



## State Tax Matters

August 29, 2014

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### Amnesty:

#### **Massachusetts: Department of Revenue Explains Implementation of Amnesty Program, Which Will Run from September 1, 2014 through October 31, 2014**

*TIR 14-8: Limited Amnesty Program for Taxpayers with Certain Existing Personal and/or Business Tax Liabilities*, Mass. Dept. of Rev. (8/25/14). Pursuant to recently enacted legislation [*H.B. 4001*] that requires the Massachusetts Department of Revenue to establish a two-month tax amnesty program within fiscal year 2015 during which all penalties may be waived, the Department of Revenue has issued implementation guidance announcing that the amnesty program will commence on September 1, 2014 and end on October 31, 2014. The amnesty program will apply to tax years or periods that were stated on a department-issued "Notice of Assessment" on or before July 1, 2014 and is limited to:

**URL:** <http://www.mass.gov/dor/businesses/help-and-resources/legal-library/tirs/tirs-by-years/2014-releases/tir-14-8-limited-amnesty-program-for-taxpayers-with-ce.html>

**URL:** <https://malegislature.gov/Bills/188/House/H4001>

- Individuals with existing personal income tax liabilities, existing personal use tax liabilities, existing personal boat/recreational vehicles sales tax liabilities, and existing cigarette excise liabilities (pertaining to purchases for individual consumption), and
- Taxpayers with the following existing business tax liabilities: sales/use tax, sales tax on telecommunications services, meals tax, meals tax local option, materialman sales tax, withholding income, performer withholding, pass-through entity withholding, lottery annuity withholding, room occupancy excise, room occupancy excise local option, convention center financing fees on room occupancy in Boston, Cambridge, Chicopee, Springfield, West Springfield, and Worcester, convention center financing surcharge for sightseeing tours, convention center financing surcharge on vehicle rentals in Boston, convention center financing surcharge on parking in Boston, Springfield, and Worcester, deeds excise, cigarette excise, cigars and smoking tobacco excise, club alcohol beverage excise, gasoline excise, special fuels excise, special fuels excise local option, and boat/recreational vehicles sales tax.

The Department of Revenue will notify taxpayers of their eligibility to participate in this amnesty program – only those taxpayers to whom a "Tax Amnesty Notice" has been issued will be eligible. Under the amnesty program, if a taxpayer is notified that it is eligible and the taxpayer pays the full amount of tax and interest due for any period as shown on the "Tax Amnesty Notice," the Department of Revenue is authorized to waive all unpaid penalties including those imposed for failure

to timely file a return; failure to file a proper return; underpayment of tax attributable to negligence or disregard of the tax laws or to a substantial understatement of tax; failure to timely pay a tax liability; failure to file, report or pay electronically; and failure to pay the proper amount of any estimated tax payment for such period.

Note that the Massachusetts Department of Revenue has also issued related FAQs.

**URL:** <http://www.mass.gov/dor/breaking-news/amnesty-program-faqs.html>

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## **Income/Franchise:**

### **Kansas: Administrative Notice Discusses New Law Extending Corporate Income Tax Special Expensing to Bank Tax**

*Notice 14-10 Expensing Deduction Available To Financial Institutions*, Kan. Dept. of Rev. (7/1/14). The Kansas Department of Revenue has issued a notice explaining recently enacted legislation [*H.B. 2057*] that, applicable for tax year 2014 and all tax years thereafter, extends the state corporate income tax expense deduction from Kansas net income before expensing or recapture for the cost of certain machinery and equipment depreciable under Internal Revenue Code (IRC) Sec. 168 and certain canned software as defined under IRC Sec. 197, to also apply under Kansas's financial institutions privilege tax.

**URL:** <http://www.ksrevenue.org/taxnotices/notice14-10.pdf>

**URL:** [http://www.kslegislature.org/li/b2013\\_14/measures/documents/hb2057\\_enrolled.pdf](http://www.kslegislature.org/li/b2013_14/measures/documents/hb2057_enrolled.pdf)

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## **Multistate Tax Alerts**

What's new in the States? Our Multistate Tax Alerts highlight selected state tax developments relevant to taxpayers, tax professionals, and other interested persons. Read our more recent alerts below or visit the archive for ones you may have missed.

**Archives:** [http://www.deloitte.com/view/en\\_US/us/Services/tax/Multistate-Tax/multistate-tax-archive/index.htm?id=us:em:na:stm:eng:tax](http://www.deloitte.com/view/en_US/us/Services/tax/Multistate-Tax/multistate-tax-archive/index.htm?id=us:em:na:stm:eng:tax)

*No new alerts were issued this week. Be sure to refer to the archives to ensure that you are up to date on the most recent releases.*

**Have a question?**

If you have needs specifically related to this newsletter's content, send us an email at [clientsandmarketsdeloittetax@deloitte.com](mailto:clientsandmarketsdeloittetax@deloitte.com) to have a Deloitte Tax professional contact you.

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