

SENATE No. 2070

The Commonwealth of Massachusetts

PRESENTED BY:

Adam G. Hinds

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 establishing a public protection division within the department of revenue.

PETITION OF:

NAME:

Adam G. Hinds

DISTRICT/ADDRESS:

*Berkshire, Hampshire, Franklin and
Hampden*

SENATE No. 2070

By Mr. Hinds, a petition (accompanied by bill, Senate, No. 2070) of Adam G. Hinds for legislation to establish a public protection division within the department of revenue. State Administration and Regulatory Oversight.

The Commonwealth of Massachusetts

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

An Act establishing a public protection division within the department 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. Chapter 14 of the General Laws is hereby amended by inserting after
2 Section 1A, the following new section:-

3 Section 1B. (a) There shall be within the department of revenue a division of public
4 protection headed by a deputy commission, and such other administrative units as may be
5 established in or assigned to said division from time to time by the commissioner. Said deputy
6 commissioner shall be appointed by the commissioner with the approval of the secretary of
7 administration and finance, and may be removed in like manner, shall be a person of ability and
8 experience and shall devote their entire time to the duties of their office. Said position shall not
9 be subject to the provisions of chapter thirty-one or section nine A of chapter thirty. Said division
10 shall be a separate administrative unit within the department, operating independent of and apart
11 from the operational state and local tax or finance units therein. Said division shall be provided

12 with such resources as may be necessary to carry out its mission as set forth in subsection (b) of
13 this section.

14 (b) The mission of the division shall be to investigate and regulate practices and
15 transactions undertaken with the primary purpose of reducing or otherwise dodging state tax
16 obligations. The division shall have the authority to collect any necessary information from tax
17 filings to fulfill its mission. The division shall be made aware of any new product
18 commercialized by the tax-planning industry including, but not limited to intragroup sales of
19 intellectual property, investments in false partnerships, and generation-skipping trusts.

20 (c) The division shall issue reports annually on December 31 detailing its activities,
21 including information about the demographics of the individuals and businesses that the
22 department of revenue placed under audit during the previous calendar year. Said reports shall
23 not include any personal identifying information about any individuals or businesses and shall
24 only contain broad data sets. The division shall file its reports annually with the clerks of the
25 house and senate, the chairs of the joint committee on revenue, and the house and senate chairs
26 of the committees on ways & means. The divisions shall also make the report available to the
27 public online and in printed copy upon request.