

# SENATE . . . . . No. 1345

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## The Commonwealth of Massachusetts

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PRESENTED BY:

***Brian A. Joyce***  
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*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 abolish the sting tax..

\_\_\_\_\_  
PETITION OF:

NAME:

*Brian A. Joyce*

DISTRICT/ADDRESS:

*Norfolk, Bristol and Plymouth*

# SENATE . . . . . No. 1345

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By Mr. Joyce, a petition (accompanied by bill, Senate, No. 1345) of Brian A. Joyce for legislation to abolish the sting tax. Revenue.

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[SIMILAR MATTER FILED IN PREVIOUS SESSION  
SEE SENATE, NO. 1461 OF 2011-2012.]

## The Commonwealth of Massachusetts

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**In the Year Two Thousand Thirteen**  
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An Act to abolish the sting tax..

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

1 Chapter 63 of the General Laws, as appearing in the 2010 Official Edition, is hereby  
2 amended by striking out section 32D and inserting in place thereof the following section:-

3 Section 32D. (a) A business corporation subject to an excise under section 32 or 39 which  
4 is an S corporation or a qualified subchapter S subsidiary, as defined under section 1361 of the  
5 Code, as amended and in effect for the taxable year, shall determine the net income measure of  
6 the excise as follows:

7 The net income shall be determined by taking into account sub-chapter S of said Code.  
8 Income or loss shall be determined as if it were realized or incurred directly by an owner subject  
9 to taxation under chapter 62 or 63, as applicable. In the case of an S corporation, income shall be  
10 included in the net income measure under this sub-section to the extent that the income is taxed  
11 to the S corporation for federal income tax purposes. In the case of a qualified subchapter S  
12 subsidiary, income shall be included in the net income measure under this subsection to the  
13 extent that the income would have been taxed to the subchapter S subsidiary for federal income  
14 tax purposes had it been treated as a separate corporation.

15 (b) For purposes of this section, in determining the net income of a qualified subchapter S  
16 subsidiary, its gross income shall be determined by computing its gross income as defined under  
17 the Code as if it had been taxed as a separate corporation for federal income tax purposes.