



Commonwealth of Massachusetts
Department of Revenue

Tax Year 2025 Handbook for Electronic Filers of Massachusetts Individual Income Tax Returns

(Publication M-1345)



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Section 1 Purpose

1.1 Introduction

Publication M-1345, Massachusetts Handbook for Electronic Filers of Individual Income Tax Returns, provides you with the information you need to apply to participate in the Electronic Filing (ELF) Program.

This publication is organized to show changes to the natural progression of activities an electronic filing participant needs to operate successfully as an Electronic Filer during the filing season. It starts with an overview of the ELF Program, categories of Electronic Filers, explanations of the application and acceptance processes, suitability process, a description of electronic returns and how they are filed, and general information an Electronic Filer needs to know to respond to clients' questions.

If you have any questions about the Electronic Filing Program, please contact the Electronic Filing staff.

1.2 Electronic Filing Calendar: Tax Year 2025

Tax Year 2025	January 1, 2025, to December 31, 2025
DOR Begins to Accept Test Transmissions (MATS)	December 2, 2025
Begin Transmitting Live Electronic Returns	To Be Determined
Due Date for Timely Filed Returns/Extensions.....	April 15, 2026
Last Date for Retransmission of Rejected Timely Filed Returns/Extensions	April 25, 2026
Due Date for Returns on Extensions	October 15, 2026
Last Date for Retransmission of Rejected Returns	October 25, 2026
Retention of Acknowledgement (ACK) File Materials	December 31, 2026
Retention of Electronic Return and Related Materials	April 15, 2029

1.3 Overview

1. Electronic returns are processed more quickly because there are fewer steps in the electronic process, and they have a much higher accuracy rate than paper returns.

2. The Massachusetts Department of Revenue (DOR) Electronic Filing Program is now part of the IRS MeF program.

All organizations and individuals wishing to participate in the Electronic Filing Program must be approved for electronic filing with the IRS. DOR will verify approval with the IRS.

3. The following publications contain procedures and instructions for electronic filing of Tax Year 2025 Massachusetts Individual Income tax returns:

A. Publication M-1345, Handbook for Electronic Filers of Massachusetts Individual Income Tax Returns

4. Massachusetts Electronic Filing Program forms:

B. Form M-8453, Individual Income Tax Declaration for Electronic Filing.

Section 2 Background and Changes

DOR reserves the right to revoke or suspend the electronic filing privilege of any Electronic Filer who varies from these procedures, requirements and specifications or who does not consistently transmit error-free returns. DOR also reserves the right to limit the number of electronic transmitters (direct transmitting).

2.1 Major Changes for Tax Year 2025 Electronic Filing Program

1. Added: Form 1, Line 50. New line to report non-resident withholding on Massachusetts real-estate sales.
2. Updated: Form 1. Relocate digital assets oval.
3. Added: Form 1-NR/PY, Line 54. New line to report non-resident withholding on Massachusetts real-estate sales.
4. Updated: Form 1-NR/PY. Relocate digital assets oval.
5. Updated: Schedule 4% Surtax, Line 5. Surtax threshold increased to \$1,083,150.

6. Updated: Schedule CB annual thresholds. Maximum credit for 2025 increased to \$2,820. You do not qualify for the Circuit Breaker Credit if you are filing as “Single” and line 9 is greater than \$75,000 or you are filing as “Head of Household” and line 9 is greater than \$94,000; or you are “Married Filing Jointly” and line 9 is greater than \$112,000. Homeowners, enter assessed value of principal residence as of January 1, 2025. If over \$1,298,000, you do not qualify for this credit.
7. Updated: Schedule 2K-1, 3K-1 and SK-1: New credits added to credit section. The new credits include Economic Development Incentive for projects on or after November 20, 2025, Live Theater, Massachusetts Homeownership, Commercial Conversion, Climatetech Capital Investment, Climatetech Incentive Jobs and Climatetech Qualified Research Expenses.
8. New: Schedule 62-WH. New schedule to report all non-W-2 withholding for chapter 62 filers. Amounts will carry over to respective withholding lines on tax return.

Section 3 Electronic Filing Participants: Definitions

An Electronic Filer is a collective term used to refer to all participants in the Electronic Filing Program. In the Massachusetts Electronic Filing Program, an Electronic Filer can be included in one or more of the categories defined below.

3.1 Electronic Return Originator (ERO)

An “Electronic Return Originator” is a firm, organization, or individual who:

- a. Deals directly with the taxpayer and prepares a tax return for the purpose of having an electronic return produced, or collects a prepared tax return for the purpose of having an electronic return produced and obtains the taxpayer’s signature on a Form M-8453, Individual Income Tax Declaration for Electronic Filing; or
- b. Receives tax returns from other accepted Electronic Filers and formats electronic returns but does not collect returns directly from taxpayers or transmit returns directly.

Note: If an employer provides electronic filing to its employees at no cost to the employees, the value of the electronic filing is excluded from the employee’s gross income as a de minimis fringe benefit, is not reported on Form W-2, and is exempt from withholding and payment of employment taxes (see Treasury Regulation 1.132-6).

3.2 Software Developer

A “Software Developer” is a firm, organization or individual who develops software for the purpose of:

- a. Formatting returns according to DOR and IRS electronic return specifications; and/or
- b. Transmitting electronic returns directly to DOR. (A software developer also may sell its software.)

3.3 Transmitter

A “Transmitter” is categorized as a firm or organization that transmits electronic returns directly to DOR. This includes but is not limited to:

- a. Entities which receive information to be reformatted and sent to DOR, i.e., third-party Transmitters; and
- b. Entities which receive reformatted information then speed it up for forwarding to DOR.

3.4 Ways to Participate in Electronic Filing

Electronic Filers can choose to perform one or a combination of the above categories associated with Electronic Filing.

Example: An Electronic Return Originator can be a preparer who prepares the tax return or an individual or firm who receives prepared returns for the purpose of having electronic returns produced.

Example: An Electronic Return Originator prepares tax returns and receives returns prepared by another accepted Electronic Return Originator and forwards the returns through a third-party transmitter to DOR.

Section 4 Acceptance in the Electronic Filing Program

4.1 General Information

To participate in the Tax Year 2025 Electronic Filing Program, you must be authorized to E-file returns with the IRS and use software approved by DOR. No additional paperwork is required.

4.2 Massachusetts Assurance Testing (MATS)

Test transmissions of the MATS Test Package, Publication M-1436, will be issued accordingly upon completion of the package. It is recommended that transmitters and software developers submit test transmissions before the MeF opening.

4.3 Standards for Software Developers

- a. The only allowable limitation to software is that it does not have to provide all forms or schedules, nor for all occurrences of a particular form or schedule. You may modify tests to include only the forms your software will support.
- b. You must do the complete form with no field limitations except for the number of occurrences.
- c. Before testing begins, you must advise the Electronic Filing Unit of all limitations to your software package at the time of first contact.
- d. If your software cannot provide for all occurrences of a particular form or schedule, or series of fields as specified in the schema, no statement record is allowed.
- e. All information on Form W-2 must be entered in the Form W-2 record. There are no exceptions.
- f. Your software must be able to accept different addresses for multiple Forms W-2; the Form 1 or Form 1-NR/PY taxpayer's address must not automatically transfer to the Form W-2 address if they are not the same.
- g. Do not generate a form if there are no entries in the taxpayer first name, last name, Social Security number, address, city/ town, state, zip, filing status fields. There must be significant data on the page record of a form or schedule; all zeroes are not considered significant data.
- h. Software providers must complete and submit a letter of intent (LOI) to participate in the Massachusetts E-File Program.

4.4 How to Test

MATS testing is a five-step process for Software Developers:

Step 1: Software Developers must transmit the test returns from the Test Package, Publication M-1436, via MeF

Step 2: Software Developers return transmissions will be compared against the MATS scenarios.

Step 3: After the test transmissions are reviewed, feedback will be provided to the E-file coordinator.

- a. If any formatting or transmission errors are caused by software, the software developer must correct the software and have the Transmitter retransmit the affected returns.
- b. All test returns must be acknowledged as accepted.

Step 4: Once all the test files have been accepted, the vendor should inform the e-file coordinator that all test returns have been accepted.

4.5 Why Test

1. The purpose of testing is to ensure that prior to live processing:
 - a. Returns have few validation or math errors.
 - b. Required fields will post to DOR's master file; and
 - c. Software Developers understand and are familiar with the mechanics of electronic filing.

4.6 What Is Tested

1. The test package for the Tax Year 2025 Massachusetts Assurance Testing System (MATS) consists of numerous return scenarios. Each scenario includes the applicable Forms W-2, W-2G, 1099-R, Form 1, Form 1-NR/PY, Schedule B, Schedule C, Schedule CB, Schedule CMS, Schedule CRS, Schedule D, Schedule DI, Schedule E, Schedule FCI, Schedule HC, Schedule OJC, Schedule NTS-L-NR/PY, Schedule R/NR, Schedule TDS, Schedule Surtax, Schedule X, Schedule Y, Form M-2210, Form M-4868, Form 2G, Schedule 62-WH and U.S. Schedule F.

2. The test returns include forms and schedules accepted for electronic filing. The scenarios provide the information needed to prepare the appropriate forms and schedules. Therefore, knowledge of tax law and tax preparation is necessary. You must correctly prepare and compute these returns before transmitting the tests.

4.7 Who Must Test?

1. DOR requires that all Software Developers perform the tests in the Test Package, Publication M-1436, before they can be accepted as an electronic transmitter for each filing season. They must transmit all test returns that their software supports.
2. If the firm is only participating as an Electronic Return Originator (ERO), it is not necessary to pass Acceptance Testing.

Section 5 Specific Responsibilities of an Electronic Filer

5.1 Responsibilities of All Electronic Filers

1. All Electronic Filers should become familiar with this publication (M-1345, Handbook for Electronic Filers of Massachusetts Individual Income Tax Returns). This handbook informs those who participate in the Electronic Filing Program of their obligations to DOR, taxpayers, and other participants. In addition, software developers should become familiar with:
 - a. Individual Income Tax XML Schema.
 - b. Test Package for Electronic Filing of Individual Income Tax Returns, Publication M-1436 (Software developers).
2. An Electronic Filer must maintain a high degree of integrity, compliance and accuracy.
3. An Electronic Filer may only accept returns for electronic filing directly from taxpayers or from another accepted Electronic Filer. If there is doubt whether an individual or firm using your service has been accepted by DOR to participate in electronic filing, please send an email to mef@dor.state.ma.us regarding your concerns.
4. If an Electronic Filer charges a fee for the electronic transmission of a tax return, the fee may not be based on a percentage of the refund amount or on the amount of taxes.
5. An ERO is responsible for ensuring that stockpiling does not occur. Stockpiling is defined as collecting completed returns from taxpayers or from another Electronic Filer prior to official acceptance into the electronic filing program or after official acceptance into the electronic filing program and waiting more than one calendar day to transmit the completed returns to DOR after receiving all the information necessary for an electronic transmission of a tax return.
6. An Electronic Filer must ensure that an electronic return is filed on or before the due date of the return. A tax return is not considered filed until the electronic portion of the tax return has been acknowledged as accepted.
7. An Electronic Filer must ensure that electronic returns are filed in a timely manner. The acknowledgment date of the electronic transmission will constitute the receipt date of the return, if it is acknowledged as accepted by DOR. Any return acknowledgment as rejected by DOR will not be considered filed. All electronic returns transmitted to DOR must be received prior to midnight on April 15, 2026, to be considered timely filed unless a valid Form M-4868, Automatic Six-Month Extension of Time to File Massachusetts Income Tax Return, is filed, if needed.
8. DOR will now be accepting prior year returns. Please check with your software provider to see which prior years they support.
9. After electronic returns are submitted, they cannot be recalled or intercepted in process. Amended returns can be e-filed, please check with your software developer to see if they support this option.
10. Upon a taxpayer's request, an Electronic Filer must provide a copy of DOR's Privacy Act Notice. More information on DOR's Privacy Act Notice is available on our website at mass.gov/dor.

5.2 Responsibilities of Electronic Filers Who Function as EROs

1. Electronic Filers who function as EROs must:
 - a. Comply with the procedures for securing Form M-8453, as outlined in this publication.
 - b. Furnish copies of the return, schedules, informational handout, Form M-9325 (upon request) and a copy of the signed form M-8453 to the taxpayer.
 - c. For tax years beginning on or after January 1, 2005, the threshold at which income tax return preparers must file electronically is reduced to 100 or more original returns during the previous calendar year. The income tax return preparer must continue to use electronic means to file personal income tax returns in all subsequent years unless the income tax return preparer prepared no more than 25 original individual income tax returns during the previous calendar year.
 - d. Comply with the procedures for Electronic Filing of Individual Income tax returns and extensions as

outlined in TIR 04-30. Income Tax Preparers Subject to the Electronic Filing Mandate of TIR 04-30 are required to Retain Documentation of Taxpayer's Preference to File on Paper using Form EFO (Personal Income Tax Declaration of Paper Filing).

- e. Inform every taxpayer that has a balance due return that it is the responsibility of the taxpayer to make a full and timely payment of any tax that is due, and failure to make full payment of any tax that is due on or before April 15, 2026 will result in the imposition of interest and penalties.
- f. Identify the paid preparer in the appropriate field of the electronic return, in addition to ensuring the paid preparer is indicated on Form M-8453.
- g. Be alert to suspicious electronic filing transactions and report them to the Criminal Investigations Bureau at (617) 887-6780.
- h. Properly indicate on each return for each Form W-2 whether it is a standard or non-standard Form W-2.

2. EROs should obtain two forms of identification from taxpayers in an effort to deter the abuse of the Electronic Filing system. Prior to preparing returns or accepting returns for electronic transmission, two pieces of identification should be reviewed. One piece should be a picture identification which reflects the individual's name and the current address, if available. The second piece should reflect the same name and the Social Security number the individual is using to file the tax return.

1. Acceptable picture identification includes but is not limited to the following:

- a. Valid driver's license
- b. Employment identification; and/or
- c. Military identification

2. A second piece of identification includes but is not limited to the following:

- a. Social security card
- b. DOR label
- c. Work pay stub
- d. Voter registration card; and/or
- e. Credit card. It is also suggested that a copy of this information be retained in your files through December 31 of every processing year.

3. An ERO who is the paid preparer of an electronic tax return must also retain until December 31, 2026, unless otherwise notified by DOR, the acknowledgement files received from DOR or from third-party transmitters (these may be retained on an electronic medium)

4. An ERO who is also the paid preparer of an electronic return must also maintain the following materials until April 15, 2029 (three-year retention period), unless otherwise notified by DOR: copies of all returns, schedules, and other supporting documentation (these may be retained on an electronic medium); and the original completed Form M-8453.

5. If the electronic portion of a taxpayer's return is acknowledged as rejected by DOR, the ERO must advise the taxpayer within 24 hours of the acknowledged rejection that the taxpayer's return has not been filed. If the taxpayer chooses not to have the previously rejected return corrected (if possible) and retransmitted or if the return cannot be accepted for processing, the taxpayer must file a paper return.

5.3 Responsibilities of Electronic Filers Who Function as Transmitters

1. Electronic Filers who function as Transmitters must:

- a. Transmit all electronic returns within one calendar day of receipt and retrieve the acknowledgment file within one workday of transmission.
- b. Initiate the communication of the acknowledgment file to the ERO within one workday of retrieving the acknowledgment file.
- c. Match the acknowledgment files to the original transmission files and resubmit those returns that were not acknowledged as accepted for processing after corrections are made. Only returns that have been acknowledged as accepted will be considered filed returns.
- d. Ensure the security and confidentiality of all transmitted data.
- e. Promptly correct any transmission error that causes an electronic return to be rejected.

Retain copies of all the acknowledgment files received from DOR. These may be retained on an electronic medium. This

material should be retained until December 31, 2026, unless notified otherwise by DOR.

5.4 Responsibilities of Transmitters Who Provide Transmission Services to Other Electronic Filers

1. Transmitters who provide transmission services to other Electronic Filers must:
 - a. Only accept electronic returns for transmission to DOR from accepted Electronic Filers.
 - b. Initiate communications providing each of their clients with the acknowledgment files for their transmitted returns within one workday after receipt of the acknowledgments from DOR.
 - c. Include the ERO's Electronic Filing Identification Number (EFIN) on each return that the Transmitter accepts from an ERO.
 - d. Use their EFIN on returns for which they performed the duties of an ERO.

5.5 Responsibilities of Electronic Filers Who Function as Software Developers

1. Electronic Filers who function as software developers must:
 - a. Correct software errors which cause electronic returns to be rejected. Correct these errors quickly to ensure the timely submission of electronic returns.
 - b. Promptly distribute corrections they make to their software packages to all Electronic Filers utilizing these packages.
 - c. Ensure that if their software packages will be used for transmitting by multiple Electronic Filers at the same time, their software has the capability of combining returns from these Electronic Filers into one DOR transmission file, considering the Declaration Control Number assignments and requirements specified in Section 5.6.
 - d. Not incorporate a DOR assigned production password into its software.

5.6 How to Complete Form M-8453

1. Type or print the taxpayer's name, address, and Social Security number in spaces provided on the form.
2. The address on Form M-8453 must be the taxpayer's address and the same address as on the electronic portion of the Form 1 or Form 1-NR/PY. EROs must not put their addresses on Form M-8453 or in the electronic portion of a return.

Completing Part 1: Tax Return Information for Electronic Filing

Using whole-dollar entries only, complete lines 1 through 6 as specified on Form M-8453. These figures must match the entries on the corresponding line of the electronic return.

Completing Part 2: Declaration and Signature of Taxpayer

1. This is the taxpayer signature area of Form M-8453. After the return has been prepared and before the return is transmitted electronically, the taxpayer must verify the information on the return and sign the Form M-8453. Both signatures are required on a joint return prior to the electronic transmission of the tax return. It is especially important to recheck the routing number and account number if a direct deposit or Electronic Funds Withdrawal has been requested.
2. Form M-8453 is the verification and declaration of the taxpayer for a return electronically filed with and accepted by DOR. Practitioners are prohibited from allowing taxpayers to sign a blank Form M-8453.
3. It is permissible to have the taxpayer review the completed tax return on a display terminal. The Taxpayer should also review the completed Form M-8453 before signing and dating it.
4. The Commissioner will permit a taxpayer's Declaration for Electronic Filing, the Form M-8453 series, to be signed electronically by the taxpayer and stored electronically by the electronic return originator (ERO) if the ERO's electronic signature and storage procedures meet the following technical standards and security provisions:
 - a. Internal Revenue Service (IRS) Rev. Proc. 97-22 or its successors.
 - b. Standards established by the IRS for electronic signature and storage of the comparable federal Declaration for Electronic Filing.
 - c. Massachusetts Directive 95-2, Electronic Storage and Reproduction of Taxpayer Records, or its successors.
 - d. Massachusetts Uniform Electronic Transactions Act (G.L. c. 110G).
 - e. Protection of Massachusetts tax return information under G.L. c. 62C, sec. 74.
 - f. The American Institute of Certified Public Accountants auditing standards applicable to service organizations; and
 - g. Any other applicable federal and state laws and regulations relating to electronic signature and storage of personally

identifiable information.

As required in Directive 99-13, Declaration for Electronic Filing Forms must be accessible for easy retrieval and must be available for inspection and examination at any reasonable time by the Commissioner or the Commissioner's duly appointed representative. The Commissioner reserves the right to make future modifications, effective prospectively, to requirements affecting taxpayer declaration forms.

Note: If a taxpayer is mentally competent, but physically unable to sign Form M-8453, use a valid "signature" as defined under state law. It can be anything that clearly indicates the taxpayer's intent to sign, e.g., the taxpayer's "X" with the signatures of two witnesses.

If a taxpayer wants to allow DOR to discuss their return with the paid preparer who signed Form M-8453, they should check the "Yes" box in Part 2 of Form M-8453. This authorization applies only to the individual whose signature appears on Form M-8453 as the paid preparer. It does not apply to the firm, if any, shown on Form M-8453.

If the taxpayer checks the "Yes" box, the taxpayer and their spouse if filing a joint return, are authorizing the DOR to call the paid preparer to answer any questions that may arise during the processing of their return. They may also authorize the paid preparer to:

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

They are not authorizing the paid preparer to receive any refund check, bind them to anything (including any additional tax liability), or otherwise represent them before the DOR. If the taxpayer(s) want to expand the paid preparer's authorization they must use 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 their 2025 tax return. This is April 15, 2026, for most people.

Completing Part 3: Declaration and Signature of Electronic Return Originator (ERO)

1. The electronic return originator must sign Form M-8453. Members of the firm or designated employees may sign for the ERO.
2. DOR requires a signature of a paid preparer on Form M-8453, if the return was prepared by a paid preparer. However, if the taxpayer is unable to obtain the paid preparer's signature on Form M-8453, (the preparer is not an electronic filer), attach a copy of the appropriate page(s) of the paper tax return with the paid preparer's signature, to Form M-8453. The attachment should be a copy of Form 1 or Form 1-NR/PY and should be marked "Copy – Do Not Process."
3. If the paid preparer is also the ERO, do not complete the paid preparer's section. Instead, check the box labeled, "Check if also paid preparer."
4. Use the following guidelines when completing Form M-8453, Part 3:
 - a. Self-Employed ERO: If the ERO is self-employed, he/she must check the box marked "Check if self-employed," and enter the employer identification number or his/her Social Security number or Preparer Tax Identification number.
 - b. ERO only: If the ERO did not prepare the return but collected it for electronic filing (transmission) purposes only, he/she must sign Form M-8453 and enter the firm's employer identification number, name and address data.

Note: The fact that a taxpayer is paying a fee to have the return filed electronically does not mean that the ERO is the paid preparer of the return. However, if the ERO changes the taxpayer's entries or computation on the return in a substantive manner, then the ERO is considered the paid preparer of the return and must check the box labeled, "Check if also paid preparer."

Completing Part 4: Declaration and Signature of Paid Preparer (if other than ERO)

1. The Paid Preparer (if other than ERO) must sign Form M-8453:
 - a. Self-Employed Paid Preparer: If the paid preparer is self-employed, check the box marked "Check if self-employed," and enter his/her employer identification number or Social Security number or Preparer Tax Identification number.
 - b. Employee of Firm: If the paid preparer is an employee of a return preparation firm, he/she must enter his/her Social Security number or Preparer Tax Identification number, as well as the firm's employer identification number, name and address data.

Corrections to Form M-8453

1. If the ERO makes changes to the electronic return after Form M-8453 has been signed by the taxpayer, but before it is transmitted, the ERO must have the taxpayer complete and sign a new Form M-8453 if either of the following applies:

- a. The total income (Form M-8453, line 1) differs from the amount on the electronic return by more than \$50; or
 - b. The tax after credits (Form M-8453, line 2), the Massachusetts income tax withheld (Form M-8453, line 3), the refund amount (Form M-8453, line 4), or the tax due amount (Form M-8453, line 5), differs from the amount on the electronic return by more than \$14.
2. A new Form M-8453 is not required for a non-substantive change. Non-substantive changes are limited to corrections within the above tolerances for arithmetic errors, transposition errors, misplaced entries and spelling errors. The incorrect information should be neatly lined through on the Form M-8453 and the correct data entered next to the lined-through entry. Also, enter the initials or name of the person making the correction.
 3. Rounding to whole dollars does not constitute a substantive change or alteration to the return unless the amount differs by more than the tolerances stated above. All rounding should be accomplished in accordance with the instructions in the Form 1 and Form 1-NR/PY tax package.
 4. If an electronic return is rejected by DOR, the retransmitted return can contain the same Declaration Control Number (DCN) previously assigned or a new DCN may be assigned. Be sure the DCN assigned to the electronic return matches the DCN on Form M-8453.

Form M-8453: Processing

1. After the Form M-8453 has been completed and signed by the taxpayer, preparer (if any) and the ERO, the transmitter will transmit the electronic portion of the return to DOR.
 2. By transmitting the electronic portion of the return, the Electronic Filer is agreeing that the Form M-8453 has been signed and that the official descriptions of all entries of the electronic return apply (i.e., retained copies do not contain any unauthorized changes).
 3. An easily readable file copy of the prepared return must be provided to the taxpayer at the time Form M-8453 is signed. This copy does not need to be signed by the taxpayer.
 4. Original Forms M-8453 will not be sent to DOR but must instead be retained by the ERO on the ERO's business premises for a period of three years from the date the return to which the M-8453 relates was filed.
- These forms must be accessible according to the DCN for easy retrieval if needed and must be available for inspection and examination at any reasonable time by the Commissioner or his duly appointed representative.

Section 6 Penalties

6.1 General Information

1. DOR procedure outlines penalties for disclosure or use of information and preparer penalties.
2. DOR reserves the right to assert all appropriate preparer, non-preparer, and disclosure penalties against an Electronic Filer as warranted under the circumstances.

Section 7 Balance Due Returns

7.1 General Information

1. DOR will accept electronically filed balance due returns.
2. Taxpayers have the option of paying a balance due return by the Electronic Funds Withdrawal (EFW) method. The payment may be deducted from the taxpayer's checking or savings account when you file the return, or it may be deferred.
3. Electronic Return Originators (EROs) must inform taxpayers that payment of taxes due should be made no later than April 15, 2026. If taxpayers do not make full payment of income tax due on or before April 15, 2026, they will be sent a Notice of Assessment. This notice will show tax due, plus interest and penalty for late payment.

7.2 Installment Agreement Request

1. Taxpayers who cannot pay the amount they owe in full by April 15, 2026 may wish to request a small payment agreement by calling the Customer Service Bureau at (617) 887-6367. Have your twelve-digit bill number ready when you call.

Section 8 Advertising Standards for Electronic Filers

8.1 General Information

1. An Electronic Filer shall not participate in the use of any form of public communication containing a false, fraudulent, misleading, deceptive, unduly influencing, coercive, unfair statement, or claim. This prohibition includes, but is not limited to, statements pertaining to the quality of services rendered unless subject to factual verification, claims of specialized expertise not authorized by state or federal agencies having jurisdiction over the Electronic Filer, and statements or suggestions that the integrity and/or prior record of an Electronic Filer rather than the merit of the matter are principal factors likely to determine the result of the matter.
2. The advertising must not imply a special relationship with the Massachusetts Department of Revenue or the Commonwealth of Massachusetts. Claims for faster refunds by virtue of electronic filing must not be in the form of a guarantee and must not imply in any way that the refund will be larger due to electronic filing.
3. The use of improper or misleading advertising in relation to the Massachusetts Electronic Filing Program may result in immediate suspension and/or revocation from the Electronic Filing Program.
4. Advertisements or promotional materials may not carry the Massachusetts state logo, or any other corporate identification adopted by the Massachusetts Department of Revenue unless the materials are supplied by DOR.
5. The following is considered an acceptable reference to the Department of Revenue: "Accepted by the Massachusetts Department of Revenue to participate in the state Electronic Filing Program."
6. Advertising for a cooperative electronic return project (public/private sector) must clearly state the names of all cooperating parties.
7. Communication, including fee information, shall be limited to professional lists, telephone directories, print media, permissible mailings, radio and television, and must meet the requirements stated above. In the case of radio or television broadcasting, the broadcast shall be pre-recorded. Copies of all advertising, whether print, radio or television, must be retained until December 31, 2025 and submitted to the Department of Revenue upon request.
8. If an Electronic Filer uses fax communications to advertise, the Electronic Filer must retain a copy of the actual fax, along with a list or other description of persons to whom the communication was faxed, or otherwise distributed for a period of at least 36 months from the date of the last fax.
9. Acceptance to participate in the Electronic Filing Program does not imply endorsements by DOR of the software or quality of services provided.

Section 9 Monitoring and Suspension of an Electronic Filer

9.1 General Information

1. DOR will monitor Electronic Filers for conformity with DOR procedures in this publication. DOR can immediately suspend without notice an Electronic Filer from the Electronic Filing Program. In most cases, a suspension from participation in the Electronic Filing Program is effective as of the date of the letter informing the Electronic Filer of the suspension. Before suspending an Electronic Filer, DOR may issue a warning letter that describes specific corrective action for deviations from the advertising standards or other practices.
2. The suspension of an owner or Responsible Official is grounds for suspension of all entities with whom the individual is associated.
3. DOR will annually make random site visits to verify the accuracy and legibility of Form M-8453, especially the recording of the DCN. If the forms are incomplete or inaccurate, the Electronic Filer will receive a warning from DOR or a letter of suspension or revocation from the Electronic Filing Program.
4. DOR will monitor the quality of an Electronic Filer's transmissions throughout the filing season. DOR will also monitor electronic returns and tabulate rejections, errors, and other defects. If quality deteriorates, the Electronic Filer will receive a warning or a letter of suspension or revocation from the Electronic Filing Program.
5. DOR will review complaints about an Electronic Filer and issue a warning or suspension letter as appropriate.
6. DOR reserves the right to suspend the electronic filing privilege of any Electronic Filer who violates any provision of DOR procedures. DOR will advise a suspended Electronic Filer concerning the requirements for re-acceptance into the Electronic Filing Program. The following reasons may lead to a warning letter and/or suspension of an Electronic Filer from the Electronic Filing Program:

- a. Conviction of any criminal offense arising from a violation of the Massachusetts tax statutes or the revenue laws of the United States, or any offenses involving dishonesty, or breach of trust.
- b. Deterioration in the format of individual transmissions.
- c. Unacceptable cumulative error or rejection rate.
- d. Illegible, incomplete, missing, or not approved substitute Forms M-8453.
- e. Failure on the part of a Transmitter to retrieve acknowledgment files within one business day.
- f. Failure on the part of a Transmitter to initiate the communication of acknowledgment files to clients within one business day of receipt of the acknowledgment files from DOR.
- g. Significant complaints about an Electronic Filer.
- h. Failure on the part of an Electronic Filer to ensure that no other entity uses the EFIN and/or ETIN.
- i. Misrepresentation on an application.
- j. Failure on the part of an Electronic Filer to properly use the standard/non-standard Form W-2 indicator.
- k. Other facts or conduct of a disreputable nature that would adversely reflect on the Electronic Filing Program.
- l. Failure on the part of a Transmitter to include the ERO's EFIN as part of a return that the ERO submits to the Transmitter.
- m. Failure to file timely and accurate tax returns, both business and personal.
- n. Violation of the advertising standards described in this publication.
- o. Failure to pay personal or business tax liabilities.
- p. Assessment of penalties under any of the Massachusetts tax statutes.
- q. Accepting a tax return for electronic filing either directly or indirectly from a person (other than the taxpayer who is submitting his or her return) who is not in the Electronic Filing Program.
- r. Submitting the electronic portion of a return with information that is not identical to the information on Form M-8453.
- s. Suspension/revocation from practice before the Internal Revenue Service.
- t. Stockpiling returns prior to official acceptance into the Electronic Filing Program or at any time while participating in the Program; or
- u. Unethical practices in return preparation.

9.2 Administrative Review Process

Applicants wholly and voluntarily agree to comply with the specifications, requirements and procedures set forth by DOR. Applicants who have been denied participation or participants who have been suspended from the Electronic Filing Program do not have the right to administrative review.

Section 10 Filing an Electronic Return

10.1 Composition of an Electronic Return

1. An electronic return consists of data transmitted to DOR electronically.

10.2 Electronic Portion of Return

1. The following chart lists the Tax Year 2025 forms and schedules which can be transmitted electronically and the maximum number of each type of form or scheduled allowed per return.

Forms/Schedules	Maximum number per return
Form 1	1
Form 1-NR/PY	1
Schedule HC	1
Schedule R/NR	1
Schedule B	1
Schedule C	8

Schedule CB	1
Schedule D	1
Schedule D-IS	1
Schedule DI	1
Schedule E Reconciliation	999
Schedule E-1	999
Schedule E-2	999
Schedule E-3	999
U.S. Schedule F	5
Schedule TDS	20
Schedule NTS-L-NR/PY	1
Form M-2210	1
Form M-4868	1
Form W-2	50
Form W-2G	30
Form 1099-R	20
Form 2-G	10
Form 1099-M	20
Form PWH-WA	20
Schedule EC	1
Schedule EOAC	1
Schedule FAF	5
Schedule LP	1
Schedule SC	5
Form M-8379	1
Schedule CMS	1
Schedule CRS	1
Schedule 4% Surtax	1
Schedule X	1
Schedule Y	1
Schedule OJC	1
Schedule 62-WH	1

10.3 Exclusion from Electronic Filing

Returns containing forms or schedules not listed in this publication, and the following returns/schedules are excluded from electronic filing:

- a. Returns from EROs not accepted in the Electronic Filing Program.
- b. Only one valid electronic return can be filed per taxpayer, per year.
- c. Returns with dollars and cents entries.

Section 11 Transmitting the Electronic Portion of a Return

8.1 Communication Requirements

All returns will be filed via the IRS MeF program.

Section 12 Acknowledgment of Electronic Returns

12.1 General Information

1. All returns that have been received by the Commonwealth of Massachusetts Department of Revenue Electronic Filing System will be acknowledged as either accepted or rejected within one working day. If rejected, the acknowledgment will include a reason code that will explain why the return was rejected.
2. Electronic Return Originators who use a third party to have their returns transmitted to DOR should receive their Acknowledgment (ACK) file from their transmitter within one day after the transmitter receives the ACK file. The transmitter must transmit the returns received from the ERO within one day.
3. If you do not receive an ACK file within the time frame described above, contact your Transmitter first (if appropriate), then call the DOR's Customer Service Bureau at (617) 887-6367 or toll-free in Massachusetts 1-800-392-6089.
4. The ACK file identifies which returns have been accepted or rejected.

Note: Any transmitted electronic return which is not acknowledged by DOR has not been accepted for processing.

12.2 What Can Be Found in the Acknowledgment (ACK) File

1. Though the ACK file format may vary between software companies, they must all contain information which will permit the user to determine which returns have been accepted or rejected.
2. The ACK file will specifically show you the status of each return in the file under the Acceptance Code Field, using one of the following codes:

"A" = Accepted return.

"R" = Rejected return (This means the return has not been filed, reject codes will be in the ACK)
3. Each ACK file will contain the reject codes which will help you determine why the return has been rejected.

Section 13 Non-Receipt of Refunds

13.1 Non-Receipt of Refunds

1. A paper refund check can be expected to be issued within three days from the date an electronic return is accepted by DOR.
2. Certain account information such as the status of a refund will be available while an electronic return is being processed by calling DOR's Customer Service Bureau at (617) 887-6367 or toll-free in Massachusetts at 1-800-392-6089.
3. Before calling DOR's Customer Service Bureau, taxpayers should have the return's Social Security number and the requested refund amount.
4. If DOR's Customer Service Bureau indicates that "no information relating to your return has been entered into our computer system," taxpayers should contact their ERO to confirm the date DOR acknowledged acceptance of the return.

Section 14 Fraud Awareness

14.1 General Information

1. Electronic Filers can assist DOR in identifying potentially fraudulent returns before they are received in the Electronic Filing System. One way of doing this is to verify the identity of taxpayers who want their returns filed electronically, particularly if they are not regular clients.
2. Following are some indications of fraudulent activities:
 - a. Forms W-2 typed, handwritten, duplicated or with noticeable corrections.
 - b. Forms W-2 for a firm in the area that differs from other Forms W-2 from the same firm.
 - c. Suspicious person accompanying a taxpayer and observed on prior occasions.
 - d. Multiple refunds directed to the same address or Post Office box.

e. Employment or earnings (that are the basis for refundable credits) which are not well-documented.

f. Similar returns, e.g., same amount of refund; same number of dependents, same number of Forms W-2.

3. Close examination of Forms W-2 often provides clues regarding an attempted fraud. Since Forms W-2 are so important in the fraud awareness process, EROs are required to advise DOR whether each Form W-2 presented for Electronic Filing is a "Standard" or "Non-Standard" Form W-2. This is accomplished by entering an "S" for "Standard" or "N" for "Non-Standard," in the Form W-2 Indicator Field for each Form W-2. "Standard" and "Non-Standard" Forms W-2 are defined as follows:

Standard Form W-2: May be a computer-produced print, an IRS form or an IRS approved facsimile.

Non-Standard Form W-2: May be an altered, handwritten or typed Form W-2. Cumulative Earnings Statements and substitute Forms W-2 are considered non-standard.

4. While the items mentioned above are some indicators that a problem may exist, they cannot be looked at singularly in every instance. The following are some scenarios that an ERO may encounter, proposed conclusions, and how the ERO should react:

Scenario 1: Two taxpayers enter your office 5 minutes prior to closing and want to file a joint tax return. One has a handwritten Form W-2 (copy A) from a nationally recognized computer firm, showing \$60,000 in wages and \$10,000 in withholding. The taxpayers tell you they have two children (one born in 1996), and they have paid medical insurance for the child born in 1996. When questioned, neither taxpayer is sure of the birth date of the second child.

Conclusion: Without additional documentation, this return should not be filed; however, the name and Social Security numbers of the taxpayers should be provided to DOR's Criminal Investigations Bureau at (617) 887-6780.

Scenario 2: A taxpayer enters your office with a pay stub from an Armed Forces military installation on February 15. He wants you to prepare a substitute Form W-2 and file his return electronically. You have prepared a return for this taxpayer for each of the last 3 years.

Conclusion: If the return is prepared, then the "Non-Standard" Form W-2 indicator ("N") should be used. (See the definition above.)

Scenario 3: A taxpayer enters your office with a computer-generated Form W-2 on a standard Form W-2. It looks like several other Forms W-2 from which you have prepared returns. The taxpayer is accompanied by someone you have seen in your office with other people presenting the same type of Form W-2. There is some indication that the Form W-2 differs from those normally issued by that specific employer.

Conclusion: The "Non-Standard" Form W-2 Indicator ("N") should be used if the return is filed. If you later determine that the amounts on the similar-looking Forms W-2 are exactly alike and the same address is being used for each return, you should call DOR's Criminal Investigations Bureau at (617) 887-6780 with the information.