HOUSE DOCKET, NO. 3052 FILED ON: 1/18/2019

HOUSE . . . . . No. 2434

The Commonwealth of Massachusetts

PRESENTED BY:

Marjorie C. Decker

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 improving the earned income credit for working families.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
Marjorie C. Decker	*25th Middlesex*	*1/18/2019*
Mayor Martin J. Walsh	*1 City Hall Plaza Boston MA 02201-2013*	*1/18/2019*
Carlos González	*10th Hampden*	*1/23/2019*
Sean Garballey	*23rd Middlesex*	*1/23/2019*
Bruce J. Ayers	*1st Norfolk*	*1/30/2019*
Michael J. Barrett	*Third Middlesex*	*1/29/2019*
Jennifer E. Benson	*37th Middlesex*	*1/29/2019*
David Biele	*4th Suffolk*	*1/30/2019*
Natalie M. Blais	*1st Franklin*	*2/1/2019*
Joseph A. Boncore	*First Suffolk and Middlesex*	*2/1/2019*
Michael D. Brady	*Second Plymouth and Bristol*	*2/1/2019*
Paul Brodeur	*32nd Middlesex*	*2/1/2019*
Antonio F. D. Cabral	*13th Bristol*	*1/24/2019*
Peter Capano	*11th Essex*	*2/1/2019*
Michelle L. Ciccolo	*15th Middlesex*	*2/1/2019*
Mike Connolly	*26th Middlesex*	*1/31/2019*
Daniel R. Cullinane	*12th Suffolk*	*1/30/2019*

Linda Dean Campbell	*15th Essex*	*2/1/2019*
Diana DiZoglio	*First Essex*	*1/30/2019*
Mindy Domb	*3rd Hampshire*	*1/30/2019*
Michelle M. DuBois	*10th Plymouth*	*1/29/2019*
James B. Eldridge	*Middlesex and Worcester*	*1/31/2019*
Nika C. Elugardo	*15th Suffolk*	*2/1/2019*
Kenneth I. Gordon	*21st Middlesex*	*1/24/2019*
Tami L. Gouveia	*14th Middlesex*	*2/1/2019*
James K. Hawkins	*2nd Bristol*	*2/1/2019*
Jonathan Hecht	*29th Middlesex*	*1/28/2019*
Natalie M. Higgins	*4th Worcester*	*1/30/2019*
Kevin G. Honan	*17th Suffolk*	*2/1/2019*
Daniel J. Hunt	*13th Suffolk*	*1/30/2019*
Patricia D. Jehlen	*Second Middlesex*	*1/31/2019*
Patrick Joseph Kearney	*4th Plymouth*	*2/1/2019*
Mary S. Keefe	*15th Worcester*	*1/28/2019*
Kay Khan	*11th Middlesex*	*1/29/2019*
David Henry Argosky LeBoeuf	*17th Worcester*	*2/1/2019*
Jack Patrick Lewis	*7th Middlesex*	*2/1/2019*
Jason M. Lewis	*Fifth Middlesex*	*1/23/2019*
Adrian C. Madaro	*1st Suffolk*	*1/29/2019*
Elizabeth A. Malia	*11th Suffolk*	*1/30/2019*
Paul W. Mark	*2nd Berkshire*	*2/1/2019*
Joseph W. McGonagle, Jr.	*28th Middlesex*	*1/31/2019*
Joseph D. McKenna	*18th Worcester*	*1/31/2019*
Paul McMurtry	*11th Norfolk*	*1/30/2019*
Christina A. Minicucci	*14th Essex*	*1/31/2019*
Liz Miranda	*5th Suffolk*	*1/30/2019*
Frank A. Moran	*17th Essex*	*2/1/2019*
Mathew J. Muratore	*1st Plymouth*	*1/29/2019*
Tram T. Nguyen	*18th Essex*	*1/25/2019*
Denise Provost	*27th Middlesex*	*1/30/2019*
Rebecca L. Rausch	*Norfolk, Bristol and Middlesex*	*1/30/2019*
David Allen Robertson	*19th Middlesex*	*1/24/2019*
David M. Rogers	*24th Middlesex*	*1/31/2019*
Jon Santiago	*9th Suffolk*	*1/31/2019*
José F. Tosado	*9th Hampden*	*1/28/2019*
Andres X. Vargas	*3rd Essex*	*2/1/2019*
Tommy Vitolo	*15th Norfolk*	*1/29/2019*

HOUSE DOCKET, NO. 3052 FILED ON: 1/18/2019

HOUSE . . . . . No. 2434

By Ms. Decker of Cambridge, a petition (accompanied by bill, House, No. 2434) of Marjorie C. Decker and others relative to the earned income tax credit. Revenue.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-First General Court
(2019-2020)

An Act improving the earned income credit for working families.

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

SECTION 1. Section 6 of chapter 62 of the General Laws, as amended by section 30 of chapter 154 of the acts of 2018, is hereby amended by striking out subsection (h) and inserting in place thereof the following subsection:-

(h) A taxpayer shall be allowed a credit against the taxes imposed by this chapter if such person qualified for and claimed the earned income credit, so called, allowed under the provisions of section 32 of the Code, as amended and in effect for the taxable year, or such person would otherwise have qualified for the earned income credit or would have been able to claim additional qualifying children for the earned income credit but for subsection (m) of section 32 of the Code. With respect to a person who is a nonresident for all or part of the taxable year, the credit shall be limited to 50 per cent of the federal credit multiplied by a fraction the numerator of which shall be the earned income of the nonresident from Massachusetts sources and the denominator of which shall be the earned income of the nonresident from all sources. The credit allowed by this subsection shall equal 50 per cent of the federal credit received by the

taxpayer, or otherwise eligible to be received by the taxpayer but for subsection (m) of section 32 of the Code for the taxable year. If other credits allowed under this section are utilized by the taxpayer for the taxable year, the credit afforded by this subsection shall be applied last. If the amount of the credit allowed hereunder exceeds the taxpayer's liability, the commissioner shall treat such excess as an overpayment and shall pay the taxpayer the amount of such excess, without interest.

No credit shall be allowed under this subsection for any taxable year within (1) the period of 10 taxable years after the most recent taxable year for which there was a final determination by the commissioner that the taxpayer’s claim of the credit under this subsection was based on information that the taxpayer knew or had reason to know was false, fraudulent or deliberately misleading as to a material matter, or (2) the period of 2 taxable years after the most recent taxable year for which there was a final determination by the commissioner that the taxpayer’s claim of credit under this subsection was due to careless, reckless or intentional disregard by the taxpayer of the tax laws of the commonwealth or of public written statements issued by the commissioner.

In order to ensure the widest possible dissemination of the state and federal earned income credit, the department shall: (i) provide all employers with a multilingual poster and a notice that sets forth the rights to the earned income credit under this chapter; (ii) require that all employers doing business in the commonwealth post information about the earned income credit in a conspicuous location at the place of employment; (iii) coordinate a notification system by the commonwealth about the earned income credit to applicants for and recipients of unemployment insurance under chapter 151A, applicants for and recipients of transitional assistance benefits, including food stamps, under chapter 18, and to recipients of subsidized

health insurance under chapter 118E; and (iv) collaborate with labor organizations, chambers of commerce, municipalities, community-based organizations, and taxpayer advocates to disseminate information about the earned income credit. The multilingual poster and notice requirement in clause (i) shall comply with the requirements for employer's unemployment notices under clauses (i) and (iii) of subsection (d) of section 62A of chapter 151A.

For the purposes of this subsection, a married taxpayer shall satisfy the joint filing requirement under section 32 of the Code if the taxpayer files an income tax return using a filing status of married filing separately and the taxpayer: (i) is living apart from the taxpayer's spouse at the time the taxpayer files the tax return; (ii) is unable to file a joint return because the taxpayer is a victim of domestic abuse; and (iii) indicates on the taxpayer's income tax return that the taxpayer meets the criteria of clauses (i) and (ii).

SECTION 2. Notwithstanding any general or special law or regulation to the contrary and subject to appropriation, the department of revenue shall operate a program to support organizations providing tax assistance services to individuals and families qualifying for the Volunteer Income Tax Assistance Program, in partnership with the Internal Revenue Service, for the provision of said services.

SECTION 3. Section 1 shall take effect on January 1, 2020.

SECTION 4. Section 2 shall take effect on upon this act's passage.