

HOUSE No. 1224

By Mr. Vaitses of Melrose (by request), petition of Henry F. Long (Commissioner of Corporations and Taxation) for legislation to change and lower exemptions in connection with the taxation of incomes. Taxation.

The Commonwealth of Massachusetts

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

AN ACT CHANGING AND LOWERING THE EXEMPTIONS IN CONNECTION WITH THE TAXATION OF INCOMES.

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 5 of chapter 62 of the General
2 Laws, as amended, is hereby further amended by
3 striking out paragraph (b), as most recently amended
4 by section 1 of chapter 486 of the acts of 1939, and
5 inserting in place thereof the following:—

6 (b) The excess over two thousand dollars of the
7 income, as defined in section six, derived from pro-
8 fessions, employments, trade or business shall be
9 taxed at the rate of one and one half per cent per an-
10 num; provided, however, that if the husband and wife,
11 living together, both have income from this source,
12 the exemption of two thousand dollars may not be
13 taken by both but may be taken by either as they
14 shall mutually agree, or shall be prorated between

15 them in proportion to the net income of each. In
16 determining such income the rental value of living
17 quarters and subsistence furnished any individual
18 as part of his compensation shall be included. Retire-
19 ment allowances, however described, from the com-
20 monwealth or any county, city, town or district thereof,
21 or from any person, if not exempt by law, and interest
22 received in the course of business by a person subject
23 to the provisions of sections seventy to eighty-five,
24 inclusive, of chapter one hundred and forty, shall be
25 taxed under this subsection.

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