

**HOUSE . . . . . No. 2610**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

*David M. Rogers*

*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 to create more equitable and progressive sources of revenue.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>David M. Rogers</i>	<i>24th Middlesex</i>
<i>Christine P. Barber</i>	<i>34th Middlesex</i>
<i>José F. Tosado</i>	<i>9th Hampden</i>
<i>Patricia D. Jehlen</i>	<i>Second Middlesex</i>
<i>Jack Patrick Lewis</i>	<i>7th Middlesex</i>
<i>Mike Connolly</i>	<i>26th Middlesex</i>

**HOUSE . . . . . No. 2610**

By Mr. Rogers of Cambridge, a petition (accompanied by bill, House, No. 2610) of David M. Rogers and others for legislation to further regulate certain income and corporate taxes. Revenue.

**The Commonwealth of Massachusetts**

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

An Act to create more equitable and progressive sources of revenue.

*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. Section 3 of chapter 62 of the General Laws, as appearing in the 2016  
2 Official Edition, is hereby amended by adding a subsection D to read in its entirety as follows:-

3           In determining the Part A and Part C taxable income of persons who are 65 or older, or  
4 who are disabled, an exemption shall be allowed upon the sum of the Part A and Part C adjusted  
5 gross income of such persons in an amount equal to the lesser of \$2500 and one third of the sum  
6 of such Part A and Part C income for a single person, or a married person filing a separate return,  
7 whose total federal adjusted gross income is less than \$40,000, and in an amount equal to the  
8 lesser of \$5000 and one third of the sum of the Part A and Part C income for a married couple  
9 filing a joint return whose total federal adjusted gross income is less than \$80,000, provided,  
10 however, that if only one spouse is 65 or older or is disabled, the exemption shall not exceed  
11 \$2,500.

12 SECTION 2. Section 4 of chapter 62 of the General Laws, as appearing in the 2016  
13 Official Edition, is hereby amended by striking out subsection (a)(2) and inserting in place  
14 thereof the following:-

15 Part A taxable income consisting of interest and dividends shall be taxed at the rate of  
16 8.95 per cent.

17 SECTION 3. Section 4 of chapter 62 of the General Laws, as appearing in the 2016  
18 Official Edition as amended by 2010, 240, Sec. 111, is hereby further amended by striking out  
19 subsection (c) and inserting in place thereof the following:--

20 Part C taxable income shall be taxed at the rate of 8.95 percent, excepting Part C taxable  
21 income derived from the sale of investments which: (1) are in a corporation which is domiciled  
22 in the commonwealth with a date of incorporation on or after January 1, 2011 which has less  
23 than \$50 million in assets at the time of investment and complies with subsections (e)(1), (e)(2),  
24 (e)(5), and (e)(6) of Section 1202 of the Internal Revenue Service Code; and (2) are held for 3  
25 years or more, which shall be taxed at a rate of 3 per cent; provided, however, that in order to  
26 qualify for the 3 per cent rate, such investments shall be made within 5 years of the date of  
27 incorporation and, to the extent consistent with the provisions of this subsection, shall be in stock  
28 in a corporation that satisfies the requirements for treatment as “qualified small business stock”  
29 under section 1202 ( c) of the federal Internal Revenue Code, without regard to the requirement  
30 that the corporation be a C corporation.

31 SECTION 4. Section 39 of chapter 63 of the General Laws, as appearing in the 2016  
32 Official Edition, is amended by striking out subsection (b) and inserting in place thereof the  
33 following:--

34 (b) A minimum tax as follows:

35 (1) If the total sales of the corporation in the commonwealth during the taxable year, as  
36 defined in section 38(f), are less than \$500,000, the minimum tax shall be \$456.

37 (2) If the total sales of the corporation in the commonwealth during the taxable year, as  
38 defined in section 38(f), are less than \$1 million but not less than \$500,000, the minimum tax  
39 shall be \$500.

40 (3) If the total sales of the corporation in the commonwealth during the taxable year, as  
41 defined in section 38(f), are less than \$5 million but not less than \$1 million, the minimum tax  
42 shall be \$1500.

43 (4) If the total sales of the corporation in the commonwealth during the taxable year, as  
44 defined in section 38(f), are less than \$25 million but not less than \$5 million, the minimum tax  
45 shall be \$3500.

46 (5) If the total sales of the corporation in the commonwealth during the taxable year, as  
47 defined in section 38(f), are less than \$50 million but not less than \$25 million, the minimum tax  
48 shall be \$5000.

49 (6) If the total sales of the corporation in the commonwealth during the taxable year, as  
50 defined in section 38(f), are less than \$100 million but not less than \$50 million, the minimum  
51 tax shall be \$10,000.

52 (7) If the total sales of the corporation in the commonwealth during the taxable year, as  
53 defined in section 38(f), are less than \$250 million but not less than \$100 million, the minimum  
54 tax shall be \$20,000.

55           (8) If the total sales of the corporation in the commonwealth during the taxable year, as  
56 defined in section 38(f), are less than \$500 million but not less than \$250 million, the minimum  
57 tax shall be \$50,000.

58           (9) If the total sales of the corporation in the commonwealth during the taxable year, as  
59 defined in section 38(f), are less than \$1 billion but not less than \$500 million, the minimum tax  
60 shall be \$100,000.

61           (10) If the total sales of the corporation in the commonwealth during the taxable year, as  
62 defined in section 38(f), are not less than \$1 billion, the minimum tax shall be \$200,000.

63           SECTION 5. The provisions of this act shall apply to all taxable years commencing on or  
64 after January 1, 2020.