

**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.



# Form MA NRCR Nonresident Composite Return

2025  
Massachusetts  
Department of  
Revenue

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 <input type="radio"/>	Fill in if filing Schedule TDS <input type="radio"/>	Number of members included on return
Fill in if this composite return is being filed on behalf of one or more upper-tier entities <input type="radio"/>		Number of upper-tier entities represented
Fill in if (see instructions) <input type="radio"/> Amended return <input type="radio"/> Federal amendment <input type="radio"/> Amended return due to IRS BBA Partnership Audit		This composite return is being filed by a <input type="radio"/> Partnership <input type="radio"/> 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 <input type="radio"/>		

**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. <b>Note:</b> If choosing optional 5.85% tax rate, fill in <input type="radio"/> 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	

**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 <input type="radio"/>	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 <input type="radio"/>

**Summary Information.** (cont'd.)

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

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

# Form MA NRCR Instructions

**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.

## 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-F), 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](https://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.

## 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.

### 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.

## 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/mas-staxconnect](http://www.mass.gov/mas-staxconnect).

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](http://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](http://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.

### **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.

Paper return will not be accepted.  
See TIRs 16-9 and 21-9 for more information.