

HOUSE No. 3082

The Commonwealth of Massachusetts

PRESENTED BY:

Erika Uytterhoeven

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 relative to income tax rates.

PETITION OF:

| NAME: | DISTRICT/ADDRESS: | DATE ADDED: |
|---------------------------|-----------------------|------------------|
| <i>Erika Uytterhoeven</i> | <i>27th Middlesex</i> | <i>2/18/2021</i> |

HOUSE No. 3082

By Ms. Uytterhoeven of Somerville, a petition (accompanied by bill, House, No. 3082) of Erika Uytterhoeven relative to income tax rates. Revenue.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Second General Court
(2021-2022)**

An Act relative to income tax rates.

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 4 of Chapter 62 of the General Laws is hereby amended by striking
2 lines 10 and 11, inclusive, and inserting in place thereof the following:-

3 (b) Part B taxable income shall be taxed at the rate of 6.0 per cent for tax years beginning
4 on or after January 1, 2021.

5 SECTION 2. Subparagraph (1) of paragraph (b) of part B of section 3 of chapter 62 of the
6 General Laws, as appearing in the 2016 Official Edition, is hereby amended by striking out
7 clause (A) and inserting in place thereof the following clause:-

8 (A) a personal exemption of \$6,600 for tax years beginning on or after January 1, 2021,

9 For taxable years beginning on or after January 1, 2022, the personal exemption shall be:

10 (i) the exemption in the previous year plus \$275 if the inflation-adjusted growth in baseline taxes
11 in the fiscal year ending the June 30 of the previous year exceeds 2.5 per cent and the inflation-
12 adjusted change in baseline taxes for each consecutive 3 month period reported by the

13 commissioner between August and December of the previous year is greater than 0; or (ii) the
14 personal exemption in effect for the prior year. On or before October 15 of each year, the
15 commissioner shall submit a report to the secretary of administration, the house and senate
16 committees on ways and means and the joint committee on revenue providing a preliminary
17 statement of the personal exemption for taxable years beginning on or after the following
18 January 1. On or before December 15, the commissioner shall make a final statement of the
19 personal exemption for the following year to the same recipients.

20 SECTION 3. Subparagraph (1A) of said paragraph (b) of said part B of said section 3 of
21 said chapter 62, as so appearing, is hereby amended by striking out clause (A) and inserting in
22 place thereof the following clause:-

23 (A) a personal exemption of \$10,200 for tax years beginning on or after January 1, 2021,

24 For taxable years beginning on or after January 1, 2022, the personal exemption shall be:

25 (i) the exemption in the previous year plus \$425 if the inflation-adjusted growth in baseline taxes
26 in the fiscal year ending the June 30 of the previous year exceeds 2.5 per cent and the inflation-
27 adjusted change in baseline taxes for each consecutive 3 month period reported by the
28 commissioner between August and December of the previous year is greater than 0; or (ii) the
29 personal exemption in effect for the prior year. On or before October 15 of each year, the
30 commissioner shall submit a report to the secretary of administration, the house and senate
31 committees on ways and means and the joint committee on revenue providing a preliminary
32 statement of the personal exemption for taxable years beginning on or after the following
33 January 1. On or before December 15, the commissioner shall make a final statement of the
34 personal exemption for the following year to the same recipients.

35 SECTION 4. Subparagraph (2) of said paragraph (b) of said part B of said section 3 of
36 said chapter 62, as so appearing, is hereby amended by striking out clause (A) and inserting in
37 place thereof the following clause:-

38 (A) a personal exemption of \$13,200 for tax years beginning on or after January 1, 2021,

39 For taxable years beginning on or after January 1, 2022, the personal exemption shall be:

40 (i) the exemption in the previous year plus \$550 if the inflation-adjusted growth in baseline taxes
41 in the fiscal year ending the June 30 of the previous year exceeds 2.5 per cent and the inflation-
42 adjusted change in baseline taxes for each consecutive 3 month period reported by the
43 commissioner between August and December of the previous year is greater than 0; or (ii) the
44 personal exemption in effect for the prior year. On or before October 15 of each year, the
45 commissioner shall submit a report to the secretary of administration, the house and senate
46 committees on ways and means and the joint committee on revenue providing a preliminary
47 statement of the personal exemption for taxable years beginning on or after the following
48 January 1. On or before December 15, the commissioner shall make a final statement of the
49 personal exemption for the following year to the same recipients.