

**HOUSE . . . . . No.****The Commonwealth of Massachusetts**

PRESENTED BY:

***Christine P. Barber****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 close corporate loopholes and create progressive revenue.**

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Christine P. Barber</i>	<i>34th Middlesex</i>	<i>6/12/2020</i>
<i>Maria Duaime Robinson</i>	<i>6th Middlesex</i>	<i>6/12/2020</i>
<i>Lindsay N. Sabadosa</i>	<i>1st Hampshire</i>	<i>6/12/2020</i>
<i>Dylan A. Fernandes</i>	<i>Barnstable, Dukes and Nantucket</i>	<i>6/12/2020</i>
<i>Steven Ultrino</i>	<i>33rd Middlesex</i>	<i>6/12/2020</i>
<i>Peter Capano</i>	<i>11th Essex</i>	<i>6/12/2020</i>
<i>Tricia Farley-Bouvier</i>	<i>3rd Berkshire</i>	<i>6/12/2020</i>
<i>Joanne M. Comerford</i>	<i>Hampshire, Franklin and Worcester</i>	<i>6/12/2020</i>
<i>David M. Rogers</i>	<i>24th Middlesex</i>	<i>6/12/2020</i>
<i>Tami L. Gouveia</i>	<i>14th Middlesex</i>	<i>6/12/2020</i>
<i>Natalie M. Higgins</i>	<i>4th Worcester</i>	<i>6/12/2020</i>
<i>John Barrett, III</i>	<i>1st Berkshire</i>	<i>6/14/2020</i>
<i>Mary S. Keefe</i>	<i>15th Worcester</i>	<i>6/15/2020</i>
<i>Jack Patrick Lewis</i>	<i>7th Middlesex</i>	<i>6/15/2020</i>
<i>Jason M. Lewis</i>	<i>Fifth Middlesex</i>	<i>6/15/2020</i>
<i>David Henry Argosky LeBoeuf</i>	<i>17th Worcester</i>	<i>6/15/2020</i>
<i>Kay Khan</i>	<i>11th Middlesex</i>	<i>6/15/2020</i>
<i>Denise Provost</i>	<i>27th Middlesex</i>	<i>6/15/2020</i>

<i>Carmin Lawrence Gentile</i>	<i>13th Middlesex</i>	<i>6/15/2020</i>
<i>James K. Hawkins</i>	<i>2nd Bristol</i>	<i>6/15/2020</i>
<i>Nika C. Elugardo</i>	<i>15th Suffolk</i>	<i>6/15/2020</i>
<i>Ruth B. Balser</i>	<i>12th Middlesex</i>	<i>6/15/2020</i>
<i>Carol A. Doherty</i>	<i>3rd Bristol</i>	<i>6/15/2020</i>
<i>Smitty Pignatelli</i>	<i>4th Berkshire</i>	<i>6/15/2020</i>
<i>Tram T. Nguyen</i>	<i>18th Essex</i>	<i>6/15/2020</i>
<i>Tommy Vitolo</i>	<i>15th Norfolk</i>	<i>6/16/2020</i>
<i>Bud L. Williams</i>	<i>11th Hampden</i>	<i>6/16/2020</i>
<i>Jay D. Livingstone</i>	<i>8th Suffolk</i>	<i>6/16/2020</i>
<i>Paul W. Mark</i>	<i>2nd Berkshire</i>	<i>6/16/2020</i>
<i>Mike Connolly</i>	<i>26th Middlesex</i>	<i>6/17/2020</i>
<i>Kevin G. Honan</i>	<i>17th Suffolk</i>	<i>6/17/2020</i>
<i>Natalie M. Blais</i>	<i>1st Franklin</i>	<i>6/17/2020</i>
<i>Mindy Domb</i>	<i>3rd Hampshire</i>	<i>6/17/2020</i>
<i>Aaron Vega</i>	<i>5th Hampden</i>	<i>6/17/2020</i>
<i>Michelle L. Ciccolo</i>	<i>15th Middlesex</i>	<i>6/17/2020</i>
<i>Linda Dean Campbell</i>	<i>15th Essex</i>	<i>6/17/2020</i>
<i>José F. Tosado</i>	<i>9th Hampden</i>	<i>6/17/2020</i>
<i>Lori A. Ehrlich</i>	<i>8th Essex</i>	<i>6/18/2020</i>
<i>Patricia D. Jehlen</i>	<i>Second Middlesex</i>	<i>6/18/2020</i>
<i>Daniel J. Ryan</i>	<i>2nd Suffolk</i>	<i>6/18/2020</i>
<i>Andres X. Vargas</i>	<i>3rd Essex</i>	<i>6/18/2020</i>
<i>Christina A. Minicucci</i>	<i>14th Essex</i>	<i>6/18/2020</i>
<i>Adrian C. Madaro</i>	<i>1st Suffolk</i>	<i>6/19/2020</i>

# HOUSE . . . . . No.

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By Ms. Barber of Somerville, a petition (subject to Joint Rule 12) of Christine P. Barber and others relative to further regulating the inclusion of federal gross income in the calculation of the taxation of corporations and to create progressive revenue. Revenue.

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## The Commonwealth of Massachusetts

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

An Act to close corporate loopholes and create progressive 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 A. Subsection (e) of Section 1 of Chapter 62 of the General Laws, as most  
2 recently amended by chapter 273 of the Acts of 2018, is hereby further amended by striking the  
3 second sentence and replacing it with the following: -- Amounts included in federal gross income  
4 pursuant to section 951 of the Code shall be treated as dividends under this chapter; provided that  
5 amounts included in federal gross income pursuant to section 951A of the Code shall not be  
6 treated as dividends.

7           SECTION B. Subsection (a) of Part B. of Section 3 of said Chapter 62 of the General  
8 Laws is hereby further amended by inserting at the end thereof the following: -- (20) An amount  
9 equal to fifty percent of amounts included in federal gross income pursuant to section 951A of  
10 the Code.

11           SECTION C. The definition of “Net income” in Section 1 of Chapter 63 of the General  
12 Laws, as most recently amended by chapter 273 of the Acts of 2018, is hereby further amended

13 by striking the sixth sentence and replacing it with the following: -- For purposes of this  
14 definition, amounts included in federal gross income pursuant to section 951 of the Code shall be  
15 treated as dividends; provided that amounts included in federal gross income pursuant to section  
16 951A of the Code shall not be treated as dividends.

17 SECTION D. The definition of “Net income” in Section 1 of Chapter 63 of the General  
18 Laws, as most recently amended by chapter 273 of the Acts of 2018, is hereby further amended  
19 by striking subsection (g) and replacing it with the following: -- (g) the deductions allowed by  
20 sections 245A, 250(a)(1)(A), and 965(c) of the Code.

21 SECTION E. Section 2A of said chapter 63, as so amended, is hereby further amended by  
22 striking subsection (h) and replacing it with the following: -- (h) For purposes of this section,  
23 dividends that are deemed to be received from an entity, including amounts included in federal  
24 gross income pursuant to section 951 of the Code, shall not be considered receipts, and amounts  
25 included in federal gross income pursuant to section 951A of the Code also shall not be  
26 considered receipts.

27 SECTION F. Paragraph 4 of Section 30 of said chapter 63, as so amended, is hereby  
28 further amended by striking the fourth sentence and replacing it with the following: -- For  
29 purposes of this section and subsection (a) of section 38, amounts included in federal gross  
30 income pursuant to section 951 of the Code shall be treated as dividends; provided that amounts  
31 included in federal gross income pursuant to section 951A of the Code shall not be treated as  
32 dividends.

33           SECTION G. Said Paragraph 4 of Section 30 of said chapter 63, as so amended, is  
34 hereby further amended by striking clause (viii) and replacing it with the following: -- (viii) the  
35 deductions allowed by sections 245A, 250(a)(1)(A), and 965(c) of the Code.

36           SECTION H. Section 38 of said chapter 63, as so amended, is hereby further amended  
37 by inserting, after the word “dividends” in the first sentence of the second paragraph of  
38 subsection (f) the following: -- , amounts included in federal gross income pursuant to section  
39 951A of the Code,

40           SECTION I. The provisions of this act shall apply to all tax years beginning on or after  
41 January 1, 2020.