

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.

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

SECTION 5. Said section 6 of said chapter 62, as so amended, is hereby further amended by striking out subsections (x) and (y) and inserting in place thereof the following subsection:-

(x) (1) A taxpayer who maintains a household that includes as a member: (A) at least 1 individual who qualifies for an exemption as a dependent under section 151 of the Code; (B) at least 1 qualifying individual, as defined in said section 21 of the Code; or (C) at least 1 individual who is: (I) disabled; and (II) who qualifies as a dependent under section 152 of the Code, shall be allowed a credit in an amount equal to \$600 for each such dependent or qualifying individual with respect to the taxpayer.

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

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

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

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

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