

HOUSE No. 2753

The Commonwealth of Massachusetts

PRESENTED BY:

Mark J. Cusack

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to contractor rental equipment.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Mark J. Cusack</i>	<i>5th Norfolk</i>	<i>1/17/2023</i>

HOUSE No. 2753

By Representative Cusack of Braintree, a petition (accompanied by bill, House, No. 2753) of Mark J. Cusack relative to the sales tax on contractor rental equipment. Revenue.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Third General Court
(2023-2024)**

An Act relative to contractor rental equipment.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Paragraph (f) of section 6 of chapter 64H of the General Laws, as appearing
2 in the 2020 edition, is amended by adding at the end of said paragraph the following:-

3 "Contractors renting said construction vehicles, equipment, and machinery, including but
4 not limited to office trailers, storage containers, portable restrooms, and vehicles, from a rental
5 vendor shall be required to provide at time of rental a Contractor’s Sales Tax Exempt Purchase
6 Certificate issued by the department of revenue that includes the following: name of exempt
7 organization; exempt number, or in the alternative, the exempt entity’s ST-2; the purchasing
8 contractor or subcontractor’s name; the contract/subcontract date and estimated date of
9 completion (if no estimated date of completion is provided, certificate is valid for a maximum of
10 24 months from the contract date); the contractor’s signature and title; and the location and
11 description of the exempt project. A rental vendor accepting the Contractor’s Sales Tax Exempt
12 Purchase Certificate from the contractor shall be held harmless from collection of the sales/use
13 tax if accepted in good faith. In this paragraph the following words shall have the following

14 meaning: "Rental Vendor" includes a rental business that rents equipment and other tangible
15 personal property in the state under rental agreements for 365 days or less, or under open-ended
16 agreements. "Purchaser" means a contractor or subcontractor that is renting from a rental vendor
17 equipment to be used on a tax exempt project in the state pursuant to this paragraph.
18 "Contractor's Sales Tax Exempt Purchase Certificate" means an exemption form that includes
19 the information provided above. "Good faith" means the acceptance of a completed tax exempt
20 purchase certificate under this paragraph."