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HOUSE . . . . . No. 3607

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act Providing For A Local Option Income Tax..

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

Section I. Notwithstanding the provisions of any general or special law to the contrary, any city or town is hereby authorized to replace its residential real estate tax with an income tax. Such tax may be at different rates upon the income derived from different classes of property but shall be derived at a uniform rate throughout the municipality upon the incomes derived from the same class of property. Upon adoption, the total income tax assessed to the municipality shall not exceed the total assessed amount derived form residential real property of the most recent fiscal year. The replacement of the residential real estate tax shall have no effect on the non-residential real estate tax in the city or town. Upon adoption, the said income tax in combination wit the non-residential real estate tax shall be subject to the same terms, restriction, and spending limitations and cap under the provisions of section 21C of chapter 59 of the General Laws.

The adoption of said form of taxation shall be accomplished as hereinafter provided:-

a.) The chief executive officer of the board shall submit question to the legislative body.

b.) The adoption of such form of taxation shall require a two thirds vote of said legislative body.

c.) Upon such adoption by the legislative body it shall be submitted to the voters of the city or town and may be adopted by a majority vote. Said submission shall be no later than 90 days after adoption by the legislative body.