

SENATE No. 1768

The Commonwealth of Massachusetts

PRESENTED BY:

Joanne M. Comerford

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 improving the earned income credit for working families.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
<i>Joanne M. Comerford</i>	<i>Hampshire, Franklin and Worcester</i>	
<i>Michael J. Barrett</i>	<i>Third Middlesex</i>	<i>1/27/2023</i>
<i>Jason M. Lewis</i>	<i>Fifth Middlesex</i>	<i>1/31/2023</i>
<i>Sal N. DiDomenico</i>	<i>Middlesex and Suffolk</i>	<i>5/22/2023</i>

SENATE No. 1768

By Ms. Comerford, a petition (accompanied by bill, Senate, No. 1768) of Joanne M. Comerford, Michael J. Barrett and Jason M. Lewis for legislation to improve the earned income credit for working families. Revenue.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. 1821 OF 2021-2022.]

The Commonwealth of Massachusetts

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

An Act improving the earned income credit for working families.

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 6 of chapter 62 of the General Laws is hereby amended by striking
2 out subsection (h) and inserting in place thereof the following subsection:-

3 (h) (1) A taxpayer shall be allowed a credit against the taxes imposed by this chapter if
4 such person qualified for and claimed the earned income credit, so called, allowed under the
5 provisions of section 32 of the Code, as amended and in effect for the taxable year, or such
6 person would otherwise have qualified for the earned income credit or would have been able to
7 claim additional qualifying children for the earned income credit but for subsection (m) of
8 section 32 of the Code. With respect to a person who is a nonresident for all or part of the taxable
9 year, the credit shall be limited to 50 per cent of the federal credit multiplied by a fraction the
10 numerator of which shall be the earned income of the nonresident from Massachusetts sources

and the denominator of which shall be the earned income of the nonresident from all sources.

The credit allowed by this subsection shall equal 50 per cent of the federal credit received by the taxpayer, or otherwise eligible to be received by the taxpayer but for subsection (m) of section 32 of the Code for the taxable year. If other credits allowed under this section are utilized by the taxpayer for the taxable year, the credit afforded by this subsection shall be applied last. If the amount of the credit allowed hereunder exceeds the taxpayer's liability, the commissioner shall treat such excess as an overpayment and shall pay the taxpayer the amount of such excess, without interest.

(2) For the purposes of this subsection, a married taxpayer shall satisfy the joint filing requirement under section 32 of the Code if the taxpayer files an income tax return using a filing status of married filing separately and the taxpayer: (i) is living apart from the taxpayer's spouse at the time the taxpayer files the tax return; (ii) is unable to file a joint return because the taxpayer is a victim of domestic abuse; and (iii) indicates on the taxpayer's income tax return that the taxpayer meets the criteria of clauses (i) and (ii).

(3) For the purposes of this subsection, an individual (or, if the individual is married, either the individual or the individual's spouse) who has attained age 18 before the close of the taxable year, shall be deemed to have satisfied the eligibility requirement under subsection (c)(1)(A)(ii)(ii) of section 32 of the Code.

(4) In order to ensure the widest possible dissemination of the state and federal earned income credit, the department shall: (i) provide all employers with a multilingual poster and a notice that sets forth the rights to the earned income credit under this chapter; (ii) require that all employers doing business in the commonwealth post information about the earned income credit

in a conspicuous location at the place of employment; (iii) coordinate a notification system by the commonwealth about the earned income 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 (iv) collaborate with labor organizations, chambers of commerce, municipalities, community-based organizations, and taxpayer advocates to disseminate information about the earned income credit. 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.

SECTION 2. Section 1 of this act shall be effective January 1, 2024.