

HOUSE No. 145

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>John J. Lawn, Jr.</i>	<i>10th Middlesex</i>
<i>Bruce J. Ayers</i>	<i>1st Norfolk</i>
<i>Paul McMurtry</i>	<i>11th Norfolk</i>

HOUSE No. 145

By Mr. Fennell of Lynn, a petition (accompanied by bill, House, No. 145) of Robert F. Fennell and others relative to the definition of “bona fide business entities”. Community Development and Small Businesses.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE HOUSE, NO. 165 OF 2013-2014.]

The Commonwealth of Massachusetts

**In the One Hundred and Eighty-Ninth General Court
(2015-2016)**

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 2012 Official Edition, is
2 hereby amended by inserting after Chapter 93K the following new chapter:

3 Chapter 93L, Bona Fide Business Entities

4 Section 1. A business entity that provides services under a written contract is not an
5 employee for the purposes of Title IX, Taxation, and Title XXI, Labor and Industries, provided
6 that the business entity is bona fide. A business entity will be deemed to be bona fide if it is
7 shown that:

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

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

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

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