

**HOUSE . . . . . No. 165**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

***Robert F. Fennell***

*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 bona fide business entities.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Robert F. Fennell</i>	<i>10th Essex</i>
<i>Tackey Chan</i>	<i>2nd Norfolk</i>
<i>Bruce J. Ayers</i>	<i>1st Norfolk</i>
<i>John J. Lawn, Jr.</i>	<i>10th Middlesex</i>
<i>Robert L. Hedlund</i>	<i>Plymouth and Norfolk</i>

**HOUSE . . . . . No. 165**

By Mr. Fennell of Lynn, a petition (accompanied by bill, House, No. 165) of Robert F. Fennell and others relative to the definition of "bona fide business entities". Community Development and Small Businesses.

**The Commonwealth of Massachusetts**

**In the Year Two Thousand Thirteen**

An Act relative to bona fide business entities.

*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. The Massachusetts General Laws, as appearing in the 2010 official edition, is  
2 hereby amended by inserting after section 93 I the following section.

3 Chapter 93J, Bona Fide Business Entities

4 A business entity that provides services under a written contract is not an employee for  
5 the purposes of Title IX, Taxation, and Title XXI, Labor and Industries, provided that the  
6 business entity is bona fide. A business entity will be deemed to be bona fide if it is shown that:

7 (a) The business entity is registered as such with the Secretary of the Commonwealth and  
8 is in good standing;

9 (b) The business entity includes the compensation it receives for the services it renders on  
10 federal and applicable state tax schedules as income from an independent business or profession;

11 (c) The business entity reports the compensation paid to its employees, if any, to the  
12 Internal Revenue Service and the Massachusetts Department of Revenue; and

13 (d) The business entity complies with federal and state tax, unemployment insurance,  
14 workers' compensation insurance, and labor and employment law obligations with respect to its  
15 employees.