

Sales/Use/Indirect:

Massachusetts: New Law Includes a “Safe Harbor” from Accelerated Sales Tax Remittance Requirements

H.B. 4269, signed by gov. 12/13/21. Regarding the required advance payment of certain Massachusetts sales and use tax liabilities pursuant to legislation enacted in 2020 [see H.5164 (2020) for more details on this new law], which sought to “modernize” the timeline for sales tax remittance and collection in Massachusetts by directing certain businesses that have collected and remitted more than \$150,000 in Massachusetts sales tax or room occupancy and meals tax in the prior calendar year to remit collections from the first three weeks of each month in the final week of the same month, new state law includes an added “safe harbor” from such requirements. Specifically, the legislation permits impacted businesses to make an advance payment of *either*:

URL: <https://malegislature.gov/Bills/192/H4269>

URL: <https://malegislature.gov/Bills/191/H5164>

1. The tax collected for any taxable sale made during the days in the filing period occurring on or before the twenty-first day of the last month of the filing period; or
2. Not less than 80% of the tax collected on the gross receipts from taxable sales during the immediately preceding filing period.

Please contact us with any questions.

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