

COMMITTEE ON REVENUE ~ BILL SUMMARY

Bill Number: S.1922

Name: AN ACT RELATIVE TO THE MASSACHUSETTS FUND FOR VULNERABLE COUNTRIES MOST AFFECTED BY CLIMATE CHANGE

Sponsor(s): Sen. Michael J. Barrett (Lexington)

Hearing Date: April 8, 2025

Prior History: 2023-24 (S.1756): Reported favorably; referred to SWM
2021-22 (S.1796): Reported favorably; referred to SWM
2019-20 (S.1602): Reported favorable as new draft S.2678; Referred to Senate Ways and Means
2017-18 (S.2056): Reported favorably as a new draft (S.2232); referred to Senate Ways and Means

CURRENT LAW:

M.G.L. c. 62 §§ 6C, 6D, 6E, 6G, 6H, 6K, 6M – Voluntary contributions to certain Funds: Certain check-off or voluntary contribution boxes appear on the Massachusetts Resident Income Tax, Form 1. They enable taxpayers to voluntarily contribute a portion of their refund or pay a specified amount in addition to their taxes owed to various Funds. To date, taxpayers may elect to donate to the Massachusetts State Election Campaign Fund (§ 6C), the Natural Heritage and Endangered Species Fund (§ 6D), the Organ Transplant Fund (§ 6E), the Massachusetts AIDS Fund (§ 6G), the Massachusetts United States Olympic Fund (§ 6H), the Massachusetts Military Family Relief Fund (§ 6K), and the Homeless Animal Prevention and Care Fund (§ 6M).

PROPOSED CHANGE(S):

This legislation would create a “Massachusetts Fund for Vulnerable Countries Most Affected by Climate Change” (the MFVC) and authorize taxpayers to voluntarily contribute all or part of their tax refund or to donate a stated amount on their tax form to the Fund. DOR would be required to clearly indicate on its tax forms a way for taxpayers to make such contributions.

Monies deposited into the MFVC would be used solely to further the mission of the United Nations Least Developed Countries Fund (the “UN LDCF”) and could be transferred directly from the MFVC to the UN LDCF or to non-profits working with the UN LDCF.

The bill would also create a system for removing voluntary contribution options from tax forms. Any voluntary contribution option that fails to receive at least 80% of the average receipts of all the voluntary contribution options in any of the previous 5 years will be taken off the tax forms and will not be put back on the forms for at least another 5 years. Voluntary contribution options that have existed for less than 5 years must also meet that requirement in order to remain on the tax forms beyond the 5th year of existence.

The bill sets a limit of 9 total and no fewer than 3 voluntary contribution options allowed on a tax form at one time. It allows DOR to relax the requirements described above if there would be fewer than 3 voluntary contribution options. The administrator of each voluntary contribution options (the person or entity charged with possession and proper dispersal of the monies received) would be required to publish an annual report detailing receipts and dispersals. Each such voluntary contribution option would be subject to audit by the State Auditor at least once every 5 years and could be investigated by the Attorney General or DOR at any time.