

**SENATE . . . . . No. 1447**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

***James B. Eldridge***

*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 establishing biannual tax incidence reports.**

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>James B. Eldridge</i>	
<i>Carl M. Sciortino, Jr.</i>	<i>34th Middlesex</i>
<i>William N. Brownsberger</i>	
<i>Sheila C. Harrington</i>	<i>1st Middlesex</i>

**SENATE . . . . . No. 1447**

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By Mr. Eldridge, a petition (accompanied by bill, Senate, No. 1447) of James B. Eldridge, Carl M. Sciortino, Jr., William N. Brownsberger and Sheila C. Harrington for legislation to establish biannual tax independence reports. Revenue.

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[SIMILAR MATTER FILED IN PREVIOUS SESSION  
SEE SENATE, NO. 1265 OF 2009-2010.]

**The Commonwealth of Massachusetts**

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**In the Year Two Thousand Eleven**  
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An Act establishing biannual tax incidence reports.

*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. Chapter 14 of the General Laws is hereby amended by adding the  
2 following section:-

3                   Section 12. The commissioners of revenue shall report to the general court by  
4 March 1 of each odd-numbered year on the overall incidence of the income tax, sales and excise  
5 taxes, and property tax. The report shall present information on the distribution of the tax burden  
6 (1) for the overall income distribution, using a system wide incidence measure such as the Suits  
7 index or other appropriate measures of equality and inequality, (2) by income classes, including  
8 at a minimum deciles of the income distribution , and (3) by other appropriate taxpayer  
9 characteristics.

10                   At the request of the chairs of the joint committee on taxation, the  
11 commissioner shall prepare an incidence impact analysis of a bill or a proposal to change the tax  
12 system which increases, decreases, or redistributes taxes by more than \$20,000,000. To the  
13 extent data is available on the changes in the distribution of the tax burden that are affected by  
14 the bill or proposal, the analysis shall report on the incidence effects that would result if the bill  
15 were enacted. The report may present information using system wide measures, such as Suits or  
16 other similar indexes, by income classes, taxpayer characteristics, or other relevant categories.  
17 The report may include analyses of the effect of the bill or proposal on representative taxpayers.  
18 The analysis must include a statement of the incidence assumptions that were used in computing  
19 the burdens.

20                   The incident analysis shall use the broadest measure of economic income for  
21 which reliable data is available.