

# SENATE . . . . . No.

---

## The Commonwealth of Massachusetts

PRESENTED BY:

***Jason M. Lewis***

*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 combating offshore tax avoidance.**

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
<i>Jason M. Lewis</i>	<i>Fifth Middlesex</i>	
<i>Liz Miranda</i>	<i>Second Suffolk</i>	<i>1/23/2025</i>
<i>Paul W. Mark</i>	<i>Berkshire, Hampden, Franklin and Hampshire</i>	<i>1/23/2025</i>
<i>Carmine Lawrence Gentile</i>	<i>13th Middlesex</i>	<i>1/23/2025</i>
<i>James B. Eldridge</i>	<i>Middlesex and Worcester</i>	<i>1/27/2025</i>
<i>Michael D. Brady</i>	<i>Second Plymouth and Norfolk</i>	<i>1/31/2025</i>
<i>Sal N. DiDomenico</i>	<i>Middlesex and Suffolk</i>	<i>1/31/2025</i>
<i>Rebecca L. Rausch</i>	<i>Norfolk, Worcester and Middlesex</i>	<i>1/31/2025</i>
<i>Joanne M. Comerford</i>	<i>Hampshire, Franklin and Worcester</i>	<i>1/31/2025</i>

# SENATE . . . . . No.

---

[Pin Slip]

---

[SIMILAR MATTER FILED IN PREVIOUS SESSION  
SEE SENATE, NO. 1925 OF 2023-2024.]

## The Commonwealth of Massachusetts

\_\_\_\_\_  
In the One Hundred and Ninety-Fourth General Court  
(2025-2026)  
\_\_\_\_\_

An Act combating offshore tax avoidance.

*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. Subsection (e) of section 1 of chapter 62 of the General Laws, as appearing  
2 in the 2022 Official Edition, is hereby amended by striking the second sentence and replacing it  
3 with the following sentence:-

4           Amounts included in federal gross income pursuant to section 951 of the Code shall be  
5 treated as dividends under this chapter; provided that amounts included in federal gross income  
6 pursuant to section 951A of the Code shall not be treated as dividends.

7           SECTION 2. Subsection (a) of Part B. of section 3 of said chapter 62 of the General  
8 Laws is hereby amended by inserting at the end thereof the following:-

9           (20) An amount equal to fifty percent of amounts included in federal gross income  
10 pursuant to section 951A of the Code.

SECTION 3. The definition of “Net income” in section 1 of chapter 63 of the General Laws, as most recently amended by chapter 273 of the Acts of 2018, is hereby amended by striking the sixth sentence and replacing it with the following sentence:-

For purposes of this definition, amounts included in federal gross income pursuant to section 951 of the Code shall be treated as dividends; provided that amounts included in federal gross income pursuant to section 951A of the Code shall not be treated as dividends.

SECTION 4. Said definition of “Net income” in said section 1 of said chapter 63 of the General Laws, as so amended, is hereby further amended by striking subsection (g) and replacing it with the following subsection:-

(g) the deductions allowed by sections 245A, 250 and 965(c) of the Code; provided, however, that a deduction shall be allowed for an amount equal to fifty percent of amounts included in federal gross income pursuant to section 951A of the Code.

SECTION 5. Section 2A of said chapter 63 of the General Laws, as so amended, is hereby amended by striking subsection (h) and replacing it with the following subsection:-

(h) For purposes of this section, dividends that are deemed to be received from an entity, including amounts included in federal gross income pursuant to section 951 of the Code, shall not be considered receipts, and amounts included in federal gross income pursuant to section 951A of the Code also shall not be considered receipts.

SECTION 6. Paragraph 4 of section 30 of said chapter 63, as so amended, is hereby amended by striking the fourth sentence and replacing it with the following sentence:-

For purposes of this section and subsection (a) of section 38, amounts included in federal gross income pursuant to section 951 of the Code shall be treated as dividends; provided that amounts included in federal gross income pursuant to section 951A of the Code shall not be treated as dividends.

SECTION 7. Said paragraph 4 of said section 30 of said chapter 63, as so amended, is hereby further amended by striking clause (viii) and replacing it with the following clause:-

(viii) the deductions allowed by sections 245A, 250 and 965(c) of the Code; provided, however, that a deduction shall be allowed for an amount equal to fifty percent of amounts included in federal gross income pursuant to section 951A of the Code.

SECTION 8. Subsection (f) of section 38 of said chapter 63, as so amended, is hereby amended by inserting, in line 136, after the word “dividends”, the following:- , amounts included in federal gross income pursuant to section 951A of the Code,

SECTION 9. The provisions of this Act shall apply to all tax years beginning on or after January 1, 2025.