

Updates on Tax Payments for Certain Small Business Owners

On Thursday, March 19, the Massachusetts Department of Revenue (DOR) issued [emergency regulation 830 CMR 62C.16.2\(7\)](#), which grants extensions on remitting the room occupancy tax and the sales/meals tax and is aimed at assisting small businesses.

- The regulation grants certain “operators” (e.g. motels) that are obligated to collect and remit room occupancy taxes, and certain “vendors” (e.g. retail stores and restaurants) obligated to collect and remit sales/meals taxes, an extension of time to file their returns and remit the amounts collected from their customers.
- To be eligible for this extension, the operator or vendor must have remitted less than \$150,000 in such taxes during the 12-month period ending on February 29, 2020.
- Qualifying operators and vendors are allowed to delay until June 20, 2020 the filing of returns and remittance of taxes that otherwise would be required to be filed and remitted during March 20, 2020 to May 31, 2020.
- Note: This suspension does not apply to marijuana retailers, marketplace facilitators or vendors selling motor vehicles.

On Friday, March 20, DOR issued a [Technical Information Release \(TIR 20-2\)](#), which waives any late-file or late-pay penalties for certain taxpayers vendors with meals tax return and payment obligations and operators and intermediaries with room occupancy excise return and payment obligations.

- Note: This is a waiver of penalties only; statutory interest will continue to accrue.
- To be eligible for a penalty waiver, vendors, operators and intermediaries must file their returns and remit payments on or before June 20, 2020.