

SENATE No. 310

The Commonwealth of Massachusetts.

SENATE, March 9, 1926.

The committee on Taxation to whom was referred so much of the recommendations of the Commissioner of Corporations and Taxation (House, No. 63) as relates to providing for the taxation of foreign corporations engaged exclusively in interstate or foreign commerce (House, No. 82) report the accompanying bill (Senate, No. 310).

For the committee,

ERLAND F. FISH.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Twenty-Six.

An Act providing for the Taxation of Foreign Corporations engaged exclusively in Interstate or Foreign Commerce or Both.

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 thirty of chapter sixty-
2 three of the General Laws as amended by chapter
3 three hundred and two of the acts of nineteen
4 hundred and twenty-two, by section three of
5 chapter two hundred and fifty-four and section
6 five of chapter four hundred and thirty-eight,
7 both of the acts of nineteen hundred and twenty-
8 three, by section two of chapter twenty-six of
9 the acts of nineteen hundred and twenty-four,
10 and by section one of chapter two hundred and
11 sixty-five, section one of chapter three hundred
12 and one, and section one A of chapter three
13 hundred and forty-three, all of the acts of nine-
14 teen hundred and twenty-five, is hereby further
15 amended by adding at the end of paragraph two
16 of said section, the words:— and provided,
17 further, that the term “foreign corporation” shall
18 not be deemed to include foreign corporations
19 engaged in this commonwealth exclusively in inter-

20 state or foreign commerce or both except as
21 provided in section forty C, so that said para-
22 graph two will read as follows:—2. “Foreign
23 corporation”, every corporation, association or
24 organization established, organized or chartered
25 under laws other than those of the commonwealth,
26 for purposes for which domestic corporations
27 may be organized under chapter one hundred and
28 fifty-six, which has a usual place of business in
29 this commonwealth, or is engaged here, perman-
30 ently or temporarily, in the construction, erection,
31 alteration or repair of a building, bridge, railroad,
32 railway or structure of any kind; provided, that
33 said term shall not apply to such corporations,
34 associations or organizations without capital stock
35 as are subject to taxation under section eighteen
36 of chapter one hundred and fifty-seven, and pro-
37 vided, further, that the term “foreign corpor-
38 ation” shall not be deemed to include foreign
39 corporations engaged in this commonwealth ex-
40 clusively in interstate or foreign commerce or
41 both except as provided in section forty C.

1 SECTION 2. Said chapter sixty-three is hereby
2 further amended by inserting the following new
3 sections:—

4 *Section 40A.* Every corporation, association
5 or organization established, organized or chartered
6 under laws other than those of the commonwealth
7 for purposes for which domestic corporations may
8 be organized under chapter one hundred and
9 fifty-six, which has a usual place of business in

10 this commonwealth, and is engaged in this com-
11 monwealth exclusively in interstate or foreign
12 commerce or both shall annually, between the
13 first and the tenth days of April, make returns to
14 the commissioner of corporations and taxation as
15 provided in section forty of chapter sixty-three.

16 *Section 40B.* Every corporation described in
17 the foregoing section shall except as provided in
18 section forty C be subject to taxation upon all
19 of their real estate and tangible personal property
20 within the commonwealth on the first day of
21 April of each year.

22 *Section 40C.* Any corporation described in
23 section forty A may, upon giving notice to the
24 commissioner as provided in this section, file with
25 him an agreement to be taxed under the pro-
26 visions of sections thirty-nine to forty-three, in-
27 clusive, of chapter sixty-three. Corporations fil-
28 ing such an agreement in any one year shall
29 thereby submit themselves to taxation under the
30 said sections and shall be subject to all the pro-
31 visions of said sections and the provisions of
32 said chapter relating to assessments and col-
33 lections in the year for which they file the
34 agreement. In case of any breach of the terms
35 of any such agreement, the same may be enforced
36 by information in equity brought by the attorney
37 general at the relation of the commissioner in the
38 supreme judicial court for Suffolk county. This
39 remedy shall be in addition to all other means
40 of collection provided by chapter sixty-three and
41 to the penalties therein imposed. Corporations

42 intending to file such agreement with the com-
43 missioner shall give notice to him, in writing, on
44 or before the twentieth day of February in each
45 year when they are to file such agreement, and
46 in such years after filing the agreement they shall
47 not be subject to the tax imposed by section forty
48 B or other local taxation, except as to real estate
49 and machinery used in the conduct of the business.

1 SECTION 3. This act shall take effect as of
2 January first, nineteen hundred and twenty-six
3 and shall apply to taxes assessed in the year
4 nineteen hundred and twenty-six and thereafter.

