

# HOUSE . . . . No. 998

---

---

By Mr. Porter of Agawam, petition of Henry F. Long (Commissioner of Corporations and Taxation) for legislation to change the deductions allowed in determining business income under the personal income tax law. Taxation.

---

---

## The Commonwealth of Massachusetts

---

In the Year One Thousand Nine Hundred and Forty-Seven.

---

### AN ACT CHANGING THE DEDUCTIONS ALLOWED IN DETERMINING BUSINESS INCOME UNDER THE PERSONAL INCOME TAX LAW.

*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 6 of chapter 62 of the General  
2 Laws, as amended, is hereby further amended by  
3 striking out subsection (b), as appearing in the Ter-  
4 centenary Edition, and inserting in place thereof the  
5 following subsection:—

6 (b) A reasonable allowance for depreciation and  
7 obsolescence of property within such year, and for  
8 depletion within the year of wasting assets, except  
9 such ships and vessels as are described in section eight  
10 of chapter fifty-nine and such motor vehicles and  
11 trailers as are described under the provisions of chapter  
12 sixty A, owned by the person taxed and used in the  
13 profession, employment, trade or business; provided,

14 that with the approval of the commissioner a tax-  
15 payer may, in lieu of the aforesaid allowance for de-  
16preciation and obsolescence, be allowed to deduct  
17 actual expenses of replacement of capital and extraor-  
18dinary repairs, and with such approval may in any  
19 year defer such deductions in whole or in part to one  
20 or more subsequent years.

1 SECTION 2. Said section 6 is hereby further amended  
2 by striking out subsection (c), as appearing in the  
3 Tercentenary Edition, and inserting in place thereof  
4 the following subsection:—

5 (c) All taxes paid within the year to any county,  
6 city, town or district, in respect of the profession, em-  
7 ployment, trade or business, or the property held or  
8 used in connection therewith, but not including assess-  
9 ments for betterments.

1 SECTION 3. Said section 6 is hereby further  
2 amended by striking out subsection (g).

1 SECTION 4. This act shall take effect as of January  
2 first, nineteen hundred and forty-seven, and shall  
3 apply to income received in the calendar year nineteen  
4 hundred and forty-seven and thereafter.