

SENATE No. 1798

The Commonwealth of Massachusetts

PRESENTED BY:

James B. Eldridge

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 reduce poverty by expanding the EITC and the child and family tax credit.

PETITION OF:

| NAME: | DISTRICT/ADDRESS: | |
|----------------------------|--|------------------|
| <i>James B. Eldridge</i> | <i>Middlesex and Worcester</i> | |
| <i>Sal N. DiDomenico</i> | <i>Middlesex and Suffolk</i> | |
| <i>Rebecca L. Rausch</i> | <i>Norfolk, Worcester and Middlesex</i> | <i>1/23/2023</i> |
| <i>Joanne M. Comerford</i> | <i>Hampshire, Franklin and Worcester</i> | <i>1/24/2023</i> |
| <i>Michael D. Brady</i> | <i>Second Plymouth and Norfolk</i> | <i>1/26/2023</i> |
| <i>Christine P. Barber</i> | <i>34th Middlesex</i> | <i>1/30/2023</i> |
| <i>Jason M. Lewis</i> | <i>Fifth Middlesex</i> | <i>2/1/2023</i> |
| <i>John F. Keenan</i> | <i>Norfolk and Plymouth</i> | <i>2/10/2023</i> |
| <i>Patricia D. Jehlen</i> | <i>Second Middlesex</i> | <i>3/3/2023</i> |
| <i>Adam Gomez</i> | <i>Hampden</i> | <i>3/14/2023</i> |

SENATE No. 1798

By Mr. Eldridge, a petition (accompanied by bill, Senate, No. 1798) of James B. Eldridge, Sal N. DiDomenico, Rebecca L. Rausch, Joanne M. Comerford and other members of the General Court for legislation to improve the earned income credit for healthier families. Revenue.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. 1852 OF 2021-2022.]

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Third General Court
(2023-2024)**

An Act to reduce poverty by expanding the EITC and the child and family tax credit.

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. Paragraph (b) of Part B of section 3 of chapter 62 of the General Laws, as
2 appearing in the 2020 Official Edition, is hereby amended by striking out subparagraph 3.

3 SECTION 2. Section 6 of said chapter 62, as most recently amended by section 33 of
4 chapter 102 of the Acts of 2021, is hereby amended by striking out, in lines 245 and 250, the
5 figure “30” and inserting in place thereof, in each instance, the following figure:- 50.

6 SECTION 3. The first paragraph of said section 6 of said chapter 62, as so amended, is
7 hereby further amended by adding the following sentence:- A taxpayer may claim a credit under
8 this section, using either a Social Security number or an individual taxpayer identification
9 number, if but for section 32(m) of the Code, the taxpayer would be eligible to claim a credit.

10 SECTION 4. Said section 6 of said chapter 62, as so amended, is hereby further amended
11 by inserting, in line 252, after the word “year” the following words:- provided, however that for
12 each additional qualifying child, as defined in section 32 (b) of the Code, above 3 children, the
13 per cent of the federal credit shall increase by 5 percentage points per qualifying child.

14 SECTION 5. Said section 6 of said chapter 62, as so amended, is hereby further amended
15 by striking out subsections (x) and (y) and inserting in place thereof the following subsection:-
16 (x) (1) A taxpayer who maintains a household that includes as a member: (A) at least 1
17 individual who qualifies for an exemption as a dependent under section 151 of the Code; (B) at
18 least 1 qualifying individual, as defined in said section 21 of the Code; or (C) at least 1
19 individual who is: (I) disabled; and (II) who qualifies as a dependent under section 152 of the
20 Code, shall be allowed a credit in an amount equal to \$600 for each such dependent or qualifying
21 individual with respect to the taxpayer.

22 (2) A taxpayer who maintains a household that does not include a member listed in the
23 first paragraph of this subsection shall be allowed a credit in an amount equal to \$600.

24 (3) If a taxpayer is married at the close of the taxable year, the credit provided in this
25 subsection shall be allowed if the taxpayer and the taxpayer’s spouse file a joint return for the
26 taxable year or if the taxpayer qualifies as a head of household under section 2(b) of the Code

27 (4) For the purposes of this subsection, “maintains a household” shall have the same
28 meaning as in section 21 of the Code. (5) With respect to a taxpayer who is a non-resident for
29 part of the taxable year, the credit shall be further limited to the amount of allowable credit
30 multiplied by a fraction, the numerator of which shall be the number of days in the taxable year
31 the person resided in the commonwealth and the denominator of which shall be the number of

32 days in the taxable year. A person who is a non-resident for the entire taxable year shall not be
33 allowed the credit. If the amount of the credit allowed under this subsection exceeds the
34 taxpayer's tax liability, the commissioner shall treat the excess as an overpayment and shall pay
35 the taxpayer the entire amount of the excess without interest. (6) The department shall adjust the
36 figures set forth in the first and second paragraphs of this subsection annually to reflect increases
37 in the cost of living by the same method used for federal income tax brackets.

38 SECTION 6. In order to ensure the widest possible dissemination of state and federal tax
39 credits that are aimed to reduce poverty, the department shall: (i) include multilingual
40 information by video and text in its website about state and federal tax credits, free tax
41 preparation services, and low-income taxpayer clinics; (ii) provide all employers with a
42 multilingual poster and a notice that sets forth the rights under this chapter; (iii) require that all
43 employers doing business in the commonwealth post information about tax credits in a
44 conspicuous location at the place of employment; (iv) coordinate a notification system by the
45 commonwealth about tax credit to applicants for and recipients of unemployment insurance
46 under chapter 151A, applicants for and recipients of transitional assistance benefits, including
47 food stamps, under chapter 18, and to recipients of subsidized health insurance under chapter
48 118E; and (v) collaborate with labor organizations, chambers of commerce, municipalities,
49 community-based organizations, and taxpayer advocates to disseminate information about tax
50 credits. The multilingual poster and notice requirement in clause (i) shall comply with the
51 requirements for employer's unemployment notices under clauses (i) and (iii) of subsection (d)
52 of section 62A of chapter 151A.