NRCR?

Massachusetts allows a partnership or an S corporation to file an electronic composite return on Form MA NRCR and make estimated tax payments as an agent on behalf of two or more qualified electing nonresident members. (Professional athletic teams who may file a return on behalf of two or more qualified electing nonresident team members must file a composite return on the Form 1-NR/PY, not the Form MA NRCR.)

Eligible members of a composite return must meet the following requirements:

- must be an individual, or an entity taxed under the Code as an individual, or the estate or trust of a deceased nonresident member;
- must be nonresidents for the entire taxable year;
- must all have the same tax year;
- must elect to be included in the composite return by signing a statement;
- must agree to be subject to Massachusetts tax jurisdiction; and
- must waive the right to claim deductions, exemptions and credits allowable under MGL ch 62, §§ 3, 5 and 6.

The composite return is filed on Massachusetts Form MA NRCR along with Schedules B, D, and E as needed. The total Massachusetts gross income reported on the composite Form MA NRCR must be the sum of all the qualified electing nonresident members' Massachusetts source income from the filing entity and from any other upper-tier entities that are included in the return.

The filing entity must file an electronic Schedule 2K-1, 3K-1 or SK-1 on behalf of each nonresident member electing to participate in this composite return. In a tiered structure, if the filing entity is filing on behalf of members of an upper-tier entity, it should issue the Schedule 2K-1, 3K-1 or SK-1 to that upper-tier entity, which will in turn file the appropriate Schedule K-1 on behalf of its members reflecting estimated payments made by the lower-tier entity. Each entity in the tiered structure will issue the appropriate Schedule K-1 to each of its members showing estimated payments allocated to that member that were made by lower-tier entities in the tiered structure.

A tiered structure is a pass-through entity that has a pass-through entity as a member. As between two entities, the pass-through entity that is a member is the upper-tier entity, and the entity of which it is a member is the lower-tier entity. A tiered pass-through entity arrangement may have two or more tiers; in such cases, a single entity can be both a lower-tier and an upper-tier entity.

Note: Members of a composite return cannot take credit for withholding on Form MA NRCR. In instances where a member needs to claim credit for withholding, a Form 1-NR/PY must be filed by the member. See *The Guide to Pass-Through Entities* for more information.

Major 2025 Tax Law Changes (***)

Federal Conformity

Massachusetts generally conforms to the Internal Revenue Code (IRC or Code) as currently in effect for Massachusetts corporate and financial institution excise purposes. However, in some instances Massachusetts has enacted laws to decouple from the federal law. An example of this is the disallowance of the federal deduction for bonus depreciation (IRC § 168(k)). For more up-to-date and detailed information on tax changes and federal conformity, visit DOR's website at mass.gov/dor.

Federal Tax Law Changes

Federal tax legislation passed in **2025** made a number of changes to the IRC. The Massachusetts corporate excise generally adopts those changes that pertain to the computation of income and deductions, unless Massachusetts enacts laws to decouple from the federal law. See TIR 26-4: Massachusetts Conformity to Certain Provisions in Public Law No. 119-21 and TIR 26-xx: Tax Provisions in the Fiscal Year 2026 Final Mid-Year Supplemental Appropriation Bill for a discussion of Massachusetts' conformity to recent federal legislation. (***)

E-File Only. Paper returns will not be accepted. See TIRs 16-9 and 21-9 for more information.

Relief from Certain Penalties and Interest on Late Payments and Underpayments (***)

Taxpayers who timely filed their tax year **2025** return or timely made their **2025** extension payment applying certain provisions of federal Public Law No. 119-21 before the enactment of the Supplemental Budget can obtain relief from certain penalties and interest. No interest or penalties shall be imposed on any underpayments, late payments, or underpaid estimated payments attributable to changes in law made by the Supplemental Budget for those taxpayers. See St. 2026, c. 101, § 38. This relief applies to adjustments taxpayers are required to make to their deductions under IRC §§ 163(j)(8), 168(n), 174, 174A, and 179, and any exclusions taken under IRC § 1400Z-2. **See the "Filing an Amended Return" section. (***)**

Business Interest Expense Deduction (***)

Starting with tax year 2025, federal law has been revised to increase the limitation on the deduction for business interest expenses. See IRC § 163(j). IRC § 163(j) limits the business interest expense deduction to a percentage of a taxpayer's adjusted taxable income. See TIR 19-17. The federal computation of adjusted taxable income has been revised to exclude certain income, reducing the amount of the limitation and thereby increasing the potential deduction. Federal law has changed the definition of adjusted taxable income in IRC § 163(j) in several respects.

Massachusetts does not adopt the change to the federal adjusted taxable income definition in IRC § 163(j)(8) for tax years 2025 and 2026 that permanently allows the calculation to be made without regard to any deduction allowable for depreciation, amortization, or depletion. See TIR 26-4: Massachusetts Conformity to Certain Provisions in Public Law No. 119-21 and TIR 26-xx: Tax Provisions in the Fiscal Year 2026 Final Mid-Year Supplemental Appropriation Bill.

Special Depreciation Allowance for Qualified Production Property (***)

Federal law provides a special depreciation allowance for specified qualified production property placed in service after July 4, 2025, and before January 1, 2031. See IRC § 168(n). Qualified production property refers to nonresidential real property used in manufacturing, chemical or agricultural production, or refining that results in the production of physical products. The federal special depreciation allowance is 100% of the cost of such property.

Massachusetts does not adopt the federal special depreciation allowance for tax years 2025 and 2026. The amount of the federal deduction is disallowed as a Massachusetts deduction. However, taxpayers may recover the cost of qualified production property using a depreciation method available under the provisions of federal tax law that Massachusetts has adopted. See TIR 26-4: Massachusetts Conformity to Certain Provisions in Public Law No. 119-21 and TIR 26-xx: Tax Provisions in the Fiscal Year 2026 Final Mid-Year Supplemental Appropriation Bill.

Domestic Research and Experimental Expense Deduction (***)

Starting with tax year 2025, domestic research and experimental expenses are fully deductible in the tax year they are incurred pursuant to IRC § 174A for federal tax purposes. For federal tax purposes, eligible expenses that were capitalized in prior years may be deducted in full in the 2025 tax year or ratably in a two-year period in 2025 and 2026 tax years. For federal tax purposes, certain small businesses may also elect to retroactively apply IRC § 174A by amending their **2022**, **2023**, and **2024** federal tax returns.

Massachusetts does not conform to IRC § 174A for tax year 2025 or any prior tax years. For Massachusetts purposes, all research and experimental costs must be capitalized and recovered through amortization deductions pursuant to IRC § 174 as amended and in effect prior to Public Law 119-21. Previously amortized amounts may be deducted as permitted by federal amortization schedules in effect prior to the enactment of IRC § 174A. Filers that claimed the federal IRC § 174A deduction on their Massachusetts returns for prior years must file amended Massachusetts returns to reduce the amount of the Massachusetts deduction. See TIR 26-4: Massachusetts Conformity to Certain Provisions in Public Law No. 119-21 and TIR 26-xx: Tax Provisions in the Fiscal Year 2026 Final Mid-Year Supplemental Appropriation Bill. **See the Filing an Amended Return section. (***)**

For the most up-to-date and detailed information about penalty and interest relief for tax years 2022–2024 related to Massachusetts conformity with federal law P.L. 119-21, visit mass.gov/dor.

Increased IRC § 179 Dollar Limitations (***)

Starting with tax year 2025, the federal limitation on the full expense deduction under IRC § 179 has been increased to $2.5 million and the deduction phases out at $4 million. Both amounts are subject to adjustment for inflation.

Massachusetts does not adopt these limits for tax years 2025 and 2026. The Massachusetts limit and phase-out amounts, adjusted for inflation, are $1,250,000 and $3,130,000. See TIR 26-4: Massachusetts Conformity to Certain Provisions in Public Law No. 119-21 and TIR 26-xx: Tax Provisions in the Fiscal Year 2026 Final Mid-Year Supplemental Appropriation Bill.

Changes to the Tax Treatment of Investments in Qualified Opportunity Zones Under IRC § 1400Z-2 (***)

Federal law permanently renewed and modified the tax benefits of investments in qualified opportunity zones provided by IRC § 1400Z-2.

Massachusetts does not adopt these renewals and modifications for taxable years beginning on or after January 1, 2025, but before January 1, 2027. See TIR 26-4: Massachusetts Conformity to Certain Provisions in Public Law No. 119-21 and TIR 26-xx: Tax Provisions in the Fiscal Year 2026 Final Mid-Year Supplemental Appropriation Bill.

Qualified Opportunity Zones Must Be Located Entirely Within Massachusetts (***)

For taxable years beginning on or after January 1, 2026, Massachusetts requires that a qualified opportunity zone must be located entirely within Massachusetts. Taxpayers must add back any exclusions taken for investments made after January 1, 2026, in qualified opportunity zones not located entirely within Massachusetts. See TIR 26-4: Massachusetts Conformity to Certain Provisions in Public Law No. 119-21 and TIR 26-xx: Tax Provisions in the Fiscal Year 2026 Final Mid-Year Supplemental Appropriation Bill.

Applying for Relief Related to Massachusetts Conformity with the Provisions of Federal Law P.L. 119-21 (***)

To claim relief from certain penalties on late payments and underpayments for the **2025 tax year** for a pass-through entity that has a valid extension but has not yet filed a return, an **individual subject to Massachusetts income tax** must attach to their original **2025** tax return: **(***)**

E-file Only. Paper returns will not be accepted. See TIRs 19-9 and 21-19 for more information.

• **Massachusetts Schedule M-2210** (Underpayment of Massachusetts Estimated Tax).

• **Massachusetts Schedule TDS** (Taxpayer Disclosure Statement), including:

• The following statement: "Taxpayer is applying for relief related to Massachusetts conformity with the provisions of federal law P.L. 119-21" and clearly specify which IRC provision(s) are being adjusted. Relevant provisions include:

• Domestic Research and Experimental Expense Deductions under **Code § 174 and New Code § 174A**;

• Special Depreciation Allowance for Qualified Production Property under **Code § 168(n)**;

• Increased Dollar Thresholds for Deductible Amounts when Expensing Certain Business Assets under **Code § 179**;

• Modification of Limitation on Business Interest Expense Deduction under **Code § 163(j)**; and

• Changes to the Tax Treatment of Investments in Qualified Opportunity Zones under **Code § 1400Z-2**.

• An explanation of how the adjustment was calculated, and how it is reflected in the attached Schedule **M-2210**.

For more up-to-date and detailed information concerning penalty and interest relief related to Massachusetts conformity with the provisions of federal law P.L. 119-21, visit mass.gov/dor.

How much should the filing entity pay in estimated tax payments?

Composite payments of estimated tax must satisfy the estimated payment obligations for each electing non-resident with regard to the Massachusetts-source income of the pass-through entity. The filing agent shall make payments of estimated tax electronically.

What tax year should be used?

Form MA NRCR must be filed using the personal tax year of the eligible members. The personal income tax year used for Form MA NRCR is the same tax year as the eligible members' federal tax year. All eligible members must have the same tax year so in most cases Form MA NRCR will be filed on a calendar year basis. In cases where the eligible members all file on a fiscal year basis, Form MA NRCR must also be filed on a fiscal year basis.

Example: ABC LLC has a fiscal year that begins April 1, 2024 and ends March 31, 2025. All of the eligible members are individuals that file using a calendar year. Following federal reporting rules, ABC LLC's 2024 fiscal year income is reported on the members' 2025 federal returns. ABC LLC files a calendar year 2025 Form MA NRCR for its eligible members to report this income.

When to file Form MA NRCR

This year calendar year filers must file on or before April 15, 2026.

Personal income taxpayers are automatically granted an extension of time to file their tax returns as long as they have paid at least 80% of the total amount of tax ultimately due on or before the date prescribed for payment of the tax. The composite payments made on the return must satisfy the eligible member's individual payment requirement with regard to the Massachusetts source income of the pass-through entity to be given an automatic six-month extension. For further information, see TIR 16-10.

What should I do if I make a mistake or leave something off the return?

If, after filing your income tax return, you receive an additional tax statement or discover that an error was made, you should amend your 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.

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.

Applying For Relief Related To Massachusetts Conformity With The Provisions Of Federal Law P.L. 119-21: (***)

To claim relief from certain penalties and interest on late payments and underpayments for the **2025 tax year**, an **individual subject to Massachusetts personal income tax** must include with their amended **2025** tax return, or their original **2025** tax return if filing on extension: (***)

• **Massachusetts Schedule M-2210** (Underpayment of Massachusetts Estimated Tax).

• **Massachusetts Schedule TDS** (Taxpayer Disclosure Statement), including:

• The following statement: "Taxpayer is applying for relief related to Massachusetts conformity with the provisions of federal law P.L. 119-21" and clearly specify which IRC provision(s) are being adjusted. Relevant provisions include:

• Domestic Research and Experimental Expense Deductions under **Code § 174** and **new Code § 174A**;

• Special Depreciation Allowance for Qualified Production Property under **Code § 168(n)**;

• Increased Dollar Thresholds for Deductible Amounts when Expensing Certain Business Assets under **Code § 179**;

• Modification of Limitation on Business Interest Expense Deduction under **Code § 163(j);** and

• Changes to the Tax Treatment of Investments in Qualified Opportunity Zones under **Code § 1400Z-2**.

• An explanation of how the adjustment was calculated, and how it is reflected in the attached **Schedule M-2210**.

No penalties or interest will be imposed on any underpayments, late payments, or underpaid estimated payments attributable to changes made by the Supplemental Budget, provided these conditions are met:

• The amended **2025 tax return** or, in the case of a taxpayer filing on extension the original **2025** tax return, is filed in accordance with the Supplemental Budget, and

• The return is filed within **90 days** of the Supplemental Budget's enactment, and

• The return is otherwise timely filed and any tax due is timely paid.

E-File Only. Paper returns will not be accepted. See TIRs 16-9 and 21-9 for more information.

For more up-to-date and detailed information concerning penalty and interest relief related to Massachusetts conformity with the provisions of federal law P.L. 119-21, visit mass.gov/dor.

Name and address
Enter the full name, address, and Federal Identification number of the entity filing the return in the spaces provided. Also, enter the name of the filing agent.

Schedule TDS. Inconsistent filing position penalty
Fill in the oval and attach Schedule TDS, Taxpayer Disclosure Statement, if you are disclosing any inconsistent filing positions. The inconsistent filing position penalty (see TIR 06-5, section IV) applies to taxpayers that take an inconsistent position in reporting income. These taxpayers must disclose the inconsistency when filing their Massachusetts return. If such inconsistency is not disclosed, the taxpayer will be subject to a penalty equal to the amount of tax attributable to the inconsistency. This penalty is in addition to any other penalties that may apply.

A taxpayer is deemed to have taken an inconsistent position when the taxpayer pays less tax in Massachusetts based upon an interpretation of Massachusetts law that differs from the position taken by the taxpayer in another state where the taxpayer files a return and the governing law in that other state is the same in all material respects as the Massachusetts law. The Commissioner may waive or abate the penalty if the inconsistency or failure to disclose was attributable to reasonable cause and not willful neglect.

Summary information
Amounts entered on each line represent the total for all members electing to be included on the composite return. If any member has any entry, regardless of amount, on Schedules B, D, or E, the entity should file the relevant form; amounts entered on Schedules B, D, or E represent the total for all members.

Lines without specific instructions are considered to be self-explanatory.

5.0% income
Line 2. Massachusetts state lottery winnings
Enter in line 2 all winnings from the Massachusetts state lottery. Do not enter less than 0. You may only deduct the price of your winning ticket. Lottery losses claimed as itemized deductions on U.S. Form 1040, Schedule A are not allowed on the Massachusetts return.

Note: DOR routinely matches the amounts in line 2 with files from the Lottery Commission.

Line 4. Interest from Massachusetts banks
To report interest taxable to a nonresident from banks located in Massachusetts, enter in line 4 all amounts of interest received or credited to these deposit accounts (term and time deposits, including certificates of deposit, savings accounts, savings shares, and NOW accounts) from Schedule B, line 5.

All other bank interest should be entered on Massachusetts Schedule B, line 38, and included with dividend income on line 6 of this form.

Line 5. Subtotal
Enter in line 5a the sum of lines 1 through 4. If the result is a loss see Schedule C-2 if applicable.

Enter in line 5b the amount in line 5a, but not less than 0.

Line 6. Interest and dividend income
If the filing entity is reporting any interest income (other than interest from deposits in banks located in Massachusetts), any dividend income, certain capital gains or losses, or any adjustments to interest income (other than interest from Massachusetts banks), it must complete Schedule B.

Enter in line 6 the total amount from each member's Schedule B, line 38.

Line 7. Total taxable 5.0% income
Add lines 5b and 6.

Line 8. Tax
Multiply the amount in line 7 by 0.05 and enter the result in line 8.

Note: Personal income tax forms must provide an election to voluntarily pay tax at a rate of 5.85% on taxable income which would otherwise be taxed at a rate of 5.0%. The election to pay tax at the rate of 5.85% does not apply to items of income taxed at 8.5% (short-term capital gains and gains on collectibles). If choosing the optional 5.85% tax rate, multiply line 7 and Schedule D, line 21 by 0.0585 and fill in the oval.

Line 9 8.5% income and tax from certain capital gains
Enter in line 9 the amount from Schedule B, line 39. Multiply this amount by 0.085 and enter the tax in line 9. To determine if you need to file Schedule B, refer to the Schedule B instructions.

Line 10. 12% income and tax from certain capital gains
Enter in line 10 the amount from Schedule B, line 39. Multiply this amount by 0.12 and enter the tax in line 10. To determine if you need to file Schedule B, refer to the Schedule B instructions.

Schedule B, Line 39 Worksheet

Complete only if reporting an amount in Schedule B, Part 2, line 11. If no entry in Schedule B, Part 2, line 11, omit this worksheet and report the amount from Schedule B, line 39 on Form NRCR, line 9a, 8.5% Income.

1. *Total taxable gains from Schedule B, line 39 . . . . . .* ☐

2. *Long-term gains deductions from Schedule B, line 27. Not less than 0. . . . . .* ☐

3. *Enter the smaller of line 1 or line 2. Enter result here and on Form NRCR, line 10a, 12% Income* ☐

4. *Subtract line 3 from line 1. Enter result here and on Form NRCR, line 9a, 8.5% Income . . . . .* ☐

Line 11. Schedule D (long-term capital gains and losses excluding collectibles)
Enter in line 11 the amount from Schedule D, line 22, but not less than 0. To determine if you need to file Schedule D, refer to the Schedule D instructions.

Line 15. Overpayment from Original Return (amended return only)
Include the amount listed on line 24 of your original return.

Line 17. Nonresident Composite Return Withholding
This represents all income taxes withheld for the Commonwealth of Massachusetts as indicated on your copies of forms or schedules W-2G, PWH-WA (performer withholding), LOA (Loan Out Affidavit), 2G, Schedules K-1, certain Forms 1099, or NRW, if applicable. Enter the total of all Massachusetts withholdings in line 17. Enclose Schedule 62-WH and all state copies of forms or schedules with your return; otherwise your claim of amounts withheld will not be allowed.

E-File Only
Paper returns will not be accepted.
See TIRs 16-9 and 21-9 for more information.

Line 18. Prior year overpayment applied to current year estimated tax

Include the exact amount of any overpayment you applied to your estimated taxes. Do not include any prior year refund in this line.

Line 19. 2025 Massachusetts estimated tax payments

Enter in line 19 the total of all Massachusetts estimated tax payments, but do not include the amount entered in line 18. Be sure to include any last quarter (of 2025) payment made on or before January 15, 2026.

Every filer expecting to pay more than $400 in Massachusetts income taxes on income which is not covered by Massachusetts withholding must pay Massachusetts estimated taxes. Estimated tax payments must be made online using MassTaxConnect by visiting www.mass.gov/masstaxconnect.

Generally, the first payment must be filed on or before April 15 of the taxable year. The estimated tax may be paid in four installments on or before April 15, June 15, September 15 of the current taxable year and January 15 of the following year.

You can verify estimated tax payments that have already been made through your MassTaxConnect account. If you don't have a MassTaxConnect account, you can sign up at www.mass.gov/masstaxconnect.

If 80% of the tax listed on the return is not paid throughout the year through estimated payments and prior year credits, a penalty may be imposed.

Line 20. Payments made with extension

If you made a payment with Massachusetts Form M-4868, for 2025 on or before April 15, 2026, enter in line 20 the amount you paid with Form M-4868.

Line 21. Payment with Original Return

Use this line only if you are amending the original return. Enter in line 21 the amount of tax you paid with the original return from line 27, Tax Due. If estimated tax payments were made on the original return, they should be reflected on line 19, as on the original return. Select the appropriate amended return oval on page 1. Complete the entire return, correct the appropriate line with the new information and recompute the tax liability.

Line 22. Total amount of ch 63D Entity-Level Tax paid for all participants

A qualified member of an electing eligible PTE is allowed a refundable credit against the PTE excise tax paid at the entity-level. The amount of credit available is 90% of each qualified member's proportionate share of PTE excise tax paid by the electing eligible PTE. In the box provided on line 22, enter 100% of the total amount of PTE excise paid and then calculate 90% of that amount and enter it on line 22. Enter the ID numbers of all ch 63D qualified members for whom the electing eligible PTE is performing NRCR withholding in the space located on line 22.

Refund amount

Line 24. Overpayment

If line 16 is smaller than line 23, subtract line 16 from line 23 and enter the amount in line 24. This is the amount of your overpayment. If line 16 is larger than line 23, skip to line 27. If line 16 and line 23 are equal, enter 0 in line 27.

Line 25. Amount of overpayment you want applied to Massachusetts estimated taxes for next year

Enter the amount of your overpayment you wish to apply to next year's Massachusetts estimated taxes. Once an election is made to apply your overpayment to next year's estimated tax, it cannot be refunded later or applied to any additional tax you may owe for this year. The amount entered in this line can only be claimed as a credit on next year's Massachusetts return.

Line 26. Refund amount

Subtract line 25 from line 24. Enter the result in line 26. This is the amount of your refund.

Tax due

Line 27. Tax due

If line 16 is larger than line 23, subtract line 23 from line 16, and enter the result in line 27. This is the amount of tax you owe with your return. Pay in full online at mass.gov/masstaxconnect with your electronically filed return. Failure to file or failure to pay the proper amount of tax when due will result in an increasing amount of interest and penalties. It is advantageous to file when your return is due even if you are unable to make full payment.

If you owe any interest, penalty or addition for the underpayment of estimated taxes, add those amounts to the tax you owe and enter the total amount in line 31.

Lines 28 and 29. Interest and penalties

What are the interest and penalties?

Interest. If you fail to pay the tax when due, interest will be charged. For further information, see TIR 18-1 or call the Contact Center at (617) 887-MDOR or toll-free in Massachusetts at 1-800-392-6089.

Penalty for late payment. The penalty for late payment is 1% of the tax due per month (or fraction thereof), up to a maximum of 25%.

Penalty for failure to file. The penalty for failure to file a tax return by the due date is 1% of the tax due per month (or fraction thereof), up to a maximum of 25%. If you were required to file a tax return for income received in any prior year and you did not file, you must file for that prior year.

Line 30. Underpayment of estimated tax; addition for underpayment of estimated taxes

You will generally be subject to this addition to tax if you did not make estimated tax payments equal to 80% of this year's total tax liability or 100% of last year's total tax liability, and the 2025 tax due for all members is greater than $400. If you failed to meet this requirement, you must use Massachusetts Form M-2210 to calculate the amount you must add to line 30.

Most filers that qualify for an exception had either a tax due of $400 or less or estimated payments equal to their tax liability for the previous year. If you qualify for an exception, check the box marked "Exception" on line 30.

Sign here

Complete the Form M-8453 CR signature document and retain in your files. Enter your electronic signature as the designated filing agent.

Paid preparer must sign the return

Generally, anyone you pay to prepare your return must sign it in the space provided. Tax return preparers are authorized to sign the return by means of a computer software program, which must include either a facsimile or printed name of the preparer. Preparers are personally responsible for affixing their signatures to returns. Preparers must also provide their Preparer Tax Identification Number (PTIN) and Employer Identification Number (EIN) in the spaces provided. The preparer must give you a copy of the return for your records. Someone who prepares your return but does not charge you should not sign your return.

E-File only. Paper returns will not be accepted. See TIRs 16-9 and 21-9 for more information.

Paid preparer authorization

If you want to allow DOR to discuss your tax return with the paid preparer who signed it, fill in the "Yes" oval in the signature area of the return. This authorization applies only to the individual whose signature appears in the "paid preparer" section of your return. It does not apply to the firm, if any, shown in that section.

If you fill in the "Yes" box, you are authorizing DOR to call the paid preparer to answer any questions that may arise during the processing of your return. You are also authorizing the paid preparer to:

- give DOR any information that is missing from your return;
- call DOR for information about the processing of your return or the status of your refund or payment(s); and
- respond to certain DOR notices that you have shared with the preparer about math errors, offsets and return preparation. The notices will not be sent to the preparer.

You are not authorizing the paid preparer to receive any refund, bind you to anything (including any additional tax liability), or otherwise represent you before DOR. If you want to expand the paid preparer's authorization, see Form M-2848, Power of Attorney and Declaration of Representative.

The authorization cannot be revoked. However, the authorization will automatically end no later than the due date (without regard to extensions) for filing your 2026 tax return.

E-File Only.
Paper returns will not be accepted.
See TIRs 16-9 and 21-9 for more information.