

Property:

Massachusetts Appellate Tax Board Says Taxpayer is a Manufacturing Corporation for Property Tax Purposes

Docket Nos. F334706 through F334713, F334772 through F334778, F339718, F339719, F341308, F341309, & F342198 through F342203, Mass. App. Tax Bd. (3/10/22). The Massachusetts Appellate Tax Board (ATB) held that a company providing its customers with software-based solutions for accelerating, managing, and improving the delivery of web and media content over the internet was entitled to classification as a “manufacturing corporation” as a matter of law for all tax years at issue and thus qualified for an applicable property tax exemption under state statutes. The ATB based its conclusion in this property tax case on its state corporate excise tax decision from December 2021 involving the same taxpayer for some overlapping tax years [see Docket Nos. C332360, C334907, C336909, Mass. App. Tax Bd. (12/10/21) and *State Tax Matters*, Issue 2022-2, for more details on this earlier ruling], which held that the taxpayer qualified as a “manufacturing corporation” under G.L. c. 63, § 38, and thus was eligible to use single sales factor apportionment to compute its Massachusetts corporate excise tax liability. Regarding the remaining newer tax years at issue in the current property tax case, the ATB reasoned that no genuine issue of material fact existed, and that the taxpayer had maintained its classification as a “manufacturing corporation” eligible for the property tax exemption because there had been no “material change in its activities” relative to the prior overlapping tax years. Please contact us with any questions.

URL: <https://www.mass.gov/doc/akamai-technologies-inc-v-board-of-assessors-of-the-city-of-cambridge-march-10-2022/download>

URL: <https://www.mass.gov/doc/akamai-technologies-v-commissioner-of-revenue-and-the-board-of-assessors-of-the-city-of-cambridge-intervenor-december-10-2021/download>

URL: https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2022/STM/220114_3.html

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