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| **DOR News - February** |

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| **E-file now open for income tax returns**Like the IRS, DOR began accepting e-filed 2020 income tax returns on Friday, February 12. Filing electronically is highly recommended because it’s easy, secure and the fastest way to get a refund. But, these days, it’s the way to avoid pandemic-related paper delays. For a jumping off point for filing season info, start on the [overview page](https://www.mass.gov/info-details/current-tax-filing-season-overview).**Paycheck Protection Program – PPP**Learn the answers to important questions about Paycheck Protection Program loan forgiveness income such as if it’s taxable in Massachusetts. But there’s more to learn like how and when to report the income. Find information on [PPP loan forgiveness income](https://www.mass.gov/info-details/tax-filing-season-frequently-asked-questions).**Should you pay income tax when working remotely?**Some employees telecommuted in 2020 because of the COVID emergency. [Learn more](https://www.mass.gov/directive/working-draft-directive-personal-income-tax-guidance-for-employees-who-telecommuted-in) about how non-resident and resident employees can determine what amount of their 2020 wages might be subject to personal income tax.**New! change in return due dates for some tax types**Included in the FY21 budget is a new provision that changes the return due date starting with periods beginning April 1, 2021. Taxpayers who filed returns by the 20th day after the close of the tax period, will now file returns by the 30th day after the close of the period. This includes all returns for sales/use tax, meals tax, marijuana tax and room occupancy excise, including local option. So, for example, a return reporting on the April 2021 monthly period will now be due on May 30th. You can find more information in the [Working Draft TIR](https://www.mass.gov/technical-information-release/working-draft-tir-tax-provisions-in-the-fiscal-year-2021-budget).**New! payment requirements for some tax types**Also included in the FY21 budget is a provision that applies to vendors and operators with more than $150,000 in liability for sales/use tax, meals tax, marijuana tax and room occupancy excise, including local option, in the previous year. As of April 1, 2021, these taxpayers will remit taxes by the 25th day of the filing period, based on gross receipts through the 21st day of the filing period. Returns will then be due by the 30th day after the close of the filing period, along with any remaining tax or excise due for the period. So, for example, a vendor will remit tax for the April 2021 monthly period on April 25th, and then file a return on May 30thalong with a payment of the remaining sales tax due. You can find [more information here](https://www.mass.gov/technical-information-release/working-draft-tir-tax-provisions-in-the-fiscal-year-2021-budget).**EITC – calculate using 2019 income if more than 2020**As you know, the earned income tax credit is a way for working people with low or moderate-income to reduce their tax bill and get a refund if they qualify. Under the federal COVID-related Tax Relief Act of 2020, if 2019 earned income is higher than 2020, taxpayers can use that to calculate a higher 2020 EITC. For 2020, the MA EITC is 30% of the federal EITC whether the taxpayer uses 2019 or 2020 income to calculate it. EITC can only be claimed by those who were residents of the state at least part of the year and a tax return must be filed – we hope electronically. [More information](https://www.mass.gov/info-details/earned-income-tax-credit-eitc#:~:text=The%20EITC%20is%20a%20credit,requirements%20for%20the%20federal%20EITC.) can be found here. **MassTaxConnect upgrade – how’s it going?**Last month MTC was upgraded to Version 12. The MTC [video tutorials](https://www.mass.gov/info-details/masstaxconnect-video-tutorials) and [FAQs](https://www.mass.gov/manual/masstaxconnect-frequently-asked-questions) were updated to reflect the changes. Let us know if you are having any issues, or if you appreciate the improvements. Always helpful to get some feedback. Give us a quick shout out at DOR360@dor.state.ma.us.**New penalties for both sides of a sales suppression software deal**Also included in the FY21 budget is a provision that allows for anyone who purchases, sells, or even offers for sale, automated sales suppression devices or phantom ware to be subject to significant penalties.  These devices, sometimes called zappers, falsify the records of a point of sale system. [Read more](https://www.mass.gov/technical-information-release/working-draft-tir-tax-provisions-in-the-fiscal-year-2021-budget) about the new provision.**Report a fraudulent 1099-G to DUA**If a taxpayer receives a 1099-G but received no unemployment benefits, it’s likely their identity was misused by someone to get benefits. Report the fraud to [DUA online](https://www.mass.gov/info-details/report-unemployment-benefits-fraud) or by phone at 877-626-6800. While this may seem obvious, do not report the income from the incorrect 1099-G on the taxpayer’s income tax return but do keep a copy with the taxpayer’s 2020 tax records in the event an explanation is requested.Check out our blog! Visit [www.blog.mass.gov/revenue/](http://blog.mass.gov/revenue/) |

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