

**HOUSE . . . . . No. 2826**

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**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 tax loopholes and create progressive revenue.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Christine P. Barber</i>	<i>34th Middlesex</i>	<i>1/22/2021</i>
<i>Jack Patrick Lewis</i>	<i>7th Middlesex</i>	<i>2/4/2021</i>
<i>Ruth B. Balsler</i>	<i>12th Middlesex</i>	<i>2/4/2021</i>
<i>Maria Duaine Robinson</i>	<i>6th Middlesex</i>	<i>2/4/2021</i>
<i>Tami L. Gouveia</i>	<i>14th Middlesex</i>	<i>2/4/2021</i>
<i>Steven Ultrino</i>	<i>33rd Middlesex</i>	<i>2/4/2021</i>
<i>Frank A. Moran</i>	<i>17th Essex</i>	<i>2/4/2021</i>
<i>Tommy Vitolo</i>	<i>15th Norfolk</i>	<i>2/4/2021</i>
<i>Lindsay N. Sabadosa</i>	<i>1st Hampshire</i>	<i>2/4/2021</i>
<i>Steven C. Owens</i>	<i>29th Middlesex</i>	<i>2/4/2021</i>
<i>Erika Uytterhoeven</i>	<i>27th Middlesex</i>	<i>2/5/2021</i>
<i>Alan Silvia</i>	<i>7th Bristol</i>	<i>2/8/2021</i>
<i>Peter Capano</i>	<i>11th Essex</i>	<i>2/8/2021</i>
<i>Thomas M. Stanley</i>	<i>9th Middlesex</i>	<i>2/8/2021</i>
<i>Carmine Lawrence Gentile</i>	<i>13th Middlesex</i>	<i>2/9/2021</i>
<i>Mike Connolly</i>	<i>26th Middlesex</i>	<i>2/9/2021</i>
<i>Christopher Hendricks</i>	<i>11th Bristol</i>	<i>2/10/2021</i>
<i>Jay D. Livingstone</i>	<i>8th Suffolk</i>	<i>2/17/2021</i>

<i>John J. Lawn, Jr.</i>	<i>10th Middlesex</i>	<i>2/17/2021</i>
<i>Natalie M. Higgins</i>	<i>4th Worcester</i>	<i>2/17/2021</i>
<i>Carol A. Doherty</i>	<i>3rd Bristol</i>	<i>2/17/2021</i>
<i>Brandy Fluker Oakley</i>	<i>12th Suffolk</i>	<i>2/17/2021</i>
<i>David Henry Argosky LeBoeuf</i>	<i>17th Worcester</i>	<i>2/18/2021</i>
<i>Brian W. Murray</i>	<i>10th Worcester</i>	<i>2/18/2021</i>
<i>Sarah K. Peake</i>	<i>4th Barnstable</i>	<i>2/23/2021</i>
<i>Adrian C. Madaro</i>	<i>1st Suffolk</i>	<i>2/23/2021</i>
<i>Michael D. Brady</i>	<i>Second Plymouth and Bristol</i>	<i>2/23/2021</i>
<i>Jason M. Lewis</i>	<i>Fifth Middlesex</i>	<i>2/24/2021</i>
<i>Danillo A. Sena</i>	<i>37th Middlesex</i>	<i>2/24/2021</i>
<i>Tricia Farley-Bouvier</i>	<i>3rd Berkshire</i>	<i>2/24/2021</i>
<i>Dylan A. Fernandes</i>	<i>Barnstable, Dukes and Nantucket</i>	<i>2/25/2021</i>
<i>James J. O'Day</i>	<i>14th Worcester</i>	<i>2/25/2021</i>
<i>Elizabeth A. Malia</i>	<i>11th Suffolk</i>	<i>2/25/2021</i>
<i>Michael S. Day</i>	<i>31st Middlesex</i>	<i>2/25/2021</i>
<i>Christina A. Minicucci</i>	<i>14th Essex</i>	<i>2/26/2021</i>
<i>David M. Rogers</i>	<i>24th Middlesex</i>	<i>2/26/2021</i>
<i>Kevin G. Honan</i>	<i>17th Suffolk</i>	<i>2/26/2021</i>
<i>Sean Garballey</i>	<i>23rd Middlesex</i>	<i>2/26/2021</i>
<i>Vanna Howard</i>	<i>17th Middlesex</i>	<i>2/26/2021</i>
<i>James K. Hawkins</i>	<i>2nd Bristol</i>	<i>2/26/2021</i>
<i>James B. Eldridge</i>	<i>Middlesex and Worcester</i>	<i>2/26/2021</i>
<i>Orlando Ramos</i>	<i>9th Hampden</i>	<i>2/26/2021</i>
<i>Antonio F. D. Cabral</i>	<i>13th Bristol</i>	<i>2/26/2021</i>
<i>Daniel M. Donahue</i>	<i>16th Worcester</i>	<i>2/26/2021</i>
<i>Michelle M. DuBois</i>	<i>10th Plymouth</i>	<i>2/26/2021</i>
<i>Paul W. Mark</i>	<i>2nd Berkshire</i>	<i>2/26/2021</i>
<i>Michelle L. Ciccolo</i>	<i>15th Middlesex</i>	<i>2/26/2021</i>
<i>Tram T. Nguyen</i>	<i>18th Essex</i>	<i>3/3/2021</i>
<i>Edward R. Philips</i>	<i>8th Norfolk</i>	<i>3/3/2021</i>
<i>Patricia A. Duffy</i>	<i>5th Hampden</i>	<i>3/4/2021</i>
<i>Daniel Cahill</i>	<i>10th Essex</i>	<i>3/6/2021</i>
<i>Kenneth I. Gordon</i>	<i>21st Middlesex</i>	<i>3/6/2021</i>
<i>Lori A. Ehrlich</i>	<i>8th Essex</i>	<i>3/6/2021</i>
<i>Daniel J. Ryan</i>	<i>2nd Suffolk</i>	<i>3/16/2021</i>
<i>Mary S. Keefe</i>	<i>15th Worcester</i>	<i>3/21/2021</i>
<i>Meghan Kilcoyne</i>	<i>12th Worcester</i>	<i>4/1/2021</i>
<i>Patrick M. O'Connor</i>	<i>Plymouth and Norfolk</i>	<i>4/1/2021</i>

<i>Natalie M. Blais</i>	<i>1st Franklin</i>	<i>4/8/2021</i>
<i>Kay Khan</i>	<i>11th Middlesex</i>	<i>4/8/2021</i>
<i>Rebecca L. Rausch</i>	<i>Norfolk, Bristol and Middlesex</i>	<i>4/29/2021</i>
<i>Patricia D. Jehlen</i>	<i>Second Middlesex</i>	<i>4/29/2021</i>
<i>Julian Cyr</i>	<i>Cape and Islands</i>	<i>5/11/2021</i>
<i>Paul R. Feeney</i>	<i>Bristol and Norfolk</i>	<i>6/21/2021</i>
<i>Marcos A. Devers</i>	<i>16th Essex</i>	<i>7/21/2021</i>
<i>Liz Miranda</i>	<i>5th Suffolk</i>	<i>1/27/2022</i>

**HOUSE . . . . . No. 2826**

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By Ms. Barber of Somerville, a petition (accompanied by bill, House, No. 2826) 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-Second General Court  
(2021-2022)**  
\_\_\_\_\_

An Act to close corporate tax 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, 2021.