. . No. 1432 **SENATE**

The Commonwealth of Massachusetts

PRESENTED BY:

Benjamin B. Downing

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 passage of the accompanying:

An Act encouraging retirement savings for self-employed individuals.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Benjamin B. Downing	Berkshire, Hampshire, and Franklin

FILED ON: 1/20/2011

SENATE No. 1432

By Mr. Downing, a petition (accompanied by bill, Senate, No. 1432) of Benjamin B. Downing for legislation to encourage retirement savings for self-employed individuals. Revenue.

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act encouraging retirement savings for self-employed individuals.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- SECTION 1: Paragraph (1) of subsection (d) of section 2 of chapter 62 of the General Laws is hereby amended by repealing clause (D)? as appearing in the 2008 Official Edition, and inserting in place thereof the following section:-
- 4 (D) In the case of an individual who is an employee within the meaning of section
- 5 401(c)(1) of the Code, the deductions allowed by section 404 of the Code to the extent
- 6 attributable to contributions made on behalf of such individual, except that deductions
- 7 attributable to elective contributions made by such individual shall be allowed to the extent they
- 8 do not exceed the limitation amounts in section 402(g)(1) of the Code. No contribution on
- 9 behalf of such individual shall be treated as an excess contribution under this chapter unless
- 10 treated as an excess contribution for federal tax purposes in the year made.
- SECTION 2: Section 1 is effective for tax years beginning on January 1, 2008.