



# 2016 Instructions for Massachusetts Fiduciary Income Tax **Form 2**

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## 2 Before You Begin

# Major 2016 Tax Changes

### Filing Due Date

Form 2 is due on or before Tuesday, April 18, 2017. Because April 15, 2017 is a Saturday and the observance of Patriot's Day, a legal holiday in Massachusetts is on Monday, April 17, 2017, Massachusetts returns and payments otherwise due on April 15, 2017 will be treated as timely filed if they are filed on or before Tuesday April 18, 2017.

### 2016 Personal Income Tax Rates

Effective for tax years beginning on or after January 1, 2016, the tax rate on most classes of taxable income is 5.1% (decreased from 5.15% for tax year 2015). However, the tax rate on short-term gains from the sale or exchange of capital assets and on long-term gains from the sale or exchange of collectibles (after a 50% deduction) remains at 12%.

### Change in Standard for Determining Subsequent Community Investment Tax Credit Allocations

The standard for determining whether a recipient of a prior credit allocation is eligible for a subsequent community investment tax credit allocation under G.L. c. 62, § 6M(c)(4) has changed. Effective August 10, 2016, a community partner is eligible to receive a subsequent community investment tax credit allocation if the Department of Housing and Community Development determines that the community partner has made satisfactory progress towards utilizing any prior allocation it has received. Prior to this change, a community partner was required to have utilized at least 95% of its prior allocation to be eligible for a subsequent allocation.

### Simplified Rules for Automatic Extensions of Time

Beginning with personal income tax returns due on or after December 5, 2016, all taxpayers filing such returns will be automatically granted a six-month extension of time to file their tax return as long as at least 80% of the total amount of tax ultimately due on or before the date prescribed for payment of the tax has been paid. Prior to this change, taxpayers were required to submit a formal request electronically or on paper or otherwise meet certain criteria to receive an extension of time to file a personal income tax return. See TIR 16-10.

### Current Code Provisions Massachusetts Adopts

As a general rule, Massachusetts does not adopt any federal personal income tax law changes incorporated into the Code after January 1, 2005. However, certain specific Massachusetts personal income tax provisions, as set forth in G.L. c. 62 § 1(c), automatically conform to the current Code. Provisions of the Code Massachusetts adopts on a current Code basis are (i) Roth IRAs, (ii) IRAs, (iii) the exclusion for gain on the sale of a principal residence, (iv) trade or business expenses, (v) travel expenses, (vi) meals and entertainment expenses, (vii) the maximum deferral amount of government employees' deferred compensation plans, (viii) the deduction for health insurance costs of self-employed taxpayers, (ix) medical and dental expenses, (x) annuities, (xi) health savings accounts, (xii) employer-provided health insurance coverage, and (xiii) amounts received by an employee under a health and accident plan. See TIRs 98-8, 02-11, 07-4, and 09-21 for further details.

### IRC § 179 Election to Expense Certain Depreciable Business Assets

Under IRC § 179, a taxpayer may elect to treat the cost of certain types of depreciable business property (i.e., tangible depreciable business assets acquired by purchase for use in the active conduct of a trade or business and certain qualified real property) as an expense rather than a capital expenditure, and deduct it in the year the property is placed in service, instead of depreciating it over several years. The maximum IRC § 179 expensing limitation is \$500,000, subject to an overall investment phase-out threshold of \$2,000,000. As a trade or business deduction under G.L. c. 62, § 1(c), IRC § 179 is adopted by Massachusetts on a current Code basis.

### Code Provisions Not Adopted by Massachusetts

#### Federal Bonus Depreciation Deduction — IRC § 168(k)

Under G.L. c. 62 § 2(d)(1)(N), Massachusetts specifically disallows the bonus depreciation deduction allowed under IRC § 168(k), as amended and in effect for the current taxable year. Therefore, Massachusetts does not adopt the five-year extension through tax year 2019 of the federal bonus depreciation deduction pursuant to the Consolidated Appropriations Act of 2016 (P.L. 114-113). See TIRs 02-11 and 03-25 for further details.

### Domestic Production Activity Deduction — IRC § 199

For federal income tax purposes, under IRC § 199, a business entity that pays wages to employees and conducts qualified production activities is allowed a deduction for domestic production activities. Generally, in the case of a non-corporate taxpayer, the deduction allows a business with qualified production activities to deduct 9% of its U.S. adjusted gross income. Under G.L. c. 62 § 2(d)(1)(O), Massachusetts specifically disallows the domestic production activity deduction allowed under IRC § 199, as amended and in effect for the current taxable year. Therefore, Massachusetts does not adopt the two-year extension through tax year 2016 of the deduction allowable for income attributable to domestic production activities in Puerto Rico pursuant to the Consolidated Appropriations Act of 2016 (P.L. 114-113). See TIR 05-5.

## Privacy Act Notice

Under the authority of 42 U.S.C. § 405(c)(2)(c)(i), and G.L. c. 62C, § 5, the Department of Revenue ("Department") has the right to require a taxpayer to furnish his Employer Identification number and/or Social Security number, as the case may be, on a state tax return. This information is mandatory. The Department uses these numbers for taxpayer identification, to assist in processing and keeping track of returns, and in determining and collecting the proper amount of tax due. Under G.L. c. 62C, § 40, the taxpayer's identifying number is required to process a refund of overpaid taxes. Although tax return information is generally confidential pursuant to G.L. c. 62C, § 21, the Department may disclose return information to other taxing authorities and those entities specified in G.L. c. 62C, §§ 21, 22, or 23, and as otherwise authorized by law.

## Common Form 2 Mistakes

An incomplete or incorrect return can delay processing of your return. Below are tips to help us process your return as quickly as possible.

### Incorrect Computation

Many returns must be corrected by the Department each year due to simple errors in computation. Before mailing your return, check your arithmetic to make sure the computations are correct.

**Filing Status**

Be sure to select the correct oval for filing status. This requirement is frequently overlooked.

**Fiscal Year**

Clearly mark tax return “Fiscal Year” if applicable.

**Missing Withholding Statement(s)**

Make certain the state copy of all Forms W-2 (Wages), W-2G (Winnings), and 1099-G, or 1099-R that show Massachusetts income tax withheld are enclosed. These forms are frequently missing and must be obtained from you later in order to process the return.

**Missing Supporting Schedules**

Make sure you have enclosed all required schedules to support the information on your Form 2. These schedules include Massachusetts Form 2 Schedules B, B/R, D, E, F, H, IDD, and 2K-1. We cannot process your return without these schedules.

**Credits — Missing Certificate or Other Identification Numbers and/or Supporting Schedules**

Make sure you have included all required certificate or other identification numbers and/or schedules to support the credits you are claiming. Failure to include certificate or other identification numbers and/or schedules will result in the credit being disallowed on your tax return and an adjustment of your reported tax.

**Missing Signatures**

Thousands of unsigned forms and other documents are received by the Department every year. These forms must be returned to taxpayers for signatures. Make sure signatures are on the correct lines.

## Definitions

**Complex Trust**

Any trust that, for any given taxable year, does not qualify as a “simple trust,” as defined below. Complex trusts are governed by §§ 661 and 662 of the Code.

**Grantor Trust**

Under G.L. c. 62, § 10(e), if the grantor or another person is treated as the owner of any portion of a trust by reason of the provisions of §§ 671 to 678, inclusive, of the Code, the trust is a grantor trust and its income is taxable to the grantor or such other person, not to the trust.

**Massachusetts Source Income**

Gross income derived from or effectively connected with: (1) any trade or business, including any employment carried on by the taxpayer in the Commonwealth, regardless of where or when the income is received; (2) the participation in any lottery or wagering transaction within the Commonwealth; or (3) the ownership of any interest in real or tangible personal property located in the Commonwealth. Gross income derived from or effectively connected with any trade or business, including any employment, carried on by the taxpayer in the Commonwealth includes: gain from the sale of a business or of an interest in a business; distributive share income; separation, sick, or vacation pay; deferred compensation and non-qualified pension income not prevented from state taxation by the laws of the United States; and income from a covenant not to compete.

**Nonresident Estate**

An estate of a deceased non-Massachusetts resident. A nonresident estate is subject to the taxing jurisdiction of Massachusetts to the extent it earns Massachusetts source income. In other words, the income of a nonresident estate is taxable to the extent it would be taxable to a nonresident individual.

**Nonresident Trust**

A trust that earns Massachusetts source income and that is (1) a trust under the will of a decedent who was a non-Massachusetts resident at death, (2) a trust all of whose trustees are nonresidents, or (3) a trust all of whose grantors are nonresidents at the time of the creation of the trust or at any time during the year for which the income is computed. These conditions must be met in order to subject the trust to the taxing jurisdiction of Massachusetts.

**Qualified Settlement Fund**

A “qualified settlement fund” as defined in IRC § 468B(g) and Treas. Reg. § 1.468B-1 et seq. See also LR 08-7.

**Resident Estate**

An estate of a deceased Massachusetts resident.

**Resident Trust**

A “resident trust” may be one of two types. It may be a “testamentary trust” — a trust under the will of an individual who died an inhabitant of Massachusetts. Alternatively, it may be an “inter vivos trust” — a trust created during the life of the grantor. To subject an inter vivos trust to the taxing jurisdiction of Massachusetts, the following conditions must exist: the trustee or other fiduciary, or at least one of them, is a Massachusetts inhabitant, and (1) the grantor, or at least one of them, was a Massachusetts inhabitant when the trust was created; or (2) the grantor, or at least one of

them, resided in Massachusetts during any part of the year for which the income is computed; or (3) the grantor or at least one of them, died a Massachusetts inhabitant.

**Simple Trust**

A trust that is required to distribute all of its income currently, may not make distributions of principal, and does not provide for charitable contributions. Simple trusts are governed by §§ 651 and 652 of the Code.

**Unascertained Persons**

A class of persons who cannot be identified with certainty until the happening of a specified event. The term also applies to those of a class who fulfill some special qualification. It is the trust termination provisions that determine whether a remainder interest is ascertained or not. For example, if the termination provisions read — “income to X for life, remainder to Y, if living, or, if not, to Y’s estate” — the remainder interest is vested in Y and is not unascertained. However, if they read — “to X for life, remainder to Y, if living, or, if not, to Y’s issue then living” — the remainder interest is not vested in Y or Y’s issue and is unascertained because it cannot be known for certain who will take the remainder interest until X’s death. In the latter case, gains realized by the trust will be deemed to be income accumulated for the benefit of unascertained persons and taxable in full to the trust.

**Uncertain Interest**

A type of future interest such as a contingent remainder or a vested remainder subject to being cut off upon the happening of a contingency. In determining whether a person has an “uncertain interest,” a remainder interest in a trust that is vested and not subject to being divested by the happening of any contingency expressly mentioned in the trust instrument is not classified as an uncertain interest. Any other type of future interest is an uncertain interest.

## Common Questions

**Once Massachusetts Jurisdiction is Established, to Whom is the Income Taxable? Resident Estate or Trust**

When income of a resident estate or trust subject to the taxing jurisdiction of Massachusetts is being accumulated for a Massachusetts beneficiary(ies), unborn persons, unascertained persons, or persons with uncertain interests, such income is taxable to the estate or trust. Otherwise, income from such resident estate or trust includable in the federal gross income of a beneficiary(ies) by reason of Code §§ 652 and 662 is taxable to the beneficiary(ies).

### Nonresident Estate or Trust

When Massachusetts source income of a nonresident estate or trust is being accumulated, such income is taxable to the estate or trust regardless of whether it is being accumulated for a Massachusetts beneficiary(ies), non-Massachusetts beneficiary(ies), unborn persons, unascertained persons, or persons with uncertain interests. Massachusetts source income of a nonresident estate or trust includable in the federal gross income of a Massachusetts or non-Massachusetts beneficiary(ies) by reason of Code §§ 652 and 662, however, is taxable in Massachusetts to the beneficiary(ies). All other income of a nonresident estate or trust, i.e., all non-Massachusetts source income, is taxable to a Massachusetts beneficiary(ies) if he receives it.

### Who Must File a Massachusetts Fiduciary Return?

Every executor, administrator, trustee, guardian, conservator, trustee in a noncorporate bankruptcy or receiver of a trust or estate that received income in excess of \$100 that is taxable under c. 62 at the entity level or to a beneficiary(ies) and that is subject to Massachusetts jurisdiction must file a Form 2.

### What Other Forms Must Be Filed?

All applicable U.S. schedules, forms and enclosures must be filed with Form 2. A copy of U.S. Schedule K-1 must be enclosed in all cases where a deduction is taken for the payment of income to a nonresident. The Department has developed an extensive information exchange program that includes the following returns:

1. Form 1, Resident Income Tax Return;
2. Form 1-NR/PY, Nonresident/Part-Year Resident Tax Return;
3. Form M-1310, Statement of Claimant to Refund Due on Behalf of Deceased Taxpayer;
4. Form 2, Fiduciary Income Tax Return; and
5. Form M-706, Estate Tax Return. Discrepancies and nonfilings, except those allowed under Massachusetts law, will be identified and may result in an audit or further investigation.

### When is Form 2 Due?

The 2016 Form 2 is due on or before April 18, 2017.

### Fiscal Year Filers

If permission has been granted to file on a fiscal year basis, the return is generally due on or before the 15th day of the fourth month after the close of the fiscal year. Prior consent must be requested in order to file a return on a fiscal year basis. An application can be made on Form 13. Fiduciaries

failing to obtain prior consent will be placed on a calendar year basis.

### Short Year and Fiscal Year Filers

Fiscal year filers whose fiscal year begins in 2016 and ends in 2017 should file the 2016 Form 2 return. Short year filers should file using the tax form for the calendar year within which the short year falls. If the short year spans more than one calendar year, the filer should file using the tax form for the calendar year in which the short year begins. If the appropriate form is not available at the time the short year filer must file, the filer should follow the rules explained in TIR 11-12.

### What If I Am Unable to Pay?

If you are unable to pay the full amount of tax that you owe, you should pay as much of your tax liability as possible with your return. You will receive a bill from the Department for the remaining amount of tax due plus accrued interest and penalty charges. If the amount of the bill is less than \$5,000 and you still cannot pay it in full, you must apply formally to the Department for a small payment agreement in order to avoid collection activity. Setting up a small payment agreement will allow you to make monthly payments over a set period to meet your unpaid liability. You can apply for a small payment agreement by visiting [mass.gov/MassTaxConnect](http://mass.gov/MassTaxConnect).

### Are Wholly Charitable Trusts/Private Foundations Required to File Form 2?

Funds held in trust for public charitable purposes are exempt from tax under G.L. c. 62, § 3, if such income is currently payable to, or irrevocably set aside for, public charitable purposes. Trustees of wholly charitable trusts, i.e., trusts with no non-charitable interests, are required to file a Form 2 however, even though such trusts' taxable income may be zero. Trustees of split-interest trusts, e.g., pooled income funds, charitable remainder annuity trusts, and charitable remainder unitrusts, are to file a Form 2G, not Form 2.

### What Deductions and Exemptions Are Allowable on the Guardianship/Conservatorship Form 2?

Every deduction and exemption that an individual is entitled to take on Form 1 may be claimed by a guardian or conservator on behalf of a ward on Form 2. Supporting documentation must be enclosed, including all applicable schedules from U.S. Form 1040, e.g., Schedule A, Itemized Deductions, if claiming the medical expense exemption. Generally, deductions may be used only against 5.1% income. See Schedule C-2 for the limited circumstances under which deductions may be applied against interest (other than interest from Massachusetts banks), dividends, and capital gain income.

Any deduction or exemption claimed must be entered first on Form 2, line 10, and then on line 17, line 26, and line 34, as appropriate; lines typically used by an estate or trust to claim an income distribution deduction. Such deduction is not allowable to a guardianship or conservatorship, however, thus, these lines are available to a guardian or conservator for claiming deductions and exemptions on behalf of a ward. Any deduction or exemption claimed must be explained via a supporting statement attached to the Form 2. The preprinted language on lines 10, 17, 26, and 34 should be crossed out and the words "see supporting statement" should be added.

### Should I Be Making Estimated Tax Payments?

Generally, every fiduciary receiving income taxable at the entity level must make estimated tax payments on Massachusetts Form 2-ES, if the entity expects to owe more than \$400 in taxes for the taxable year. Estimated tax payments made by a fiduciary on behalf of a beneficiary of a pooled income fund, charitable remainder annuity trust, charitable remainder unitrust, or on behalf of a non-resident grantor of a grantor-type trust or a nonresident entity beneficiary that is a trust or other entity also must be made on Form 2-ES. Fiduciaries required to deduct and withhold payments under G.L. c. 62, § 10(g) on behalf of a nonresident individual beneficiary, in contrast, must make estimated tax payments on the beneficiary's behalf on Form 1-ES. For more information, see DOR Directive 07-4. Fiduciaries filing Form 2 with total net taxable income of \$50,000 or more must make all estimated tax payments by electronic means. Fiduciaries with income less than the above cited threshold may make payments electronically as well, but are not required to.

Generally, the first payment voucher must be filed on or before April 15 of the taxable year. The estimated tax may be paid in full with the first payment voucher or in four installments on or before April 15, June 15, September 15 of the taxable year, and January 15 of the following year. Fiscal year taxpayers must file their first payment voucher on or before the 15th day of the fourth month of the fiscal year. The estimated tax may be paid in full with the first payment voucher or in four equal installments on or before the 15th day of the fourth, sixth, and ninth months of the fiscal year, and the 15th day of the next fiscal year. Be sure to use the appropriate voucher for each payment and fill in the tax year and date. Whenever a due date falls on a Saturday, Sunday, or legal holiday, the filing and payment may be made on the next succeeding business day.

Fiduciaries who underpay or fail to pay their estimated taxes may incur a penalty. Form M-2210F, Underpayment of Massachusetts Estimated Income Tax for Fiduciaries, is used to compute the additional charge. Finally, a resident beneficiary subject to tax at the beneficiary level pursuant to G.L. c. 62, § 10 (h) must make estimated tax payments on his distributable share of the estate or trust income. Such payments are to be made on Massachusetts Form 1-ES. For more information, see DOR Directive 07-4.

## Can Unused Capital Losses be Passed Through to Beneficiaries?

Unused capital losses of an estate or trust are allocable to the estate's or trust's corpus and can be used by the estate or trust itself in future years. These losses cannot be passed through to beneficiaries, even in the year of termination.

## Does Massachusetts Have a 65 Day Election?

No. In determining the amount paid, credited, or otherwise required to be distributed to a beneficiary (lines 3, 8, 13, and 18 of Schedule IDD, Income Distribution Deduction), Massachusetts has not adopted the 65 day election available to estates and complex trusts federally under Code § 663(b). Therefore, any distribution or portion thereof to a beneficiary made within the first 65 days following the close of the 2016 taxable year, treated federally as having been distributed in 2016, is to be treated for Massachusetts purposes in 2016 as accumulated income and is taxable at the estate or trust level, with one exception. Non-Massachusetts source income accumulated for a vested nonresident beneficiary is not taxable at the estate or trust level, but is deductible on Form 2, lines 12, 19, 28, or 36, as applicable. Moreover, any distribution or portion thereof to a beneficiary made within the first 65 days following the close of the 2016 taxable year will be treated in the year of distribution, i.e., 2017 as a tax free distribution.

## Does Massachusetts Offer Simplified Filing and Reporting Options to Grantor Trusts Similar to the Filing and Reporting Options Available Federally Pursuant to Treasury Regulations § 1.671-4?

Generally, the fiduciary of a grantor trust is required to file with the Department an informational return, Form 2G, along with a schedule indicating the items of income, deductions, and credits against tax attributable to the trust that are treated as owned by and taxable to the grantor/owner. Additionally, the fiduciary must give a copy of the schedule to the grantor/owner, who is required to report the income, deductions, and credits reported on the schedule on his Massachusetts individual income tax return.

Notwithstanding the above, similar to one of two reporting options offered federally under Treasury Regulations § 1.671-4, no Form 2G will be required to be filed with the Department by the fiduciary of a grantor trust as long as the following three requirements are met: (1) the grantor trust has only one owner, a Massachusetts resident, (2) that owner is also the trustee or co-trustee of the trust, and (3) the trustee has provided all payors of trust income the name and taxpayer identification number of the grantor and the address of the trust.

## Does the Pass-Through Entity Withholding Program Apply to Estates and Trusts?

Although the term "pass-through entity," as used in the pass-through entity withholding program, applicable to most pass-through entities and their non-resident members or beneficiaries, which Massachusetts adopted for tax years beginning on or after January 1, 2009, refers to an entity whose income, loss, deductions, and credits flow through to members or beneficiaries for Massachusetts tax purposes, such as estates and trusts not taxed at the entity level, most estates and trusts are not required to participate in the pass-through entity withholding program because they are required to withhold under other Massachusetts provisions. See, e.g., G.L. c. 62, § 10(g), requiring trusts and estates to withhold or make estimated payments on payments to nonresidents, including nonresident grantors of grantor trusts. For more information on the applicability of the pass-through entity withholding program to trusts and estates, see the Guide for Pass-Through Entities — Including Registration Information. See also, 830 CMR 62B.2.2, Pass-Through Entity Withholding.

## Who is a "Designated Tax Matters Partner?"

General Laws C. 62C, § 24A, established a unified audit, assessment, and appeal procedure for pass-through entities (partnerships, S corporations, and certain trusts) that is completely separate from regular audit procedures. Individual members may, however, elect not to participate in the separate unified audit procedure. The tax matters partner ("TMP") is the individual designated by the pass-through entity to act as its representative to the Department of Revenue during the unified audit process. During the unified audit, the TMP has the authority to request a settlement, to agree to extend the statute of limitations, to request a conference, and to appeal a determination of pass-through entity items. For further discussion, see 830 CMR 62C.24A.1 and TIR 13-15.

## Line by Line Instructions

Line items without specific instructions are considered to be self-explanatory.

### Name of Estate or Trust

Enter the exact legal name of the entity. If an estate or trust, refer to the governing instrument. Other fiduciaries should use the exact legal name as their appointing court ruled.

### Estate or Trust Employer Identification Number

Enter the U.S. Employer Identification Number. If you do not have one, U.S. Form SS-4, Application for Employer Identification Number, should be used to apply for one. If the number is not available at the time of filing, enter "applied for" and the date you applied in the boxes provided. Do not use a decedent's Social Security number for an estate. A separate Employer Identification Number is required for the estate and for each trust entity.

### Name and Title of Fiduciary

Enter the exact legal name and title of the fiduciary. In case of multiple fiduciaries, one name is sufficient.

### Mailing Address of Fiduciary

Enter the mailing address of the fiduciary listed on the first line.

### C/o

If the mailing address is the address of a legal firm or of a person other than the fiduciary, that person or firm should be listed on the c/o line.

### Company Account Number

If applicable, enter the company account number your firm has assigned to this entity.

### Date Entity Created

Enter the date the trust was created. If filing a return for an estate, enter the date of death. All other fiduciaries should enter the date of appointment.

### Filing Status

Select all applicable ovals. For example, if you are filing a first year return for an estate, select the ovals for "Decedent's Estate" and "Initial Return." Grantor-type trusts should file Form 2G and select the "Consolidated Form 2G" oval if also filing Form 2.

If filing on a fiscal year basis, enter your fiscal year's beginning and ending dates in the appropriate boxes at the top of the return. If you have elected to file as a Qualified Funeral Trust (QFT) on U.S. Form 1041-QFT, select the oval for "Qualified Funeral Trust." If you file a composite Form 1041-

QFT, you may also file a composite Form 2. Select the oval for “Qualified Funeral Trust” and write “Composite QFT” across the top of the return. You must enclose a schedule with a Composite QFT Form 2 that includes the following information for each QFT (or separate interest treated as a separate QFT): (1) the name of the owner or the beneficiary (if you list the name of the owner and that trust has more than one beneficiary, you must separate the trust into shares held by the separate beneficiaries); (2) the type and gross amount of each type of income earned by the QFT for the tax year (for long-term capital gains, identify separately the amount of capital gain by holding period); (3) the type of each deduction allocable to the QFT; (4) the tax and payments made for each QFT; and (5) if the QFT was terminated during the year, give the date of termination.

### 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. Schedule TDS is available on the DOR website at [mass.gov/dor](http://mass.gov/dor). 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 of Revenue may waive or abate the penalty if the inconsistency or failure to disclose was attributable to reasonable cause and not willful neglect.

### Filing an Amended Return

If you need to change a line item on your return, complete a new 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. See TI 16-13 for more information on the amended return process.

### Federal Changes

If your amended return includes changes you have reported on an amended federal return filed with

the IRS for the same tax year, fill in the “Amended return due to federal change” oval.

If your amended return does not report changes that result from the filing of a federal amended return or from a federal audit, fill in only the “Amended return” oval.

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

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

### Filing an Application for Abatement

File an Application for Abatement only to dispute an audit assessment or to request an abatement of penalties.

For the fastest response time, file your dispute online at [mass.gov/masstaxconnect](http://mass.gov/masstaxconnect). If you are not required to file electronically or you cannot file online, use Form ABT (Application for Abatement).

Visit [mass.gov/dor/amend](http://mass.gov/dor/amend) for additional information about filing an amended return, or filing an application for abatement. See also TIR 16-13.

### Member of a Lower-Tier Entity

A tiered structure is a pass-through entity that has a pass-through entity as a member. The term “pass-through entity” refers to an entity whose income, loss, deductions and credits flow through to members for Massachusetts tax purposes, and includes estates and trusts not taxed at the entity level. The term “member” includes beneficiaries of a pass-through entity. 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. If the estate or trust is a member of another pass-through entity, it should answer “yes” to this question.

## Part B Income

### Line 1. Wages, Salaries, Tips, Other Employee Compensation

Enter wages, salaries, tips, and other compensation earned and received, and, if applicable, enter the amount reported as Massachusetts wages on Form W-2. For a decedent’s estate, income in re-

spect of a decedent is taxed on Form 2, line 1, in addition to being taxed on the Form M-706, Massachusetts Estate Tax Return, as an asset of the estate. “Income in respect of a decedent” is income the decedent had a right to receive prior to his date of death, but payment of which was made to the estate after the date of death. Wages, salaries, or other forms of compensation, including any fixed sum amount attributable to services rendered prior to the decedent’s death, are to be included on line 1.

### Line 2. Taxable Pensions and Annuities

Income from most private pension or annuity plans is taxable in Massachusetts; however, income from a contributory annuity, pension, endowment or retirement fund of the U.S. government, the Commonwealth of Massachusetts or its political subdivisions, or any noncontributory pension or survivorship benefits from the United States uniformed services (Army, Navy, Marine Corps, Air Force, Coast Guard, commissioned corps of the U.S. Public Health Service and National Oceanic and Atmospheric Administration) is exempt. Massachusetts allows a deduction for contributory pension income received from another state or one of its political subdivisions that does not tax such income from Massachusetts or its political subdivisions. For guidelines on determining which state pensions are exempt in Massachusetts, see TIR 95-9. Enter the fully taxable amounts received from pension or annuity plans on line 2. Amounts distributed from an IRA or Keogh plan should also be reported on line 2.

### Line 3. Business/Profession or Farm Income or Loss

Enter on line 3 the amount of income or loss from a business or profession from Massachusetts Schedule C, line 31 or 33. Also, enclose Massachusetts Schedule C with this return.

**Note:** U.S. Schedules C or C-EZ are no longer allowed as a substitute for the Massachusetts Schedule C. For entities engaged in operating a farm business, enter on line 3 the amount of income or loss from operating such business from U.S. Schedule F, line 34. Enclose a copy of U.S. Schedule F. Additionally, complete and enclose a proforma U.S. Schedule F to report Massachusetts differences, if any, such as bonus depreciation.

### Line 4. Rental, Royalty and REMIC Income or Loss

Rental, Royalty, and Real Estate Mortgage Investment Conduit (REMIC) residual income are generally taxable in Massachusetts. Enter the amount from Massachusetts Form 2, Schedule E, line 4. Enclose Massachusetts Schedule E. Enter and explain any differences between total rental, royalty, and REMIC income on the U.S. Schedule E and the

Massachusetts Schedule E. Possible differences include part-year residency, trust provisions, deductible royalties from approved U.S. energy conservation plants, passive losses, and “bonus” depreciation. See the Massachusetts Schedule E instructions for further details of possible differences in reporting rental, royalty, and REMIC income or loss.

### **Line 5. Interest from Massachusetts Banks**

Enter in line 5 the total amount of interest received or credited to deposit accounts (term and time deposits, including certificates of deposit, savings accounts, savings shares, and NOW accounts) in all savings banks, cooperative banks, savings and loan associations, or credit unions located in Massachusetts. All other interest, unless exempt, should be entered on Schedule B, line 1.

### **Line 6. Other 5.1% Income**

Other 5.1% income not reported elsewhere must be included here. Items reported here include: partnership and S corporation income or loss; gambling winnings from lotteries, raffles, races or other events of chance, wherever held; fair market value of prizes and awards; lump-sum distributions from qualified employee benefit plans in excess of employee’s contributions; and any other miscellaneous income. Income received by a Massachusetts trust or estate from sources not previously subject to Massachusetts jurisdiction or taxed in Massachusetts is reportable on the Form 2 as follows. Sources not previously subject to Massachusetts taxation include non-Massachusetts estates, trusts, and partnerships, wherever located. Enter the income or loss from these entities on the appropriate lines on Form 2 and Schedule D, according to the character and source of income. If no other line applies, enter the income or loss from these entities on line 6 of Form 2.

### **Line 8. Deductions Allowed Decedents**

The amount of any deduction attributable to a decedent that is not properly allowable to the decedent as a deduction on the income tax return for the taxable period in which his death occurs, or any prior period, shall be specifically allowed as a deduction on this line, provided the estate of the decedent is liable to discharge the obligation for which the deduction relates. The following deductions are allowed if attributable to the decedent and paid after the decedent’s date of death (enclose a copy of Form 1 or 1-NR/PY):

**1.** Amounts paid into Social Security (FICA), Railroad, U.S. or Massachusetts Retirement Systems are deductible up to a maximum of \$2,000. Payments to an IRA, Keogh, Simplified Employee Pension Plan (SEP), or Savings Incentive Match Plan for Employees (SIMPLE) Account are not deductible.

**2.** Amounts paid to someone to care for one (or more) qualified child under age 13, or for a disabled dependent(s), or spouse so that the decedent could work or look for work, are deductible as an employment related expense up to a maximum of \$4,800 if there is one qualifying individual or \$9,600 if there are two or more qualifying individuals.

**3.** A deduction of \$3,600 for one or \$7,200 for two or more dependent members of the decedent’s household under age 12, or dependent age 65 or over (not the decedent or his spouse), or disabled dependent at the close of the taxable year in which the decedent’s death falls. This deduction may only be claimed as long as the employment-related expense deduction discussed above is not claimed.

**4.** Amounts paid for rent for the decedent’s principal residence are deductible equal to 50% of the rent paid during the taxable year, up to a maximum of \$3,000. Enclose a supplemental statement listing the landlord’s name(s) and address(es), dates rented, and amount(s) of rent paid for each residence.

**5.** The deduction for unreimbursed travel and transportation expenses incurred by any employee and unreimbursed gifts, entertainment, and other employee business expenses incurred by employees who solicit business for an employer away from the employer’s place of business are allowed, but only if the decedent itemizes deductions on his U.S. income tax return and only for amounts that exceed 2% of U.S. adjusted gross income. The amount an employee is reimbursed for business expenses continues to be an allowable deduction.

**6.** A penalty charge for early withdrawal of savings and interest is deductible but only if the interest that the penalty is related to is reported on Form 2.

**7.** Amounts paid to a former spouse during the taxable year for alimony or separate maintenance pursuant to a court decree, or for excess alimony amounts recaptured, as reported on U.S. Form 1040, line 31a. Alimony payments specified as child support are not deductible.

**8.** In addition, certain federal deductions are allowed including: interest payments due and paid on qualified student loans; qualified moving expenses paid or incurred with the commencement of work at a new principal place of work; business expenses of state and local government employees who are compensated on a fee basis; jury duty pay surrendered by the decedent to his employer; and contributions to a Medical Savings Account by the decedent as an employee of a small business or as a self-employed individual.

### **Line 10. Income Distribution Deduction**

Enter on line 10 the amount reported on line 5 of Schedule IDD, Income Distribution Deduction.

### **Guardianships/Conservatorships**

Enter on line 10 deductions and exemptions claimed on behalf of a ward. Any deduction or exemption claimed must be explained via a supporting statement attached to the Form 2. The preprinted language on line 10 should be crossed out and the words “see supporting statement” should be added.

### **Line 12. Nonresident/Charitable Deduction**

With one exception, the deductions under G.L. c. 62, § 3.B(a)(1) and (2) for Part B 5.1% income accumulated or irrevocably set aside for vested nonresident beneficiaries and or charities are allowed on line 12. Massachusetts source income accumulated for vested nonresident beneficiaries is not deductible on line 12 however, but is taxable at the fiduciary level.

**Note:** Amounts actually paid to vested nonresident beneficiaries and/or charities are not reportable on line 12. Rather, they are to be included as part of the income distribution deduction calculation and are thus reportable, as appropriate, on lines 2 through 5 of Schedule IDD, Part 1. Enter on line 12 the amount of Part B 5.1% income included on line 11 accumulated or irrevocably set aside for vested nonresident beneficiaries and or charities. Do not include on line 12 any Massachusetts source income accumulated for vested nonresident beneficiaries or any amounts actually paid to vested nonresident beneficiaries and or charities.

## **Part A Interest and Dividend Income**

### **Line 14. Part A 5.1% Interest and Dividend Income**

Enter amount from Form 2, Schedule B, line 39. See Schedule B instructions for detailed information. Complete and enclose Schedule B.

### **Line 15. Part A 5.1% Common Trust Fund Interest & Dividend Income**

Enter the amount of Part A 5.1% interest and dividend income received from common trust funds, including any unrelated business taxable Part A 5.1% interest and dividend income.

### **Line 17. Income Distribution Deduction**

Enter on line 17 the amount reported on line 10 of Schedule IDD, Income Distribution Deduction.

**Guardianships/Conservatorships**

Enter on line 17 deductions and exemptions claimed on behalf of a ward. Any deduction or exemption claimed must be explained via a supporting statement attached to the Form 2. The preprinted language on line 17 should be crossed out and the words “see supporting statement” should be added.

**Line 19. Nonresident/Charitable Deduction**

With one exception, the deductions under G.L. c. 62, § 3.A(a)(1) and (2) for Part A 5.1% income accumulated or irrevocably set aside for vested nonresident beneficiaries and or charities are allowed on line 19. Massachusetts source income accumulated for vested nonresident beneficiaries is not deductible on line 19 however, but is taxable at the fiduciary level.

**Note:** Amounts actually paid to vested nonresident beneficiaries and/or charities are not reportable on line 19. Rather, they are to be included as part of the income distribution deduction calculation and are thus reportable, as appropriate, on lines 7 through 10 of Schedule IDD, Part 2. Enter on line 19 the amount of Part A 5.1% income included on line 18 accumulated or irrevocably set aside for vested nonresident beneficiaries and or charities. Do not include on line 19 any Massachusetts source income accumulated for vested nonresident beneficiaries or any amounts actually paid to vested nonresident beneficiaries and or charities.

**Line 22. Tax from Table**

Based upon the amount on line 21, find the proper amount of tax in the table and enter the tax on line 22. If line 21 is greater than \$24,000, multiply the amount on line 21 by .051 and enter the result on line 22. You must use the tax table if line 21 is \$24,000 or less.

## Part A 12% Capital Gains

**Line 23. Part A 12% Capital Gains**

Enter amount from Form 2, Schedule B, line 40. See Schedule B instructions for detailed information. Complete and enclose Schedule B.

**Line 24. Part A 12% Short-Term Common Trust Fund Capital Gains**

Enter the amount of Part A 12% short-term capital gains received from common trust funds, including any unrelated business taxable Part A 12% short-term capital gain income.

**Line 26. Income Distribution Deduction**

Enter on line 26 the amount reported on line 15 of Schedule IDD.

**Guardianships/Conservatorships**

Enter on line 26 deductions and exemptions claimed on behalf of a ward. Any deduction or exemption claimed must be explained via a supporting statement attached to the Form 2. The preprinted language on line 26 should be crossed out and the words “see supporting statement” should be added.

**Line 28. Nonresident/Charitable Deduction**

With one exception, the deductions under G.L. c. 62, § 3.A(a)(1) and (2) for Part A 12% capital gain income accumulated or irrevocably set aside for vested nonresident beneficiaries and or charities are allowed on line 28. Massachusetts source income accumulated for vested nonresident beneficiaries is not deductible on line 28 however, but is taxable at the fiduciary level.

**Note:** Amounts actually paid to vested nonresident beneficiaries and/or charities are not reportable on line 28. Rather, they are to be included as part of the income distribution deduction calculation and are thus reportable, as appropriate, on lines 12 through 15 of Schedule IDD, Part 3. Enter on line 28 the amount of Part A 12% capital gain income included on line 27 accumulated or irrevocably set aside for vested nonresident beneficiaries and or charities. Do not include on line 28 any Massachusetts source income accumulated for vested nonresident beneficiaries or any amounts actually paid to vested nonresident beneficiaries and or charities.

## Part C 5.1% Capital Gains

**Line 31. Part C 5.1% Long-Term Capital Gains**

Enter amount from Form 2, Schedule D, line 18. See Schedule D instructions for detailed information. Complete and enclose Schedule D.

**Line 32. Part C 5.1% Long-Term Common Trust Fund Capital Gains**

Enter the amount of Part C 5.1% long-term capital gains received from common trust funds including any unrelated business taxable Part C 5.1% long-term capital gain income.

**Line 34. Income Distribution Deduction**

Enter on line 34 the amount reported on line 20 of Schedule IDD.

**Guardianships/Conservatorships**

Enter on line 34 deductions and exemptions claimed on behalf of a ward. Any deduction or exemption claimed must be explained via a supporting statement attached to the Form 2. The preprinted language on line 34 should be crossed

out and the words “see supporting statement” should be added.

**Line 36. Nonresident/Charitable Deduction**

With one exception, the deductions under G.L. c. 62, § 3.C(a)(1) and (2) for Part C 5.1% long-term capital gain income accumulated or irrevocably set aside for vested nonresident beneficiaries and or charities are allowed on line 36. Massachusetts source income accumulated for vested nonresident beneficiaries is not deductible on line 36 however, but is taxable at the fiduciary level.

**Note:** Amounts actually paid to vested nonresident beneficiaries and/or charities are not reportable on line 36. Rather, they are to be included as part of the income distribution deduction calculation and are thus reportable, as appropriate, on lines 17 through 20 of Schedule IDD, Part 4. Enter on line 36 the amount of Part C 5.1% long-term capital gain income included on line 35 accumulated or irrevocably set aside for vested nonresident beneficiaries and or charities. Do not include on line 36 any Massachusetts source income accumulated for vested nonresident beneficiaries or any amounts actually paid to vested nonresident beneficiaries and or charities.

**Line 39. Credit Recapture**

If any Brownfields Credit (BC), Economic Opportunity Area Credit (EOA), Low-Income Housing Credit (LIH), or Historic Rehabilitation Credit (HR) property is disposed of or ceases to be in qualified use prior to the end of its useful life, the difference between the credit taken and the total credit allowed for actual use must be added back to the tax and reported on line 39. Complete and enclose Schedule CRS, Credit Recapture Schedule.

**Line 40. Additional Tax on Installment Sale**

An addition to tax applies for taxpayers who have deferred the gain, and the tax associated with that gain, on certain installment sales. This addition to tax is measured by an interest charge on the tax that has been deferred. Enter on line 40 an additional tax, measured by an interest charge on the deferred tax, on gain from certain installment sales with a sales price over \$150,000 if you are not a dealer and the aggregate face amount of installment obligations arising during the tax year and outstanding as of the close of the tax year exceeds \$5 million. For more information see G.L. c. 62C, § 32A (a) and I.R.C. § 453A (a)–(c).

Also, include on line 40 an additional tax amount measured by an interest charge on the deferred gain from the installment sale of timeshares and residential lots, if the sale meets one of the following criteria: 1) the sale is of a timeshare right for six weeks or less; 2) the sale is for the recreational use of specified campgrounds; or 3) the sale is for a residential lot and neither the dealer nor someone

related to the dealer is obligated to make any improvements on the lot. For more information see G.L. c. 62C, § 32A (b) and I.R.C. § 453(l)(2)(B). To the extent practicable, Massachusetts follows federal income tax rules in determining the deferred gain from installment sales subject to the interest-charge addition to tax. For more information visit DOR’s website at [mass.gov/dor](http://mass.gov/dor) and Internal Revenue Service Publication 537.

**Line 42. Credit for Income Taxes Due to Other Jurisdictions**

This credit is available to resident beneficiaries and to resident estates and trusts. It is not available to pooled income funds, charitable remainder annuity trusts, or charitable remainder unitrusts. If any of the income reported on this return is subject to taxation in another state or jurisdiction and you have filed a return and paid taxes in the other state or jurisdiction, complete Form 2, Schedule F, Credit for Income Taxes Due to Other Jurisdictions, and enter the amount of credit allowed (from line 7 of Schedule F) on line 42 of Form 2. Do not include taxes paid to the U.S. government or local or city taxes. Enclose Schedule F. The total credit which you calculate on Schedule F is the smaller of the amount of taxes due to other jurisdictions (net of certain adjustments) or the portion of your Massachusetts tax due on your gross income that is taxed in such other jurisdictions. Credit is not given for a property tax due to another jurisdiction on account of capital stock or property. This does not refer to a tax on gain or income from the sale of capital stock or property, as included on Form 2, Schedule B or D however. Credit is also not given for any interest and penalties paid on a tax due to another jurisdiction.

**Line 43. Other Credits (from Schedule CMS)**

Enter the total from Schedule CMS, Credit Manager Schedule. Be sure to enclose Schedule CMS with your return. Failure to do so will delay the processing of your return.

**Credit Manager Schedule**

The Credit Manager Schedule reports in Part 1 the taxpayer’s credits available (including credits carried over from prior years) and the credits taken not received via a lower tier entity or credit transfer. The exceptions to this rule are Brownfields Credit, Film Incentive Credit, and/or Medical Device Credit received via credit transfers/sales. Credits are shown in a table format and may be listed in any order. Taxpayers with more than one credit available may choose how much of each credit to take in the current year. A taxpayer participating in a combined report and allowing other members of the combined group to use its credits as allowed in 830 CMR 63.32B.2(9), also reports the amount or each credit shared on this schedule.

The following table identifies various credits that may be shown on the Credit Manager Schedule.

<i>Credit name</i>	<i>Credit type code</i>
<i>Brownfields</i> . . . . .	<i>BRWFLD</i>
<i>Certified Housing</i> . . . . .	<i>CRTHOU</i>
<i>Community Investment</i> . . . . .	<i>CMMINV</i>
<i>Conservation Land</i> . . . . .	<i>CNSLND</i>
<i>Dairy Farm</i> . . . . .	<i>DAIFRM</i>
<i>EDIP</i> . . . . .	<i>EDIPCR</i>
<i>Employer Wellness</i> . . . . .	<i>EMPWLL</i>
<i>EOAC</i> . . . . .	<i>EOACCR</i>
<i>Farming &amp; Fisheries</i> . . . . .	<i>FRMFSH</i>
<i>Film Incentive</i> . . . . .	<i>FLMCRD</i>
<i>Harbor Maintenance</i> . . . . .	<i>HRBMNT</i>
<i>Historic Rehabilitation</i> . . . . .	<i>HISRHB</i>
<i>Investment Tax</i> . . . . .	<i>INVTAX</i>
<i>Lead Paint</i> . . . . .	<i>LEDPNT</i>
<i>Life Science (FDA)</i> . . . . .	<i>LFSFDA</i>
<i>Life Science (ITC)</i> . . . . .	<i>LFSITC</i>
<i>Life Science (Jobs)</i> . . . . .	<i>LFSJOB</i>
<i>Life Science (RD)</i> . . . . .	<i>LFSRDC</i>
<i>Low-Income Housing</i> . . . . .	<i>LOWINC</i>
<i>Medical Device</i> . . . . .	<i>MEDDVC</i>
<i>Research</i> . . . . .	<i>REARCH</i>
<i>Septic</i> . . . . .	<i>SEPTIC</i>
<i>Solar &amp; Wind Energy</i> . . . . .	<i>SLRWND</i>
<i>Vanpool</i> . . . . .	<i>VANPOL</i>

Some credits are identified on the credit manager schedule by a certificate number. The certificate number for the credit is assigned by the issuing agency (which may be the Department of Revenue) and must always be reported to claim the credit. A taxpayer with multiple certificates for the same type of credit will enter each separately, with the available (unused) balance associated with that certificate in column e and the amount of the credit used in the current year in column f. Taxpayers claiming the EDIP Credit for a Certified Jobs Creation Project must enter a certificate number but are only required to complete the header section of Schedule EDIP.

Some credits are identified by the period end date which refers to the period in which the credit originated. This may be the current taxable year or a prior year if the credit is being carried forward from a prior year. If the period of origin is the current year, a schedule detailing the calculation of the amount of credit must be enclosed with the return. If the period of origin is a prior year, only the amount carried over to and available in the current year is shown in column e and no calculation schedule is required.

If, by operation of M.G.L. c. 63, s. 32C or another provision of law, a credit normally identified by period of origin is eligible for indefinite carryover, the credit should be reported as “non-expiring”; the taxpayer is not required to identify the period of ori-

gin on the Credit Manager Schedule. (Non-expiring credits were formerly referred to as “unlimited.”)

The abbreviation in the “Credit type code” column is used to identify the credit type on the Credit Manager Schedule (Parts 1 and 2, column a and Parts 3 and 4, column b).

Part 2 of the Credit Manager Schedule reports any refundable credits claimed in the current year that were not received via Massachusetts K-1s or via credit transfer. Certain credits are refundable only if specifically authorized or, in the case of the Film Credit, if the original recipient has not transferred the credit to another. Other conditions may apply depending on the terms applicable to the specific credit. Credits are identified separately. The amount in column f is the amount of the refund requested, which may be 100% or 90% of the amount reported in column e. In Example 1, the taxpayer is has refundable film credit (allowed at 90% of the available balance) and a refundable Conservation Land Credit (allowed at 100%). Although not shown in the example, taxpayer reported both credits on Part 1 of the Credit Manager Schedule and used part of the film credit to reduce its excise for the year to “0”; the \$10,000 amount shown in column d of Part 2 is the balance remaining after deducting the portion used in the current year and shown in column f of Part 1.

**Lead Paint**

If you incurred expenses for covering or removing lead paint on residential premises in Massachusetts, you may claim a credit for expenses up to \$1,500 for each residential unit. The basic rules are explained on Massachusetts Schedule LP, Credit for Removing or Covering Lead Paint on Residential Premises. If you qualify for the credit, complete Schedule LP and enter the amount of credit on Schedule CMS. Be sure to enter in line 1a the total number of units indicated in Schedule LP, line(s) 1a and 3a.

**Note:** You **must** enclose Schedule LP with your return. Failure to do so will result in this credit being disallowed on your tax return and an adjustment of your reported tax.

**Economic Opportunity Area/  
Economic Development Incentive  
Program**

Massachusetts allows a credit equal to 5% of the cost of qualifying property purchased for business use within an **Economic Opportunity Area (EOA)**. If you qualify for the credit, complete Schedule EOAC and enter the amount of credit on Schedule CMS. **Note:** You **must** enclose Schedule EOAC with your return. Failure to do so will result in this credit being disallowed on your tax return and an adjustment of your reported tax.

The **Economic Development Incentive Program Credit** (EDIPC) is a tax credit under G.L. c. 62, sec. 6(g) and G.L. c. 63, sec. 38N equal to a percentage of the cost of property purchased for business use within a certified project as defined in G.L. c. 23A, sec. 3A.

To be eligible for the EDIP credit, the project must have been certified on or after January 1, 2010. As part of the project certification, the Economic Assistance Coordinating Council (EACC) may (but is not required to) award a credit under the program and, when a credit is awarded, the EACC will determine the percentage of the cost of property to be used in determining the credit.

Taxpayers with ongoing projects that were certified prior to January 1, 2010 may be eligible for credits under the prior version of the Economic Development Incentive Program; such taxpayers do not file schedule EDIP (see TIR 10-01 and Schedule EOAC).

The EACC may also, in consultation with the DOR, limit (but not expand) the credit to a specific dollar amount or time duration or in any other manner deemed appropriate by the EACC, St. 2009, c. 166, §18. For example, the EACC may limit the credit available with respect to a particular project to a specific dollar maximum, even if the actual dollar amount of the qualifying purchases would otherwise generate a higher credit amount. Similarly, the EACC may limit the otherwise applicable credit carry forward period provided by G.L. c. 62, sec. 6(g) and G.L. c. 63, sec. 38N (d). See TIRs 10-15, 10-1 and 14-3 for more information. If you qualify for the credit, complete Schedule EDIP and enter the amount of the credit on Schedule CMS. Also, be sure to enter the EACC-issued certificate num-

ber on Schedule CMS. Failure to do so will result in this credit being disallowed on your tax return and an adjustment of your reported tax. Enter the number from left to right.

**Note:** Betterment assessments do not qualify for this credit.

### Brownfields

Recent legislation extends the Brownfields credit to nonprofit organizations, extends the time frame for eligibility for the credit, and permits the credit to be transferred, sold, or assigned. Under prior law, net response and removal costs incurred by a taxpayer between August 1, 1998 and August 5, 2013, were eligible for the credit provided that the environmental response action before August 5, 2013. As a result of the recent legislation, the environmental response action commencement cut-off date is changed from August 5, 2013 to August 5, 2018, and the time for incurring eligible costs that qualify for the credit is extended to January 1, 2019. See TIR 13-15 for more information. If you qualify for this credit, you must have completed Schedule BCA, Brownfields Credit Application, and received a certificate number from DOR. Be sure to enter the DOR issued certificate number in the space provided on Schedule CMS. **Note:** You **must** enter the certificate number on Schedule CMS. Failure to do so will result in this credit being disallowed on your tax return and an adjustment of your reported tax. Enter the number from left to right. Certificate application forms and additional information are available at [mass.gov/dor](http://mass.gov/dor).

### Low-Income Housing

A low-income housing credit is available to individual taxpayers. The Department of Housing and

Community Development will allocate the low-income housing credit from a pool of available credits granted under section 42 of the Internal Revenue Code among qualified low-income housing projects. A taxpayer allocated a federal low-income housing credit may also be eligible for a state credit based on the credit amount allocated to a low-income housing project that the taxpayer owns. A five-year carryforward of unused credit is allowed. See TIR 99-19 for more information. If you qualify for the credit, enter the amount on Schedule CMS. **Note:** You **must** enter the building identification number on Schedule CMS. Failure to do so will result in this credit being disallowed on your tax return and an adjustment of your reported tax. Enter the number from left to right.

### Rehabilitation

Effective for tax years beginning on January 1, 2005 and ending on or before December 31, 2022, taxpayers may be eligible for the Historic Rehabilitation Credit (HRC). To claim this credit, a historic rehabilitation project must be complete and have been certified by the Massachusetts Historical Commission. Unused portions of the credit may be carried forward for 5 years. The credit may be transferred or sold to another taxpayer. The HRC is not subject to the 50% limitation rule for corporate taxpayers. If the taxpayer disposes of the property generating the HRC, a portion of the credit may be subject to recapture. For further information, see TIRs 10-11 and 14-3 and 830 CMR 63.38R.1, Massachusetts Historic Rehabilitation Credit. If you qualify for this credit, enter the amount on Schedule CMS. **Note:** You **must** enter the certificate number on Schedule CMS. Failure to do so will result in this credit being disallowed on your tax return and

#### Schedule CMS, Example 1

2a. Credit type	2b. Period end date (mm/dd/yyyy)	2c. Certificate number	2d. Credit available or certificate balance	2e. Reduction in balance for refund	2f. Refundable credit taken (100% or 90%)
FLMCRD		0000000011	\$10,000	\$10,000	\$9,000
CNSLND		1110000000	\$ 1,000	\$ 1,000	\$1,000

The total of the amounts shown in column f are shown on the appropriate line of the taxpayer's return.

#### Schedule CMS, Example 2

2a. Credit type	2b. Period end date (mm/dd/yyyy)	2c. Certificate number	2d. Credit available or certificate balance	2e. Reduction in balance for refund	2f. Refundable credit taken (100% or 90%)
FLMCRD		0000000011	\$10,000	\$10,000	\$9,000
CNSLND		1110000000	\$ 1,000	\$ 1,000	\$1,000

The Credit Manager Schedule will now also be used by individual taxpayers for certain credits. In Example 2, the taxpayer is an individual filing a return for the taxable year ending 12/31/2016 and has an available Septic Credit of \$8,000 in the current year. Since this is the first year the taxpayer is claiming the Septic Credit, the individual taxpayer must also enclose a Schedule SC. The individual should file Part 1 of the Schedule CMS to reflect a claimed credit of \$1,500 (Schedule SC, line 13).

an adjustment of your reported tax. Be sure to omit hyphens, spaces, decimals and other special symbols. Also, enter the number from left to right.

### Film Incentive

For tax years beginning on or after January 1, 2006 and before January 1, 2023, motion picture production companies may claim (1) a credit equal to 25% of the total qualifying aggregate payroll for employing persons within the Commonwealth in connection with the filming and production of a motion picture and (2) a credit equal to 25% of their Massachusetts production expenses. Each credit has its own qualification requirements and a taxpayer is allowed to qualify for and claim both credits. The credits are also transferable. For more information, see TIR 07-15. If you qualify for this credit, enter the amount of credit on Schedule CMS. Also, be sure to enter the DOR-issued certificate number in the space provided on Schedule CMS. Failure to do so will result in this credit being disallowed on your tax return and an adjustment of your reported tax. Enter the number from left to right. Certificate application forms and additional information are available at [mass.gov/dor](http://mass.gov/dor).

**Note:** Motion picture production companies qualify to elect a refundable film credit if they have not transferred or carried forward a portion of the film credit for the production/certificate number to be refunded. If you qualify this election, enter the amount from line 5 of Schedule RFC, Refundable Film Credit, on Schedule CMS.

### Medical Device

Medical device companies that develop or manufacture medical devices in Massachusetts can claim a credit equal to 100% of the user fees paid by them when submitting certain medical device applications and supplements to the United States Food and Drug Administration. The credit is also transferable. For more information, see TIR 06-22. If you qualify for this credit, enter the amount of credit on Schedule CMS. Also, be sure to enter the DOR-issued certificate number in the space provided on Schedule CMS. Failure to do so will result in this credit being disallowed on your tax return and an adjustment of your reported tax. Enter the number from left to right. Certificate application forms and additional information are available at [mass.gov/dor](http://mass.gov/dor).

### Employer Wellness Program Tax Credit

Effective for tax years beginning on or after January 1, 2013, a Massachusetts business that employs 200 or fewer workers may qualify for a tax credit for up to 25% of the cost of implementing a “certified wellness program” for its employees. A taxpayer seeking to claim the credit must apply to

the Department of Public Health (DPH) for certification of its wellness program. DPH will approve a dollar amount of credit for a qualifying taxpayer and issue a certificate number to be provided in connection with filing a tax return in order to claim the credit. The amount of the credit that may be claimed by a taxpayer cannot exceed \$10,000 in any tax year. DPH has promulgated a regulation, 105 CMR 216.000, entitled Massachusetts Wellness Tax Credit Incentive, which sets forth criteria for authorizing and certifying the credit. The credit is set to expire on December 31, 2017. **Note:** You **must** enter the certificate number on Schedule CMS. Failure to do so will result in this credit being disallowed on your tax return and an adjustment on your reported tax. Enter the number from left to right.

### Farming and Fisheries

A new credit applies to personal income taxpayers who are primarily engaged in agriculture, farming or commercial fishing. The credit is 3% of the cost or other basis for federal income tax purposes of qualifying property acquired, constructed or erected during the tax year. Qualifying property is defined as tangible personal property and other tangible property including buildings and structural components that are located in Massachusetts, used solely for farming, agriculture or fishing, and are depreciable with a useful life of at least four years. The credit applies to lessees calculated as follows: 3% of a lessor’s adjusted basis in qualifying property for federal income tax purposes at the beginning of the lease term, multiplied by a fraction, the numerator of which is the number of days of the tax year during which the lessee leases the qualifying property and the denominator of which is the number of days in the useful life of the property. Where the lessee is eligible for the credit, the lessor is generally not eligible, with the exception of “equine-based businesses where care and boarding of horses is a function of the agricultural activity. If you qualify for this credit, complete Massachusetts Schedule FAF, Farming and Fisheries Credit, and enter the amount of the credit on Schedule CMS. **Note:** You must enclose Schedule FAF with your return. Failure to do so will result in this credit being disallowed on your tax return and an adjustment of your reported tax.

### Line 45. Credits Passed Through to Beneficiaries

The credits reported on lines 42 and 43 may be passed through to beneficiaries on line 45 and the applicable lines on Schedule 2K-1. Alternatively, they may be taken at the estate or trust level on line 46. These alternatives are mutually exclusive. If credits are passed through to a beneficiary, any credits that cannot be applied in the taxable year for which a carryover is allowed may be carried

over and applied against the beneficiary’s personal income tax liability in succeeding taxable years. Carryovers may not be claimed at the estate or trust level in such cases.

### Line 46. Credits Remaining with Fiduciary

If the credits reported on lines 42 and 43 are taken at the estate or trust level on line 46, any credits that cannot be applied in the taxable year for which a carryover is allowed may be carried over and applied against the estate’s or trust’s income tax liability in succeeding taxable years. Unused credits may not be passed through to beneficiaries on line 45. Either the fiduciary or the beneficiaries may take the credits, but not both.

### Line 48. Massachusetts Income Tax Withheld

Massachusetts income taxes withheld under the Employer Identification number of the estate or trust, as indicated on your copies of Forms W-2, W-2G, 1099-G, and 1099-R, should be included on line 48 only if not passed through to a beneficiary(ies) on Schedule 2K-1, line 34. Be sure you attach copies of these forms to the left-hand margin of the front of your return; otherwise your claim of amounts withheld will not be allowed. If you have lost a form, ask the payer for a duplicate. Copies of Forms 1099-G and 1099-R need only be attached if they show an amount for Massachusetts tax withheld. For more information, see instructions for Schedule 2K-1, line 34.

### Line 50. 2016 Massachusetts Estimated Tax Payments

Enter the total amount of Massachusetts Form 2-ES, estimated tax payments made for 2016 on line 50. Do not include on line 50 estimated tax payments made on Form 1-ES or Form 2-ES on behalf of beneficiaries or the amount in line 49. See Directive 07-4.

### Line 52. Payment with Original Return

Use this line only if you are amending the original return. Enter in line 52 the amount of tax you paid with the original return from line 58, “Tax Due.” If estimated tax payments were made on the original return, they should be reflected on line 50, as on the original return. Select the appropriate amended return oval on page 1. Complete the entire return, correct the appropriate line(s) with the new information and recompute the tax liability. On an enclosed sheet, explain the reason for the amendment(s) and identify the line(s) and amount(s) being changed on the amended return. Mail the amended return to: Massachusetts Department of Revenue, PO Box 7031, Boston, MA 02204. If you owe additional tax, mail the amended Form 2 to: Massachusetts Department of Revenue, PO Box 7018, Boston, MA 02204.

**Line 53. Refundable Credits (from Schedule CMS)**

Enter the total from Schedule CMS, Credit Manager Schedule. Be sure to enclose Schedule CMS with your return. Failure to do so will delay the processing of your return.

**Refundable Film Credit**

Motion picture production companies qualify to elect a refundable film credit if they have not transferred or carried forward a portion of the film credit for the production/certificate number to be refunded. Transferees of the film credit do not qualify for the refundable film credit. If an election to refund the film credit for a production/certificate number is made, the entire film credit remaining after reducing the tax liability and other credits will be refunded at 90%. A motion picture production company that elects to claim a refund of the film credit is not permitted to seek a partial refund and a partial transfer or carryover of the credit. However, the refund can be applied as an estimated payment for the subsequent tax year. The refundable film credit may be taken at the estate or trust level on line 53 or passed through to a beneficiary(ies) on line 30 of Schedule(s) 2K-1. Enter in line 53 any amount of refundable film credit from Schedule RFC, Refundable Film Credit, line 5, to be claimed at the estate or trust level. Enclose Schedule RFC with your return.

**Note:** Failure to enclose Schedule RFC will result in this credit being disallowed on your tax return and an adjustment of your reported tax.

**Refundable Dairy Credit**

The Massachusetts dairy farmer tax credit was established to offset the cyclical downturns in milk prices paid to dairy farmers and is based on the U.S. Federal Milk Marketing Order for the applicable market. A taxpayer who holds a certificate of registration as a dairy farmer pursuant to G.L. c. 94, s. 16A is allowed a refundable tax credit based on the amount of milk produced and sold. The refundable dairy credit may be taken at the estate or trust level on line 53 or passed through to a beneficiary(ies) on line 31 of Schedule(s) 2K-1. Enter in line 53 the amount of refundable dairy credit from the Department of Agricultural Resources' Dairy Farmer Certified Tax Credit Statement to be claimed at the estate or trust level. Also, enter the Department of Agricultural Resources-issued certificate number in the space provided on Schedule CMS.

**Note:** Failure to enter the certificate number on Schedule CMS will result in this credit being disallowed on your tax return and an adjustment of your reported tax.

**Refundable Conservation Land Tax Credit**

A credit is allowed for qualified donations of certified land to a public or private conservation agency. The credit is equal to 50% of the fair market value of the qualified donation. The amount of the credit that may be claimed by a taxpayer for each qualified donation cannot exceed \$75,000. The credit is refundable but not transferable. The certification process is conducted by the Executive Office of Energy and Environmental Affairs ("EEA"). EEA has promulgated a regulation, 301 CMR 14.00, entitled Conservation Land Tax Credit, which sets forth criteria for authorizing and certifying the credit. See also, 830 CMR 62.6.4, entitled Conservation Land Tax Credit, promulgated by DOR to explain the calculation of the allowable credit. The refundable conservation land tax credit may be taken at the estate or trust level on line 53 or passed through to a beneficiary(ies) on line 32 of Schedule(s) 2K-1. Enter in line 53 the amount of refundable conservation land tax credit to be claimed at the estate or trust level. Also, enter the DOR-issued certificate number in the space provided on Schedule CMS.

**Note:** Failure to enter the certificate number on Schedule CMS will result in this credit being disallowed on your tax return and an adjustment of your reported tax.

**Refundable Community Investment Tax Credit**

A credit is allowed for qualified investments, certain cash contributions made to a community development corporation, community support organization, or a community partnership fund. The credit is equal to 50% of the total qualified investment made by the taxpayer for the taxable year. No credit is allowed to a taxpayer that makes a qualified investment of less than \$1,000. In any one taxable year, the total amount of the credit that may be claimed by a taxpayer that makes qualified investments cannot exceed \$1,000,000. The credit is refundable, or, alternatively, may be carried forward five years. The credit is set to expire December 31, 2019. For further guidance, see the Department's regulation 830 CMR 62.6M.1, Community Investment Tax Credit, and the regulation issued by the Department of Housing and Community Development, 760 CMR 68.00, Community Investment Grant and Tax Credit Program. The refundable community investment tax credit may be taken at the estate or trust level on line 53 or passed through to a beneficiary(ies) on line 33 of Schedule(s) 2K-1. Enter in line 53 the amount of refundable community investment tax credit to be claimed at the estate or trust level. Also, enter the DOR-issued certificate number in the space provided on Schedule CMS.

**Note:** Failure to enter the certificate number on Schedule CMS will result in this credit being dis-

allowed on your tax return and an adjustment of your reported tax.

**Line 56. Amount of Overpayment to be Applied to 2017 Massachusetts Estimated Taxes**

Enter the amount of the 2016 overpayment from line 55 that you want applied to your 2017 Massachusetts estimated taxes.

**Line 57. Amount of Refund**

Subtract line 56 from line 55, and enter the result in line 57. This is the amount of your refund.

**Line 58. Tax Due**

If line 47 is larger than line 54, subtract line 54 from line 47, and enter the result on line 58. Include in line 58 any additional payment for interest and/or penalty(ies) as described below. Pay this amount in full with the return when filed. Go to [mass.gov/dor/masstaxconnect](http://mass.gov/dor/masstaxconnect) for online payment options. If you need to mail your payment, make the check or money order payable to the Commonwealth of Massachusetts and write the estate or trust Employer Identification number on the front of the check or money order in the lower left front corner. Enclose the check or money order and Form 2-PV, Massachusetts Fiduciary Income Tax Payment Voucher, with your return. Form 2-PV must be included with your check or money order to ensure proper crediting of your account.

**Interest**

If you fail to pay the tax when due, interest will be charged. For an explanation of how interest is compounded in Massachusetts, see TIR 92-6 or call the Customer Service Bureau 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%.

**Penalty for Protested ("Bad") Check**

If any check sent in payment of tax or other charge is not honored by your bank because of insufficient funds or for any other reason, a penalty of \$30 or the amount of the payment, whichever is less, may be charged.

**Federal (Audit) Change Penalty**

If the U.S. Internal Revenue Service changes a tax return for a prior year (generally through audit), file an amended Form 2 together with any required schedules or additional payments within one year of the final federal determination to avoid a

penalty. The penalty is equal to 10% of the additional tax due. Remember to select the appropriate amended return oval on page 1 of Form 2. If the change indicates a refund, file an amended return within one year.

**Addition for Underpayment of Estimated Tax**  
If withholding and/or estimated tax payments do not equal 80% of the total tax liability required to be paid, an addition to tax will generally apply if your 2016 tax due after credits and withholding is greater than \$400. If you failed to meet these requirements, you must complete and enclose Massachusetts Form M-2210F to calculate the amount of penalty you must add to line 58, or to show which exception applies. Most taxpayers who qualify for an exception made withholding and/or estimated payments equal to their tax liability for the previous year. You do not have to complete Form M-2210F if the balance due with your return is \$400 or less.

### Taxpayer's Declaration

At least one of the fiduciaries must sign and date the return, under penalties of perjury. Fiduciaries using facsimile signatures must follow the procedures in DOR Directive 89-9. Staple all state copies of any Forms W-2, W-2G, and any 1099 with Massachusetts withholding on the front of the Form 2. If making a payment, staple your check or money order to Form 2-PV. Form 2-PV can be found on the inside front cover of this booklet. Make the check or money order payable to the Commonwealth of Massachusetts and be sure to sign the check. The estate or trust Employer Identification number should be entered on the front of the check. Enclose all required U.S. forms and schedules to the back. Please enclose Massachusetts forms and schedules first, followed by Massachusetts Form M-2210F. The return, together with payment in full, is due, for calendar year filers on or before April 18, 2017. Fiscal year returns are generally due on the 15th day of the fourth month after the close of the fiscal year. Mail to: Massachusetts Department of Revenue, PO Box 7018, Boston, MA 02204. Direct fiduciary inquiries (not returns) to: Massachusetts Department of Revenue, Customer Service Bureau, PO Box 7010, Boston, MA 02204. Telephone: (617) 887-MDOR.

## Schedule B/R

### Beneficiary/Remaindermen Name of Estate or Trust

Enter the exact legal name of the entity. If an estate or trust, refer to the governing instrument. Other fiduciaries should use the exact legal name as their appointing court ruled.

### Estate or Trust Employer Identification Number

Enter the U.S. Employer Identification number. If you do not have one, U.S. Form SS-4, Application for Employer Identification number, should be used to apply for one. If the number is not available at the time of filing, enter "applied for" and the date you applied in the boxes provided. Do not use a decedent's Social Security number for an estate. A separate Employer Identification number is required for the estate and for each trust entity.

### Name of Beneficiary

As used in this form, "beneficiary" means income beneficiary. A "trust income beneficiary" is a beneficiary who is entitled to receive the income from the trust. If filing for other than a trust, enter the name and address of the person receiving the income.

### Name of Remainderman

A remainderman is the person or entity entitled to an estate after the prior estate has expired. In returns where taxable stock dividends, taxable gains from the purchase or sale of real estate, tangible and intangible personal property, or dividends which are wholly or in part credited to capital have been received by the fiduciary during the tax year covered by this return and in all cases where all or part of the taxable income is accumulated for remainder interests, Schedule B/R must include the complete name and address of each remainderman.

### Beneficiary's/Remainderman's Identification Number

Enter the Social Security number of the income beneficiary or remainderman, if the income beneficiary or remainderman is an individual. Enter the Employer Identification number of the income beneficiary or remainderman, if the income beneficiary or remainderman is an entity.

### Legal Domicile

A legal domicile is a person's permanent home. Enter the legal domicile of the income beneficiary or remainderman.

### Total Income

Enter the dollar amount of the income the beneficiary or remainderman received during the tax period covered by the return.

### Percentage of Income

Enter the percentage of total income that was paid to/or accumulated for each beneficiary or remainderman.

### Percentage of Taxable Income

Indicate the percentage of total income taxable in Massachusetts for each beneficiary or remainderman.

### Income Summary Line 1. Accumulated Income

Enter the amount of income accumulated, i.e., retained by the entity, for the year.

### Line 3. Accumulated Capital Gain

Enter the amount of capital gain accumulated, i.e., retained by the entity, for the year.

## Schedule B

### Interest, Dividends and Certain Capital Gains and Losses

You must file Massachusetts Form 2, Schedule B if you have:

1. Dividend income in excess of \$1,500;
2. Any interest income other than from Massachusetts banks taxed at 5.1%;
3. Short-term capital gains or losses;
4. Carryover short-term losses from prior years;
5. Long-term gains on collectibles or pre-1996 installment sales classified as capital gain income for Massachusetts purposes;
6. Gains or losses from the sale, exchange, or involuntary conversion of property used in a trade or business;
7. Net long-term capital gains or losses; or
8. Excess exemptions. "Collectibles" are defined as any capital asset that is a collectible within the meaning of Internal Revenue Code ("Code") § 408(m), as amended and in effect for the taxable year. "Collectibles" include works of art, rugs, antiques, metals, gems, stamps, alcoholic beverages, certain coins, and any other items treated as collectibles for federal tax purposes. You need not fill out Massachusetts Form 2, Schedule B if the only interest income you have is from Massachusetts banks. Report it on Form 2, line 5 instead. You must complete Massachusetts Form 2, Schedule B if your interest or dividend income includes: dividends taxed directly to trusts or estates on a Form 2, Fiduciary Income Tax Return; distributions that are returns of capital; or exempt portions of any interest or dividends from a mutual fund.

### Name of Estate or Trust

Enter the exact legal name of the entity. If an estate or trust, refer to the governing instrument. Other fiduciaries should use the exact legal name as their appointing court ruled.

**Estate or Trust Employer Identification Number**

Enter the U.S. Employer Identification number. If you do not have one, U.S. Form SS-4, Application for Employer Identification number, should be used to apply for one. If the number is not available at the time of filing, enter “applied for” and the date you applied in the boxes provided. Do not use a decedent’s Social Security number for an estate. A separate Employer Identification number is required for the estate and for each trust entity.

**Line 1. Total Interest**

Enter total interest from U.S. Form 1041, line 1 or 1041-QFT, line 1a.

**Note:** Interest from a common trust fund may be excluded here, provided it is entered on Form 2, line 15. If common trust fund interest is included in this line, enter the amount on line 7 and on Form 2, line 15.

**Line 2. Total Dividends**

Enter total dividends from U.S. Form 1041, line 2a or 1041-QFT, line 2a. Dividends from a common trust fund may be excluded here, provided they are entered on Form 2, line 15. If common trust fund dividends are included in this line, enter the amount on line 7 and on Form 2, line 15.

**Line 3. Other Interest and Dividends**

Enter on line 3 any other interest and dividends not included on lines 1 and 2. Line 3 includes such items as interest from obligations of other states and their political subdivisions that are not taxable federally but are taxable in Massachusetts. Any tax exempt municipal interest, including interest from all Massachusetts municipalities, should be entered here for Schedule H computations.

**Line 4. Total Interest and Dividends**

Add lines 1 through 3 and enter the total on line 4.

**Line 5. Interest on U.S. Debt Obligations**

Enter the total amount of U.S. government obligation interest included on line 4. Interest from obligations of the U.S. government are not taxable by the Commonwealth of Massachusetts.

**Line 6. Total Interest from Massachusetts Banks**

Enter the total amount of interest from savings in Massachusetts banks included on Form 2, line 5.

**Line 7. Other Exclusions**

Enter any other interest or dividends to be excluded. A schedule and statement of explanation must be enclosed. Common trust fund interest or dividends included on lines 1 or 2 must be entered here. Any tax-exempt municipal interest entered on line 3, for Schedule H computations, must be entered here.

**Line 8. Total Adjustments**

Add lines 5 through 7, and enter the total on line 8.

**Line 9. Subtotal**

Subtract line 8 from line 4, and enter the result on line 9.

**Note:** If there are any differences between U.S. and Massachusetts amounts reported on lines 12, 13, 14, 18, and 19, be sure to enter the Massachusetts amount and enclose a statement that includes the line item and an explanation of the differences. Exclude short-term capital gains received from common trust funds from Form 2, Schedule B and enter short-term capital gains received from common trust funds on Form 2, line 24.

**Line 10. Allowable Deductions From Your Trade or Business**

Enter the amount from Massachusetts Schedule C-2, line 8 if you qualify for an excess trade or business deduction. See the instructions for Massachusetts Schedule C-2.

**Line 11. Subtotal**

Subtract line 10 from line 9, and enter the result on line 11.

**Line 12. Short-Term Capital Gains**

Enter the total short-term capital gains included on U.S. Form 1041, Schedule D, Part I, lines 1 through 5.

**Line 13. Long-Term Capital Gains on Collectibles and Pre-1996 Installment Sales**

Enter the total amount of long-term capital gains on collectibles and pre-1996 installment sales from Massachusetts Form 2, Schedule D, line 11.

**Line 14. Gain on Sale of Business Property**

Enter from U.S. Form 4797 the amount of gain from the sale, exchange, or involuntary conversion of property used in a trade or business and held for one year or less. Be sure to enclose U.S. Form 4797 with your return.

**Line 15. Gross Interest, Dividends and Certain Capital Gains**

Add lines 12 through 14.

**Line 16. Allowable Deductions From Your Trade or Business**

Enter the amount from Massachusetts Schedule C-2, line 11 if you qualify for an excess trade or business deduction. See the instructions for Massachusetts Schedule C-2.

**Line 17. Subtotal**

Subtract line 16 from line 15.

**Line 18. Short-Term Capital Losses**

Enter the total short-term capital losses included on U.S. Form 1041, Schedule D, Part I, lines 1 through 5.

**Line 19. Loss on Sale of Business Property**

Enter from U.S. Form 4797 the amount of loss from the sale, exchange, or involuntary conversion of property used in a trade or business and held for one year or less. Be sure to enclose U.S. Form 4797 with your return.

**Line 20. Prior Years Short-Term Unused Losses**

You may use short-term losses accumulated in the previous taxable years beginning after 1981 in the computation of short-term gain or loss for the current year. Enter here the short-term loss amount from your 2015 Massachusetts Form 2, Schedule B, line 41.

**Line 21. Subtotal**

Combine lines 17 through 20. If a positive amount, omit lines 22 through 25 and go to line 26. If the total is a loss, go to line 22.

**Line 22. Short-Term Capital Losses Applied Against Interest and Dividends**

Enter the smaller of line 11 or line 21 (as a positive amount), but not more than \$2,000.

**Line 23. Subtotal**

Combine lines 21 and 22. If line 23 is less than “0”, go to line 24. If line 23 is “0”, omit lines 24 through 30 and go to line 31. If Form 2, Schedule B, line 23 is a loss and Form 2, Schedule D, line 12 is a loss, omit line 24, enter the amount from line 23 on line 25 and line 41, omit lines 26 through 30 and complete lines 31 through 39.

**Line 24. Short-Term Capital Losses Applied Against Long-Term Capital Gains**

If Form 2, Schedule B, line 23 is a loss and Form 2, Schedule D, line 12 is greater than “0”, enter the smaller of Form 2, Schedule B, line 23 (considered as a positive amount) or Form 2, Schedule D, line 12 on Form 2, Schedule B, line 24 and on Form 2, Schedule D, line 13.

**Line 25. Short-Term Capital Losses for Carryover in 2017**

Combine lines 23 and 24 and enter the result on lines 25 and 41, omit lines 26 through 29, enter “0” on line 30, and complete lines 31 through 40.

**Line 26. Short-Term Capital Gains and Long-Term Gains on Collectible**

Enter the amount from Form 2, Schedule B, line 21. If Form 2, Schedule D, line 12 is “0”, or greater, omit line 27 and enter the amount from line 26 on line 28. If Form 2, Schedule D, line 12 is a loss go to Form 2, Schedule B, line 27.

**Line 27. Long-Term Capital Losses Applied Against Short-Term Capital Gains**

If Form 2, Schedule B, line 26 is greater than "0", and Form 2, Schedule D, line 12 is a loss, enter the smaller of Form 2, Schedule B, line 26 or Form 2, Schedule D, line 12 (considered as a positive amount) on Form 2, Schedule B, line 27 and on Form 2, Schedule D, line 13.

**Line 28. Subtotal**

Subtract line 27 from line 26. If line 28 is "0," omit line 29 and enter "0" on line 30.

**Line 29. Long-Term Gain Deduction**

If there is no entry in line 13, enter "0." If line 13 shows a gain, enter 50% of line 13 less 50% of the losses on lines 18, 19, 20, and 27, but not less than "0."

**Line 30. Short-Term Gains After Long-Term Gains Deduction**

Subtract line 29 from line 28. Not less than "0."

**Line 31. Subtotal**

Enter the amount from line 11.

**Line 32. Short-Term Losses Applied Against Interest and Dividends**

Enter the amount from line 22. If line 22 is not completed, enter "0."

**Line 33. Subtotal**

Subtract line 32 from line 31. If Form 2, Schedule D, line 14 is "0" or greater omit line 34 and enter the amount from line 33 on line 35. If Form 2, Schedule D, line 14 is a loss go to line 34.

**Line 34. Long-Term Losses Applied Against Interest and Dividends**

If Form 2, Schedule B, line 33 is a positive amount and Form 2, Schedule D, line 14 is a loss, complete the Long-Term Capital Losses Applied Against Interest and Dividends Worksheet for Form 2, Schedule B, line 34 and Form 2, Schedule D, line 15.

**Note:** Although under TIR 04-23, unused capital losses of a trust generally are allocable to trust corpus and cannot be passed through to beneficiaries, this does not preclude trustees or other fiduciaries from claiming on line 34 the deduction allowed under G.L. c 62, § 2(c)(4) of not more than an aggregate amount of \$2,000 in Part A capital loss and Part C capital loss against interest and dividends included in Part A income.

**Line 35. Adjusted Interest and Dividends**

Subtract line 34 from line 33.

**Line 36. Adjusted Gross Interest, Dividends and Certain Capital Gains**

Add lines 30 and 35. Not less than "0."

**Line 37. Expense and Fiduciary Compensation Deduction**

Enter on 37a the allowable portion of expenses as computed on Schedule H, Part 1, line 5. Enter on 37b compensation as computed on Schedule H, Part 2, line 18. Enclose a copy of Schedule H.

**Line 38. Taxable Interest, Dividends and Certain Capital Gains**

Subtract line 37c from line 36. Not less than "0."

**Line 39. Interest and Dividends Taxable at 5.1%**

If line 38 is greater than or equal to line 11, enter the amount from line 11 here and on Form 2, line 14. If line 38 is less than line 11, enter the amount from line 38 here and on Form 2, line 14.

**Line 40. Taxable 12% Capital Gains**

Subtract line 39 from line 38. Not less than "0." Enter the result here and on Form 2, line 23.

**Line 41. Available Short-Term Losses for Carryover in 2017**

Enter the amount from line 25, only if it is a loss.

**Long-Term Capital Losses Applied Against Interest and Dividends Worksheet for Form 2, Schedule B, Line 34 and Form 2, Schedule D, Line 15**

Complete only if Form 2, Schedule B, line 33 is a positive amount and Form 2, Schedule D, line 14 is a loss. Enter all losses as positive amounts.

1. Enter amount from Form 2, Schedule B, line 31 . . . . . \_\_\_\_\_
2. Enter the lesser of line 1 or \$2,000 . . . . . \_\_\_\_\_
3. Enter the amount from Form 2, Schedule B, line 32 . . . . . \_\_\_\_\_
4. Subtract line 3 from line 2. If "0" or less omit the remainder of worksheet. Otherwise, complete lines 5 and 6 . . . . . \_\_\_\_\_
5. Enter any loss from Form 2, Schedule D, line 14 as a positive amount. Otherwise, enter "0" . . . . . \_\_\_\_\_
6. If line 4 is smaller than or equal to line 5, enter line 4 here and on Form 2, Schedule B, line 34 and on Form 2, Schedule D, line 15. If line 4 is larger than line 5, enter line 5 here and on Form 2, Schedule B, line 34 and on Form 2, Schedule D, line 15 . . . . . \_\_\_\_\_

from the sale or exchange of capital assets or from similar transactions which are granted capital gain or loss treatment on your U.S. return or, if you had capital gain distributions. Include gains from all property, wherever located. "Long-term capital gains" are gains on the sale or exchange of capital assets that have been held for more than one year on the date of the sale or exchange. "Long-term capital losses" are losses on the sale or exchange of capital assets that have been held for more than one year on the date of the sale or exchange. "Capital gain income" is defined as gain from the sale or exchange of a capital asset. The definition of "capital asset" includes: (1) an asset which is a capital asset under Internal Revenue Code ("Code") § 1221, or (2) property that is used in a trade or business within the meaning of Code § 1231(b), without regard to the holding period as defined in said section.

**Significant Differences Between U.S. and Massachusetts Capital Gain Provisions**

1. Code § 1244 losses reported as ordinary losses on your U.S. return must be reported on Massachusetts Form 2, Schedule D;
2. If you made a federal election under § 311 of the Tax Relief Act of 1997 to recognize gain on the deemed sale of a capital asset held on January 1, 2001, Massachusetts does not follow the federal rules at § 311 for determining the basis of the asset. See TIR 02-3. If you sold a capital asset in 2016 for which you made a federal § 311 election, the Massachusetts initial basis will not be the federal basis. The Massachusetts initial basis will be determined as of the date the asset was first acquired;
3. Upon the sale of stock of an S corporation, the federal basis must be modified according to Massachusetts Income Tax Regulation, 830 CMR 62.17A.1;
4. Massachusetts has adopted basis adjustment rules to take into account differences between Massachusetts and federal tax laws. For more information regarding basis adjustment rules, see TIR 88-7; and
5. Net ordinary losses that are itemized deductions on U.S. Schedule A are not allowable.

**Installment Sales**

Taxpayers who are treated as electing installment sale treatment federally will automatically be treated as electing Massachusetts installment sale treatment if the Massachusetts gain for the entire transaction is less than \$1 million. Such taxpayers are not allowed to elect out of Massachu-

# Schedule D

**Capital Gains and Losses — Long-Term Capital Gains and Losses Excluding Collectibles**

You must complete Massachusetts Form 2, Schedule D if you had long-term capital gains or losses

setts installment sales treatment and do not have to post security with the Commissioner of Revenue (“Commissioner”). In contrast to the above, taxpayers who are treated as electing installment sale treatment federally must file a separate Massachusetts installment sale election and post security with the Commissioner if their Massachusetts gain for the entire transaction is equal to or greater than \$1 million. An explanatory statement must be enclosed with each return for the life of the installment sale. For further information see TIR 04-28 or contact the Installment Sales Unit at (617) 887-6950.

**Note:** If you are reporting capital gains on installment sales that occurred during January 1, 1996 through December 31, 2002, do not file Form 2, Schedule D. Instead, you must file Schedule D-IS, Installment Sales. If you are reporting an installment sale occurring on or after January 1, 2003, report those gains on Form 2, Schedule D.

### Lower Capital Gains Tax Rate for Gains from the Sale of Stock in Certain Massachusetts-Based Start-Up Corporations

**Note:** If you are reporting a sale of stock in a certain Massachusetts-based start-up corporation(s), do not file Schedule D. Instead, you must report that gain(s) on Schedule D-IS, Installment Sales. Schedule D-IS can be obtained on DOR’s website at [mass.gov/dor](http://mass.gov/dor). Effective for tax years beginning on or after January 1, 2011, gains derived from the sale of investments which meet certain requirements are taxed at a rate of 3% instead of 5.1%. In order to qualify for the 3% rate, investments must have been made within five years of the corporation’s date of incorporation and must be in stock that generally satisfies the definition of “qualified small business stock” under IRC § 1202(c), without regard to the requirement that the corporation be a C corporation. In addition, the stock must be held for three years or more and the investments must be in a corporation which: (a) is domiciled in Massachusetts, (b) is incorporated on or after January 1, 2011, (c) has less than \$50 million in assets at the time of investment, and (d) complies with certain of the “active business requirements” of § 1202 of the Code, i.e., § 1202(e)(1), (e)(2), (e)(5), and (e)(6). To be eligible as “qualified small business stock” under IRC § 1202(c), the stock must be acquired by the taxpayer at its original issue (directly or through an underwriter) in exchange for money, property, or as compensation for services provided to the corporation. During substantially all of the taxpayer’s holding period, at least 80% of the value of the corporation’s assets must be used in the active conduct of one or more qualified businesses. As a result of the required holding period of “3 years

or more” for small business stock, tax year 2014 was the first year that the 3% rate was operative. For other requirements pertaining to gain from the sale of qualifying small business stock, see TIR 10-15.

### Name of Estate or Trust

Enter the exact legal name of the entity. If an estate or trust, refer to the governing instrument. Other fiduciaries should use the exact legal name as their appointing court ruled.

### Estate or Trust Employer Identification Number

Enter the U.S. Employer Identification number. If you do not have one, U.S. Form SS-4, Application for Employer Identification number, should be used to apply for one. If the number is not available at the time of filing, enter “applied for” and the date you applied in the boxes provided. Do not use a decedent’s Social Security number for an estate. A separate Employer Identification number is required for the estate and for each trust entity.

### Line 1. Long-Term Capital Gains and Losses

Enter the gain or loss included on U.S. Form 1041, Schedule D, lines 8 through 10, column h.

### Line 2. Additional Long-Term Capital Gains and Losses

Enter the gain or loss included on U.S. Form 1041, Schedule D, line 11, column h.

### Line 3. Net Long-Term Gain or Loss from Partnerships, S Corporations, Estates, and Trusts

Enter the gain or loss included on U.S. Form 1041, Schedule D, line 12, column h.

### Line 4. Capital Gain Distributions

Enter the amount of capital gain distributions reported to you by a mutual fund or real estate investment trust included on U.S. Form 1041, Schedule D, line 13, column h.

### Line 5. Gain From U.S. Form 4797

Enter the gain or loss included on U.S. Form 1041, Schedule D, line 14, column h.

### Line 6. Massachusetts Long-Term Capital Gains and Losses Included in U.S. Form 4797, Part II

Enter amounts included on U.S. Form 4797, Part II treated as capital gains or losses for Massachusetts purposes (not included on lines 1 through 5 above). These include ordinary gains from sales of Code § 1231 property; recapture amounts under Code §§ 1245, 1250 and 1255; Code § 1244 losses (losses on small business stock); and the loss on the sale, exchange, or involuntary conversion of property used in a trade or business.

### Line 7. Carryover Losses from Previous Years

If you have a carryover loss from a prior year, enter on line 7 the amount of carryover loss from your 2015 Massachusetts Form 2, Schedule D, line 19.

### Line 8. Subtotal

Combine lines 1 through 7 and enter the result on line 8.

### Line 9. Differences

Enter any differences between the gains or losses reportable for Massachusetts tax purposes and the U.S. gains or losses reported on Massachusetts Form 2, Schedule D and U.S. Form 4797, Part II. Enter the amount of common trust fund gain included on line 8. This amount would have been carried over from your U.S. Form 1041, Schedule D, and is properly reported on Form 2, line 32.

### Differences include:

1. Capital gains or losses that occurred while the taxpayer was legally domiciled in another state or country during the taxable year;
2. Capital gains or losses from transactions reported as installment sales for U.S. income tax purposes but not for Massachusetts;
3. Massachusetts has adopted basis adjustment rules to take into account differences between Massachusetts and U.S. tax laws; and
4. Gains from pre-1996 installment sales classified as ordinary income for Massachusetts purposes and reported on Massachusetts Form 2, Schedule D, line 8 should be reported on Massachusetts Form 2, Schedule D, line 9 (“Differences”). The amount of such gain classified as ordinary income should then be reported on Form 2, line 6 (“Other income”) and identified as “2016 gain from pre-1996 installment sale.” Any entry on line 9 must be clearly explained in an enclosed statement.

### Line 10. Massachusetts 2015 Gains or Losses

Exclude/subtract line 9 from line 8.

### Line 11. Long-Term Gains on Collectibles and Pre-1996 Installment Sales

Enter on line 11 the amount of long-term gains on collectibles and pre-1996 installment sales classified as capital gain income for Massachusetts purposes that are included on line 10. Gains from pre-1996 installment sales are classified as either capital gains or ordinary income under the Massachusetts law in effect on the date the sale or exchange took place. Gains from pre-1996 installment sales that are classified as capital gains should be reported as 12% income on Massachusetts Form 2, Schedule B, line 13. If the asset was held for more than one year when it was sold, the gain will be eligible for a 50% long-term deduc-

tion. Gains from pre-1996 installment sales classified as ordinary income and reported on Massachusetts Form 2, Schedule D, line 8 should be reported on Massachusetts Schedule D, line 9 (“Differences”). The amount of such gain classified as ordinary income should then be reported on Form 2, line 6 (“Other income”) and identified as “2016 gain from pre-1996 installment sale.” “Collectibles” are defined as any capital asset that is a collectible within the meaning of Code § 408(m), as amended and in effect for the taxable year, including works of art, rugs, antiques, metals, gems, stamps, alcoholic beverages, certain coins, and any other items treated as collectibles for federal tax purposes.

### Line 12. Subtotal

Subtract line 11 from line 10 and enter the result on line 12. If Form 2, Schedule D, line 12 is a loss and Form 2, Schedule B, line 23 is “0” or less, omit Form 2, Schedule D, line 13 and enter the amount from Form 2, Schedule D, line 12 on Form 2, Schedule D, line 14 and enter “0” on Form 2, line 31. If Form 2, Schedule D, line 12 is a gain and Form 2, Schedule B, line 23 is a loss, go to Form 2, Schedule D, line 13. If Form 2, Schedule D, line 12 is a loss and Form 2, Schedule B, line 23 is a positive amount, go to Form 2, Schedule D, line 13. If Form 2, Schedule D, line 12 is a gain, and Form 2, Schedule B, line 23 is “0” or greater, omit Form 2, Schedule D, lines 13 through 15 and enter the amount from Form 2, Schedule D, line 12 on Form 2, Schedule D, line 16.

### Line 13. Capital Losses Applied Against Capital Gains

If Form 2, Schedule D, line 12 is a positive amount and Form 2, Schedule B, line 23 is a loss, enter the smaller of Form 2, Schedule D, line 12 or Form 2, Schedule B, line 23 (considered as positive amount) on Form 2, Schedule D, line 13 and Form 2, Schedule B, line 24. If Form 2, Schedule D, line 12 is a loss and Form 2, Schedule B, line 26 is a positive amount, enter the smaller of Form 2, Schedule D, line 12 (considered as a positive amount) or Form 2, Schedule B, line 26 on Form 2, Schedule D, line 13 and in Form 2, Schedule B, line 27.

### Line 14. Subtotal

If line 12 is less than “0,” combine lines 12 and 13. If line 12 is greater than “0,” subtract line 13 from line 12.

### Line 15. Long-Term Capital Losses Applied Against Interest and Dividends

Complete the Long-Term Capital Losses Applied Against Interest and Dividends Worksheet for Form 2, Schedule B, Line 34 and Form 2, Schedule D, Line 15 only if Form 2, Schedule B, line 33

is a positive amount and Form 2, Schedule D, line 14 is a loss.

### Line 16. Subtotal

Combine line 14 with line 15 and enter the result on line 16. If Form 2, Schedule D, line 16 is “0,” enter “0” in lines 17 through 19. If Form 2, Schedule D, line 16 is a loss, omit lines 17 and 18 and enter the amount from line 16 on line 19 and enter “0” on Form 2, line 31.

### Line 17. Allowable Deductions From Your Trade or Business

Generally, taxpayers may not use excess 5.1% trade or business deductions to offset other income. However, Massachusetts law allows such offsets if the following requirements are met: the excess 5.1% deductions must be adjusted gross income deductions allowed under G.L. c. 62, § 2(d) and these excess deductions may only be used to offset other income which is effectively connected with the active conduct of a trade of business or any other income allowed under Code § 469(d)(1)(B) to offset losses from passive activities. Enclose Schedule C-2 with your return. Enter on line 17 the amount from Schedule C-2, line 14.

### Line 18. Subtotal

Subtract line 17 from line 16 and enter the result on line 18 and on Form 2, line 31. Not less than “0.”

### Line 19. Available Losses for Carryover

Enter the amount from Form 2, Schedule D, line 16, only if it is a loss.

## Schedule E

### Rental, Royalty and REMIC Income or Loss

Enclose a copy of the U.S. Schedule E and U.S. Form 8582.

**Note:** Income from rental property located in or outside Massachusetts is subject to taxation on Form 2, Fiduciary Income tax Return, if it is accumulated for unknown or unascertained persons, or persons with uncertain interests. For a decedent’s estate, if the executor is authorized or directed in the will to occupy the decedent’s realty and collect rents therefrom, or in the absence of a will, the court decree, appointing a temporary executor or administrator, authorizes the same, then to the extent of any income collected, it is reported on line 1a. Generally, the income is reported on the personal income tax return of the heir or devisee taking either title or control and possession of the property, because under Massachusetts law, title to real property vests immediately upon death in the devisees or heirs at law. However, the income is reported on Form 2 when the real estate is under

administration or the person taking title or possession is the executor or administrator.

### Name of Estate or Trust

Enter the exact legal name of the entity. If an estate or trust, refer to the governing instrument. Other fiduciaries should use the exact legal name as their appointing court ruled.

### Estate or Trust Employer Identification Number

Enter the U.S. Employer Identification number. If you do not have one, U.S. Form SS-4, Application for Employer Identification number, should be used to apply for one. If the number is not available at the time of filing, enter “applied for” and the date you applied in the boxes provided. Do not use a decedent’s Social Security number for an estate. A separate Employer Identification number is required for the estate and for each trust entity.

### Line 1a. Rental and Royalty Income or Loss

Enter on line 1a the total rental and royalty income or loss from U.S. Form 1040, Schedule E, Part I, line 26 and Part V, line 40.

### Line 1b. Real Estate Mortgage Investment Conduit (REMIC) Income or Loss

Enter on line 1b the total Real Estate Mortgage Investment Conduit (REMIC) residual income or loss from U.S. Schedule E, Part IV, line 39.

### Line 1. Subtotal

Combine lines 1a and 1b, and enter on line 1.

### Line 2. Massachusetts Differences

Enter and explain on line 2 any differences between rental, royalty, and REMIC income reported on your U.S. return and your Massachusetts return. Possible differences include part-year resident status, trust provisions, deductible royalties from approved U.S. energy conservation patents, and passive losses as described below. Explain the differences in the space provided or enclose an additional sheet if necessary.

### Deductible Royalties From Approved U.S. Energy

**Conservation Patents.** Enter any income you received from certain U.S. patents that are approved by the Massachusetts Division of Energy Resources as being useful for energy conservation or for alternative energy development. For more information, contact the Division of Energy Resources at (617)727-4732. If such approved patent income is other than royalty income, use the applicable schedule and explain.

**Passive Losses.** As a result of differences in U.S. and Massachusetts rules in 1987, the calculations you made for passive losses on your 1987 U.S.

and Massachusetts returns may have differed. Differences in amounts reported in 1987 for U.S. and Massachusetts tax purposes should be adjusted when the property is disposed of or the deduction is used up. In addition, passive losses allowed for Massachusetts tax purposes in 1987, but carried over for U.S. tax purposes, cannot be used again for Massachusetts tax purposes when such carryover losses are eventually allowed for U.S. tax purposes. To the extent there are applicable adjustments for Massachusetts differences, taxpayers must calculate allowable losses on a pro forma U.S. Form 8582, Passive Activity Loss Limitations, which should then be attached to the Form 2.

### Line 3. Abandoned Building Renovation Deduction

In line 3 enter 10% of the costs incurred in renovating a qualifying abandoned building in an Economic Opportunity Area. For further information, contact the Massachusetts Office of Business Development at (617) 973-8600.

### Line 4. Total Rental, Royalty and REMIC Income or Loss for Massachusetts

Combine lines 1, 2 and 3. Enter the total on line 4 of Schedule E and on Form 2, line 4.

## Schedule F

### Credit for Income Taxes Due to Other Jurisdictions

Complete Schedule F to calculate your credit for income taxes paid by you to another state or jurisdiction on income reported on Form 2. Enclose a complete copy of the return(s) filed in the other jurisdictions. Do not include taxes paid to the U.S. government or local or city taxes. You are allowed to claim a credit for taxes paid to the following jurisdictions: (a) other states in the U.S.; (b) any territory or dependency of the U.S. (including Puerto Rico, the Virgin Islands, Guam, the District of Columbia); or (c) the Dominion of Canada or any of its provinces (less any U.S. credit amount allowable from U.S. Form 1116).

**Note:** Canada is the only foreign country for which you may claim a tax credit on Schedule F. First deduct any U.S. credit amount allowable. The total credit which you calculate on Schedule F is the smaller of the amount of taxes due to other jurisdictions (net of certain adjustments) or the portion of your Massachusetts tax due on your gross income that is taxed in such other jurisdictions. Credit is not given for a property tax due to another jurisdiction on account of capital stock or property. This does not refer to a tax on gain or income from the sale of capital stock or property,

as included on Form 2, Schedule B or D. Credit is also not given for any interest and penalties paid on a tax due to another jurisdiction.

You must complete separate schedules if you had Part B 5.1% income, Part A interest (other than interest from Massachusetts banks) and dividend income, Part A 12% capital gain income, or Part C 5.1% capital gain income taxed by another jurisdiction. If you use this schedule to calculate a credit for Part A interest (other than interest from Massachusetts banks) and dividend income, Part A 12% capital gain income, or Part C 5.1% capital gain income, substitute such income for Part B 5.1% income on lines 1, 2, and 4. You must also substitute Form 2, Schedule B, line 9 and line 15 or Form 2, Schedule D, line 12, but not less than "0," for Form 2, line 7 on line 2 of Schedule F, and the total of Form 2, line 20 multiplied by .051 and Form 2, line 30 or line 38 for Part B 5.1% tax on line 4 of Schedule F.

**Note:** When using this schedule to calculate credit for Part A interest (other than interest from Massachusetts banks) and dividend income, Part A 12% capital gain income, or Part C 5.1% capital gain income, enter on line 1 such income taxed in another jurisdiction calculated as if it was earned in Massachusetts.

### Line 6. Income Tax Paid to Other Jurisdictions

Enter the total tax paid to other jurisdictions on income also reported on this return unless the tax was paid to Canada. If the tax was paid to Canada, the amount reported on this line must be reduced by the amount claimed as a foreign tax credit on U.S. Form 1041, Schedule G, line 2a. Credit is only allowable for amount of tax paid.

## Form 2G

### Grantor's/Owner's Share of a Grantor-Type Trust

Massachusetts follows the Internal Revenue Code ("Code") grantor-type trust rules as contained in Code §§ 671 through 678. See G.L. c. 62, § 10. Under G.L. c. 62, § 10(e), if the grantor or another person is treated as the owner of any portion of a trust by reason of the provisions of §§ 671 to 678, inclusive, of the Code, the trust is a grantor trust and its income is taxable to the grantor or such other person, not to the trust. Generally, a grantor-type trust exists when one of the following is present:

**1.** The trust income is distributable to/or accumulated for the benefit of the grantor or the grantor's spouse;

**2.** The grantor holds a reversionary interest in the trust which is not postponed beyond a 10-year period;

**3.** The grantor has the power to revoke the trust in his/her favor;

**4.** The grantor has the power to control the beneficial enjoyment of the trust corpus or income;

**5.** The grantor has retained certain administrative powers with respect to the trust; and

**6.** A person, other than the grantor, has the power to obtain the trust corpus or income. Generally, the fiduciary of a grantor trust is required to file with the Department an informational return, Form 2G, along with a schedule indicating the items of income, deductions, and credits against tax attributable to the trust that are treated as owned by and taxable to the grantor/owner. Additionally, the fiduciary must give a copy of the schedule to the grantor/owner, who is required to report the income, deductions, and credits reported on the schedule on his Massachusetts individual income tax return. Notwithstanding the above, similar to one of two reporting options offered federally under Treasury Regulations § 1.671-4, no Form 2G will be required to be filed with the Department by the fiduciary of a grantor trust as long as the following three requirements are met: (1) the grantor trust has only one owner, a Massachusetts resident (2) that owner is also the trustee or co-trustee of the trust and (3) the trustee has provided all payors of trust income the name and taxpayer identification number of the grantor and the address of the trust.

**Note:** A resident grantor treated as an owner of a grantor-type trust is liable for making his own estimated tax payments, as applicable, on Form 1-ES. This is not the case when the owner is a nonresident grantor, however. In such cases, the trustee must make estimated tax payments on behalf of the nonresident grantor on Form 2-ES. Fiduciary expenses and compensation are not deductible. All supporting details, e.g., Form 2, Schedule D, if there are long-term capital gains or losses, must be enclosed.

**Note:** Massachusetts has not adopted Treas. Reg. § 1.671-4(b) regarding consolidated filing of grantor-type trusts.

### Consolidated Form 2G Filing

If you are required to file more than one Form 2G, you can file on a "consolidated" basis. Use Form 2 as the coversheet for the return and select the

“Consolidated Form 2G” oval on Form 2. The Form 2 signature section must also be completed and signed. No other section or line on the Form 2 is to be completed if checking the oval “consolidated Form 2G. Each Form 2G, or preapproved substitute, can then be enclosed with the “consolidated” Form 2 without the requirement of each Form 2G being signed. Mail the Consolidated Form 2G to the same address as Form 2G.

### Due Date of Return

Form 2G is due on or before April 18, 2017. If filing on a fiscal year basis, the return is generally due on or before the 15th day of the fourth month after the close of the fiscal year. Mail Form 2G to: Massachusetts Department of Revenue, PO Box 7017, Boston, MA 02204. Direct fiduciary inquiries (not returns) to: Massachusetts Department of Revenue, Customer Service Bureau, PO Box 7010, Boston, MA 02204; or call (617) 887-MDOR.

### Nonresident Withholding on Line 23

A trustee is required to deduct and withhold from any income subject to taxation (Massachusetts source income-G.L. c. 62, § 5A) at the applicable rates when the grantor or other owner is a nonresident. Form 2-ES, Massachusetts Estimated Income Tax for Filers of Forms 23M, and M-990T-62, is to be used for this purpose. The total payments withheld must be entered on line 22 of Form 2G, and the nonresident grantor or owner must claim such total paid over by the trustee on his/her individual income tax return.

### Pooled Income Fund/Charitable Remainder Annuity or Unitrust Withholding on Line 23

A Massachusetts trustee of a pooled income fund, a charitable remainder annuity trust or a charitable remainder unitrust who makes payment to a Massachusetts beneficiary of taxable income is required to deduct and withhold tax on that income at the applicable rates. Form 2-ES is to be used for this purpose. The total payments withheld must be entered on line 22 of Form 2G, and the beneficiary must claim such total paid over by the trustee on his/her individual income tax return.

## Schedule H

### Expenses and Fiduciary Compensation

The Schedule H deductions apply to every executor, administrator, trustee, guardian, conservator, trustee in bankruptcy or receiver of a trust or estate, with the exception of a trustee of a pooled income fund or a trustee of a charitable remainder annuity trust or unitrust. Schedule H deductions are specifically allowed by statute and include an expense deduction and a fiduciary compensation deduction.

### Expense Deduction

Fiduciaries may take an amortization deduction for premiums paid upon bonds held by the estate or trust, but only if the bond income is taxable. In addition, fiduciaries may take a deduction for a portion of their expenses for safe deposit box rentals and surety bond premiums. These expenses must have been incurred and actually paid during the tax year covered by the return in order to be allowed as a deduction. The expense deduction must be allocated between taxable and nontaxable Part A income, and only the taxable portion is deductible. No deduction is allowed against Part B 5.1% income or Part C 5.1% Capital Gains. The deductible portion is calculated by computing the ratio of taxable Part A income, over total taxable and nontaxable Part A income, from all sources.

### Expenses of Trustees in Bankruptcy

Ordinary and necessary business expenses of a trustee in bankruptcy engaged in the business of managing and liquidating a bankrupt estate are deductible against Part B 5.1% income. The remainder of these expenses may be taken as an excess trade or business deduction against other income as long as such income is derived from the trustee's investment of the liquidated assets which have not yet been distributed. For more information, see LR 82-66.

**Note:** These expenses are not deductible on Schedule H. They are to be reported on Massachusetts Schedule C-2, and a copy of Massachusetts Schedules C and C-2 must be enclosed to Form 2.

### Part 1. Expense Deduction Computation

#### Line 1

Enter on line 1a the amount actually paid during the taxable year for safe deposit box rentals. Enter on line 1b the amount actually paid during the taxable year for premiums on surety bonds. Add lines 1a and 1b, and enter the total on line 1.

#### Line 2

Add Form 2, Schedule B, line 36 and Form 2, lines 15 and 24. This is your total taxable Part A income for the year.

#### Line 3

Add Form 2, Schedule B, lines 4, 12, 13, 14 and Form 2, line 24; then subtract Form 2, Schedule B, line 6. This is your total Part A income (taxable and nontaxable) for the year. If common trust fund interest and dividends are not included in Form 2, Schedule B, line 4, add in the amount from Form 2, line 15.

#### Line 4

Divide line 2 by line 3, and enter the percentage here. This is your percentage of taxable Part A income to total Part A income for the year.

#### Line 5

Multiply your total expenses in line 1 by the percentage in line 4, and enter the result here and on Form 2, Schedule B, line 37a. This is the maximum expense deduction you are allowed against Part A income.

### Part 2. Fiduciary Compensation Deduction Computation Line 6

Enter the fiduciary compensation actually paid during the taxable year.

**Note:** None of the following expenses are deductible on Form 2: estate administrative expenses, executor's expenses, executor's commissions, attorney fees, accountant fees, and tax preparer fees.

#### Line 7

Enter here the amount from Form 2, line 7. This is your total Part B 5.1% income for the year.

#### Line 8

Add Form 2, Schedule B, lines 4, 12, 13, 14 and Form 2, line 24; then subtract Form 2, Schedule B, line 6. This is your total Part A income (taxable and nontaxable) for the year. If common trust fund interest and dividends are not included in Form 2, Schedule B, line 4, add in the amount from Form 2, line 15, but not less than 0.

#### Line 9

Subtract Form 2, Schedule D, line 11 from Form 2, Schedule D, line 8 and add Form 2, line 32, and enter the total here.

#### Line 10

Add lines 7 through 9, and enter the total here.

#### Line 11

Divide line 8 by line 10 and enter the percentage here. This is your percentage of taxable Part A income to total income (Part B 5.1% income, Part A interest, dividend, and 12% capital gain income, and Part C capital gain income) for the year.

**Line 12**

Multiply line 11 by line 6, and enter the result here. This represents the amount of fiduciary compensation actually paid on Part A income. Compensation paid on Part B 5.1% or Part C capital gain income is not deductible.

**Line 13**

Add Form 2, Schedule B, line 36 and Form 2, lines 15 and 24, and enter the total here.

**Line 14**

Enter the amount from line 8. This is your total Part A income (taxable and nontaxable) for the year.

**Line 15**

Divide line 13 by line 14, and enter the percentage here. This is your percentage of taxable Part A income to total Part A income for the year.

**Line 16**

Multiply line 15 by line 12, and enter the total here. This represents the amount of fiduciary compensation actually paid on taxable Part A income. Compensation allocated to nontaxable Part A income is not deductible.

**Line 17**

Enter here 7% of line 13.

**Line 18**

Enter here and on Form 2, Schedule B, line 37b, the amount from line 16 or 17, whichever is smaller. This is the maximum fiduciary compensation deduction you are allowed to take against Part A income.

## Schedule IDD

### Income Distribution Deduction

Estate and trust income includable in the federal gross income of a beneficiary by reason of Internal Revenue Code ("Code") § 652 (the section of the Code that determines the amount and character of the gross income includable by a simple trust beneficiary) or § 662 (the section of the Code that determines the amount and character of the gross income includable by a complex trust beneficiary) is no longer taxable at the estate or trust level; rather it is to be taken into account in calculating the beneficiary's Massachusetts taxable income under G.L. c. 62, § 2. To avoid double taxation, a trustee or other fiduciary receiving income included in the gross income of a beneficiary by reason of Code §§ 652 or 662 is allowed a deduction on Form 2 in computing the taxable income of the estate or trust for that portion of Part A, B, or C income attributable to such beneficiary. The amount deductible on Form 2, line 10 from Part B income;

line 17 from part A Interest and Dividend Income; line 26 from Part A 12% Capital Gains; and line 34 from Part C 5.1% Capital Gains is to be calculated on Schedule IDD, Income Distribution Deduction.

**Note:** Schedule IDD does not apply when all of the income is accumulated within the estate or trust.

**Note:** The taxation of grantor-type trusts, pooled income funds, charitable remainder annuity trusts, and charitable remainder unitrusts has not been affected by the above law change. The income from these entities continues to be taxed as it has been taxed in the past. Additionally, estate or trust income not includable in the federal gross income of a beneficiary by reason of the above Code sections continues to be taxable at the trust level.

### 65 Day Election Does Not Apply

In determining the amount paid, credited, or otherwise required to be distributed to a beneficiary (lines 3, 8, 13, and 18 of Schedule IDD), Massachusetts has not adopted the 65 day election available to estates and complex trusts federally under Code § 663(b). Therefore, any distribution or portion thereof to a beneficiary made within the first 65 days following the close of the 2016 taxable year, treated federally as having been distributed in 2016, is not includible on Schedule IDD. Rather, it is to be treated for Massachusetts purposes in the 2016 taxable year as accumulated income and is taxable at the estate or trust level, with one exception. Non-Massachusetts source income accumulated for a vested nonresident beneficiary is not taxable at the estate or trust level, but is deductible on Form 2, lines 12, 19, 28, or 36, as applicable.

**Note:** Any distribution or portion thereof to a beneficiary made within the first 65 days following the close of the 2016 taxable year will be treated in the year of distribution, i.e., 2017, as a tax free distribution and will not be includible on the 2016 Schedule IDD.

### Vested Nonresidents and Charities

Income actually paid to vested nonresident beneficiaries and or charities is to be included as part of the income distribution deduction calculation and is reportable on Schedule IDD, as applicable. Such income is not subject to the Nonresident/Charitable Deduction and is not includible on Form 2, lines 12, 19, 28, or 36. Income accumulated or irrevocably set aside for vested nonresident beneficiaries and or charities, on the other hand, is not subject to an income distribution deduction and is not reportable on Schedule IDD.

## Schedule 2K-1

### Beneficiary's Massachusetts Information Purpose

Use Schedule 2K-1, Beneficiary's Massachusetts Information, to report a beneficiary's share of income, deductions, and credits from a decedent's estate or a trust. Grantor-type trusts do not use Schedule 2K-1 to report the income, deductions or credits of the grantor or other person treated as the owner. Form 2G, Grantor's/Owner's Share of a Grantor-Type Trust, is used for that purpose.

### Who Must File

Trustees or other fiduciaries must enclose a copy of Schedule 2K-1 for each beneficiary with the estate's or trust's Form 2, Fiduciary Income Tax Return, filed with the Commonwealth. Each beneficiary must also be given a copy of his respective Schedule 2K-1 along with instructions on how to report the items on the Schedule 2K-1 on his personal income tax return. One copy of each Schedule 2K-1 must be retained for the trustee's or fiduciary's records.

### Beneficiary's Tax Year

The beneficiary's income from the estate or trust must be included in the beneficiary's return for the taxable year in which the estate's or trust's taxable year ends.

### Nonresident Beneficiaries

A nonresident beneficiary receiving income from an estate or trust is taxed only on income that is derived from Massachusetts sources. Where an estate or trust derives income from both within and outside Massachusetts, it will be necessary to determine what portion of the beneficiary's share of income is from sources within and outside Massachusetts so as to properly allocate and report the income on Schedule 2K-1.

### Massachusetts Source Income

Income derived from or effectively connected with: (1) any trade or business, including any employment carried on by the taxpayer in the Commonwealth, whether or not the nonresident is actively engaged in a trade or business or employment in the Commonwealth in the year in which the income is received; (2) the participation in any lottery or wagering transaction within the Commonwealth; or (3) the ownership of any interest in real or tangible personal property located in the Commonwealth. Gross income derived from or effectively connected with any trade or business, including

any employment, carried on by the taxpayer in the Commonwealth includes: gain from the sale of a business or of an interest in a business; distributive share income; separation, sick, or vacation pay; deferred compensation and nonqualified pension income not prevented from state taxation by the laws of the United States; and income from a covenant not to compete. Examples of Massachusetts source income include:

1. All wages, salaries, tips, bonuses, fees, and other compensation which relate to activities carried on in Massachusetts, regardless of where or when the income is received;
2. Unemployment compensation related to previous Massachusetts employment;
3. Profit from a business, trade, profession, partnership, or S corporation conducted in Massachusetts;
4. Rents and royalties from real and tangible personal property located in Massachusetts or from other business activities in Massachusetts;
5. Gain from the sale of real or tangible personal property located in Massachusetts;
6. Interest and dividends, but only if derived from or connected with a Massachusetts business activity or the ownership of Massachusetts real estate or tangible personal property; and
7. The definition of Massachusetts source income now includes gain from the sale of a business or an interest in a business, separation, sick or vacation pay, deferred compensation, income from covenants not to compete, and nonqualified pension income that federal law allows states to tax.

#### **Name of Estate or Trust**

Enter the exact legal name of the entity. If an estate or trust, refer to the governing instrument. Other fiduciaries should use the exact legal name as their appointing court ruled.

#### **Estate or Trust Employer Identification Number**

Enter the U.S. Employer Identification number. If you do not have one, U.S. Form SS-4, Application for Employer Identification number, should be used to apply for one. If the number is not available at the time of filing, enter "applied for" and the date you applied in the boxes provided. Do not use a decedent's Social Security number for an estate. A separate Employer Identification number is required for the estate and for each trust entity.

#### **Name of Beneficiary**

As used in this Schedule, "beneficiary" means income beneficiary. A "trust income beneficiary" is a beneficiary who is entitled to receive the income

from the trust. If filing for other than a trust, enter the name and address of the person receiving the income.

#### **Legal Domicile of Beneficiary**

A legal domicile is a person's permanent home.

#### **Beneficiary's Identification Number**

Enter the Social Security number of the beneficiary if the beneficiary is an individual beneficiary. Enter the Employer Identification number of the beneficiary if the beneficiary is an entity beneficiary.

#### **Name of Fiduciary**

Enter the exact legal name and title of the fiduciary. In case of multiple fiduciaries, one name is sufficient.

#### **Mailing Address of Fiduciary**

Enter the mailing address of the fiduciary listed on the first line.

#### **In Care of Address**

If the mailing address is the address of a legal firm or of a person other than the fiduciary, that person or firm should be listed on the c/o line.

#### **Allocable Share Items, Columns a, b, c, & d**

**Column a.** Enter the amounts from your federal 1041, Schedule K-1, allocable to the beneficiary.

**Column b.** Enter the adjustments resulting from differences between Massachusetts and federal law for each specific line item.

**Column c.** Combine columns (a) and (b) and enter the result in column (c). The amounts entered in column (c) are used to report the amount entered on Form 2 for each specific line item allocable to the beneficiary.

**Column d.** The amounts entered are used to report Massachusetts source income, loss, and credits allocable to the beneficiary, but only if the beneficiary is a nonresident of Massachusetts.

#### **Line 29. Estimated Tax Payments Made on Behalf of Nonresident Beneficiary by Fiduciary**

A trustee or other fiduciary having control of the payment to a nonresident individual beneficiary subject to tax at the beneficiary level under G.L. c. 62, §§ 5A and 10(h), must make estimated tax payments on behalf of the nonresident individual beneficiary on Form 1-ES, Massachusetts Estimated Income Tax. In reporting the estimated tax payments made on behalf of the nonresident individual beneficiary on Schedule 2K-1, the amount withheld should be entered on line 29. Such amount cannot be used to reduce the amount of income taxable to the beneficiary; rather, it is al-

lowed as a credit on his return of income against the amount of income tax computed thereon and should be reported by the beneficiary on the "Massachusetts estimated tax payments" line of Form 1-NR/PY. For more information, see DOR Directive 07-4. A trustee or other fiduciary having control of the payment to a nonresident entity beneficiary subject to tax at the beneficiary level under G.L. c. 62, §§ 5A and 10(h), must make estimated tax payments on behalf of the nonresident entity beneficiary on Form 2-ES, Massachusetts Estimated Income Tax for Filers of Forms 2, 3M, and M-990T-62. In reporting the estimated tax payments made on behalf of the nonresident entity beneficiary on Schedule 2K-1, the amount withheld should be entered on line 29. Such amount cannot be used to reduce the amount of income taxable to the entity beneficiary; rather, it is allowed as a credit on its return of income against the amount of income tax computed thereon and should be reported by the entity beneficiary on the "Massachusetts estimated tax payments" line of Form 2, Form 3M, Form M-990T-62 or other form used as an income tax return by the beneficiary. For more information, see DOR Directive 07-4.

#### **Line 30. Refundable Film Credit**

The refundable film credit may be passed through to a beneficiary on line 30 of Schedule 2K-1 only if not claimed at the estate or trust level on line 53 of Form 2. These alternatives are mutually exclusive. For more information, see the instructions for Form 2, line 53. If the credit is passed through to a beneficiary on line 30, be sure to enclose Schedule RFC. Failure to enclose Schedule RFC will result in the credit being disallowed on the beneficiary's tax return and an adjustment of the beneficiary's reported tax.

#### **Line 31. Refundable Dairy Credit**

The refundable dairy credit may be passed through to a beneficiary on line 31 of Schedule 2K-1 only if not claimed at the estate or trust level on line 53 of Form 2. These alternatives are mutually exclusive. For more information, see the instructions for Form 2, line 53. If the credit is passed through to a beneficiary on line 31 be sure to enter the Department of Agricultural Resources-issued certificate number in the space provided on line 31.

#### **Line 32. Refundable Conservation Land Tax Credit**

The refundable conservation land tax credit may be passed through to a beneficiary on line 32 of Schedule 2K-1 only if not claimed at the estate or

trust level on line 53 of Form 2. These alternatives are mutually exclusive. For more information, see the instructions for Form 2, line 53. If the credit is passed through to a beneficiary on line 32 be sure to enter the DOR -issued certificate number in the space provided on line 32.

**Line 33. Refundable Community Investment Tax Credit Investment Tax Credit**

The refundable community investment tax credit may be passed through to a beneficiary on line 33 of Schedule 2K-1 only if not claimed at the estate or trust level on line 53 of Form 2. These alternatives are mutually exclusive. For more information, see the instructions for Form 2, line 53. If the credit is passed through to a beneficiary on line 33 be sure to enter the DOR-issued certificate number in the space provided on line 33.

**Line 34. Other Payments**

Enter here Massachusetts income taxes withheld under the Employer Identification number of the estate or trust on Forms W-2, W-2G, 1099-G, and 1099-R, but only if not claimed at the estate or

trust level on line 48 of Form 2. For more information, see the instructions for Form 2, line 48.

# 2016 Massachusetts Income Tax Table at the 5.1% Rate

Use this table to calculate tax for taxable 5.1% income (line 21) of not more than \$24,000.

**Line 22 instructions:** To find your tax on 5.1% Income (line 22), read down the tax table income column to the line containing the amount you entered in line 21. Then read across to the TAX column and enter this amount in line 22. If your taxable 5.1% income in line 21 is greater than \$24,000, multiply the amount by .051. Enter the result in line 22.

INCOME			INCOME			INCOME			INCOME			INCOME			INCOME		
More than	But not more than	TAX	More than	But not more than	TAX	More than	But not more than	TAX	More than	But not more than	TAX	More than	But not more than	TAX	More than	But not more than	TAX
\$ 1 - \$ 50	\$ 1	1	\$ 4,000 - \$ 4,050	\$ 205	205	\$ 8,000 - \$ 8,050	\$ 409	409	\$12,000 - \$12,050	\$ 613	613	\$16,000 - \$16,050	\$ 817	817	\$20,000 - \$20,050	\$1,021	1,021
50 - 100	4	4	4,050 - 4,100	208	208	8,050 - 8,100	412	412	12,050 - 12,100	616	616	16,050 - 16,100	820	820	20,050 - 20,100	1,024	1,024
100 - 150	6	6	4,100 - 4,150	210	210	8,100 - 8,150	414	414	12,100 - 12,150	618	618	16,100 - 16,150	822	822	20,100 - 20,150	1,026	1,026
150 - 200	9	9	4,150 - 4,200	213	213	8,150 - 8,200	417	417	12,150 - 12,200	621	621	16,150 - 16,200	825	825	20,150 - 20,200	1,029	1,029
200 - 250	11	11	4,200 - 4,250	215	215	8,200 - 8,250	419	419	12,200 - 12,250	623	623	16,200 - 16,250	827	827	20,200 - 20,250	1,031	1,031
250 - 300	14	14	4,250 - 4,300	218	218	8,250 - 8,300	422	422	12,250 - 12,300	626	626	16,250 - 16,300	830	830	20,250 - 20,300	1,034	1,034
300 - 350	17	17	4,300 - 4,350	221	221	8,300 - 8,350	425	425	12,300 - 12,350	629	629	16,300 - 16,350	833	833	20,300 - 20,350	1,037	1,037
350 - 400	19	19	4,350 - 4,400	223	223	8,350 - 8,400	427	427	12,350 - 12,400	631	631	16,350 - 16,400	835	835	20,350 - 20,400	1,039	1,039
400 - 450	22	22	4,400 - 4,450	226	226	8,400 - 8,450	430	430	12,400 - 12,450	634	634	16,400 - 16,450	838	838	20,400 - 20,450	1,042	1,042
450 - 500	24	24	4,450 - 4,500	228	228	8,450 - 8,500	432	432	12,450 - 12,500	636	636	16,450 - 16,500	840	840	20,450 - 20,500	1,044	1,044
500 - 550	27	27	4,500 - 4,550	231	231	8,500 - 8,550	435	435	12,500 - 12,550	639	639	16,500 - 16,550	843	843	20,500 - 20,550	1,047	1,047
550 - 600	29	29	4,550 - 4,600	233	233	8,550 - 8,600	437	437	12,550 - 12,600	641	641	16,550 - 16,600	845	845	20,550 - 20,600	1,049	1,049
600 - 650	32	32	4,600 - 4,650	236	236	8,600 - 8,650	440	440	12,600 - 12,650	644	644	16,600 - 16,650	848	848	20,600 - 20,650	1,052	1,052
650 - 700	34	34	4,650 - 4,700	238	238	8,650 - 8,700	442	442	12,650 - 12,700	646	646	16,650 - 16,700	850	850	20,650 - 20,700	1,054	1,054
700 - 750	37	37	4,700 - 4,750	241	241	8,700 - 8,750	445	445	12,700 - 12,750	649	649	16,700 - 16,750	853	853	20,700 - 20,750	1,057	1,057
750 - 800	40	40	4,750 - 4,800	244	244	8,750 - 8,800	448	448	12,750 - 12,800	652	652	16,750 - 16,800	856	856	20,750 - 20,800	1,060	1,060
800 - 850	42	42	4,800 - 4,850	246	246	8,800 - 8,850	450	450	12,800 - 12,850	654	654	16,800 - 16,850	858	858	20,800 - 20,850	1,062	1,062
850 - 900	45	45	4,850 - 4,900	249	249	8,850 - 8,900	453	453	12,850 - 12,900	657	657	16,850 - 16,900	861	861	20,850 - 20,900	1,065	1,065
900 - 950	47	47	4,900 - 4,950	251	251	8,900 - 8,950	455	455	12,900 - 12,950	659	659	16,900 - 16,950	863	863	20,900 - 20,950	1,067	1,067
950 - 1,000	50	50	4,950 - 5,000	254	254	8,950 - 9,000	458	458	12,950 - 13,000	662	662	16,950 - 17,000	866	866	20,950 - 21,000	1,070	1,070
1,000 - 1,050	52	52	5,000 - 5,050	256	256	9,000 - 9,050	460	460	13,000 - 13,050	664	664	17,000 - 17,050	868	868	21,000 - 21,050	1,072	1,072
1,050 - 1,100	55	55	5,050 - 5,100	259	259	9,050 - 9,100	463	463	13,050 - 13,100	667	667	17,050 - 17,100	871	871	21,050 - 21,100	1,075	1,075
1,100 - 1,150	57	57	5,100 - 5,150	261	261	9,100 - 9,150	465	465	13,100 - 13,150	669	669	17,100 - 17,150	873	873	21,100 - 21,150	1,077	1,077
1,150 - 1,200	60	60	5,150 - 5,200	264	264	9,150 - 9,200	468	468	13,150 - 13,200	672	672	17,150 - 17,200	876	876	21,150 - 21,200	1,080	1,080
1,200 - 1,250	62	62	5,200 - 5,250	266	266	9,200 - 9,250	470	470	13,200 - 13,250	674	674	17,200 - 17,250	878	878	21,200 - 21,250	1,082	1,082
1,250 - 1,300	65	65	5,250 - 5,300	269	269	9,250 - 9,300	473	473	13,250 - 13,300	677	677	17,250 - 17,300	881	881	21,250 - 21,300	1,085	1,085
1,300 - 1,350	68	68	5,300 - 5,350	272	272	9,300 - 9,350	476	476	13,300 - 13,350	680	680	17,300 - 17,350	884	884	21,300 - 21,350	1,088	1,088
1,350 - 1,400	70	70	5,350 - 5,400	274	274	9,350 - 9,400	478	478	13,350 - 13,400	682	682	17,350 - 17,400	886	886	21,350 - 21,400	1,090	1,090
1,400 - 1,450	73	73	5,400 - 5,450	277	277	9,400 - 9,450	481	481	13,400 - 13,450	685	685	17,400 - 17,450	889	889	21,400 - 21,450	1,093	1,093
1,450 - 1,500	75	75	5,450 - 5,500	279	279	9,450 - 9,500	483	483	13,450 - 13,500	687	687	17,450 - 17,500	891	891	21,450 - 21,500	1,095	1,095
1,500 - 1,550	78	78	5,500 - 5,550	282	282	9,500 - 9,550	486	486	13,500 - 13,550	690	690	17,500 - 17,550	894	894	21,500 - 21,550	1,098	1,098
1,550 - 1,600	80	80	5,550 - 5,600	284	284	9,550 - 9,600	488	488	13,550 - 13,600	692	692	17,550 - 17,600	896	896	21,550 - 21,600	1,100	1,100
1,600 - 1,650	83	83	5,600 - 5,650	287	287	9,600 - 9,650	491	491	13,600 - 13,650	695	695	17,600 - 17,650	899	899	21,600 - 21,650	1,103	1,103
1,650 - 1,700	85	85	5,650 - 5,700	289	289	9,650 - 9,700	493	493	13,650 - 13,700	697	697	17,650 - 17,700	901	901	21,650 - 21,700	1,105	1,105
1,700 - 1,750	88	88	5,700 - 5,750	292	292	9,700 - 9,750	496	496	13,700 - 13,750	700	700	17,700 - 17,750	904	904	21,700 - 21,750	1,108	1,108
1,750 - 1,800	91	91	5,750 - 5,800	295	295	9,750 - 9,800	499	499	13,750 - 13,800	703	703	17,750 - 17,800	907	907	21,750 - 21,800	1,111	1,111
1,800 - 1,850	93	93	5,800 - 5,850	297	297	9,800 - 9,850	501	501	13,800 - 13,850	705	705	17,800 - 17,850	909	909	21,800 - 21,850	1,113	1,113
1,850 - 1,900	96	96	5,850 - 5,900	300	300	9,850 - 9,900	504	504	13,850 - 13,900	708	708	17,850 - 17,900	912	912	21,850 - 21,900	1,116	1,116
1,900 - 1,950	98	98	5,900 - 5,950	302	302	9,900 - 9,950	506	506	13,900 - 13,950	710	710	17,900 - 17,950	914	914	21,900 - 21,950	1,118	1,118
1,950 - 2,000	101	101	5,950 - 6,000	305	305	9,950 - 10,000	509	509	13,950 - 14,000	713	713	17,950 - 18,000	917	917	21,950 - 22,000	1,121	1,121
2,000 - 2,050	103	103	6,000 - 6,050	307	307	10,000 - 10,050	511	511	14,000 - 14,050	715	715	18,000 - 18,050	919	919	22,000 - 22,050	1,123	1,123
2,050 - 2,100	106	106	6,050 - 6,100	310	310	10,050 - 10,100	514	514	14,050 - 14,100	718	718	18,050 - 18,100	922	922	22,050 - 22,100	1,126	1,126
2,100 - 2,150	108	108	6,100 - 6,150	312	312	10,100 - 10,150	516	516	14,100 - 14,150	720	720	18,100 - 18,150	924	924	22,100 - 22,150	1,128	1,128
2,150 - 2,200	111	111	6,150 - 6,200	315	315	10,150 - 10,200	519	519	14,150 - 14,200	723	723	18,150 - 18,200	927	927	22,150 - 22,200	1,131	1,131
2,200 - 2,250	113	113	6,200 - 6,250	317	317	10,200 - 10,250	521	521	14,200 - 14,250	725	725	18,200 - 18,250	929	929	22,200 - 22,250	1,133	1,133
2,250 - 2,300	116	116	6,250 - 6,300	320	320	10,250 - 10,300	524	524	14,250 - 14,300	728	728	18,250 - 18,300	932	932	22,250 - 22,300	1,136	1,136
2,300 - 2,350	119	119	6,300 - 6,350	323	323	10,300 - 10,350	527	527	14,300 - 14,350	731	731	18,300 - 18,350	935	935	22,300 - 22,350	1,139	1,139
2,350 - 2,400	121	121	6,350 - 6,400	325	325	10,350 - 10,400	529	529	14,350 - 14,400	733	733	18,350 - 18,400	937	937	22,350 - 22,400	1,141	1,141
2,400 - 2,450	124	124	6,400 - 6,450	328	328	10,400 - 10,450	532	532	14,400 - 14,450	736	736	18,400 - 18,450	940	940	22,400 - 22,450	1,144	1,144
2,450 - 2,500	126	126	6,450 - 6,500	330	330	10,450 - 10,500	534	534	14,450 - 14,500	738	738	18,450 - 18,500	942	942	22,450 - 22,500	1,146	1,146
2,500 - 2,550	129	129	6,500 - 6,550	333	333	10,500 - 10,550	537	537	14,500 - 14,550	741	741	18,500 - 18,550	945	945	22,500 - 22,550	1,149	1,149
2,550 - 2,600	131	131	6,550 - 6,600														