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By Mr. Yerxa of Boston, petition of Richard Wait and another for legislation to establish a lien for corporation taxes. The Judiciary.

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**The Commonwealth of Massachusetts**

In the Year One Thousand Nine Hundred and Fifty-Four.

AN ACT TO ESTABLISH A LIEN FOR CORPORATION TAXES.

*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. Chapter 63 of the General Laws as  
2 appearing in the Tercentenary Edition thereof is  
3 hereby amended by striking out the first sentence of  
4 section 76 of said chapter and inserting in lieu thereof  
5 the following:—

6 Every domestic business corporation which sells or  
7 transfers any substantial part or the whole of its  
8 assets otherwise than in the ordinary course of trade  
9 and in the regular and usual prosecution of its business  
10 and every foreign business corporation which similarly  
11 sells or transfers any substantial part or the whole  
12 of its assets situated in the commonwealth shall, at  
13 least five days prior to such sale or transfer, notify  
14 the department of its intention so to do. Failure by  
15 the department to record or register a notice of lien  
16 in the district within which any real estate so sold or  
17 transferred lies, prior to such sale or transfer, shall  
18 constitute a waiver of any lien thereon for any tax  
19 imposed on such corporation under this chapter, but  
20 the recording or registration of such a notice shall  
21 establish a lien on the estate or interest therein of said  
22 corporation for all taxes due or to become due under  
23 this chapter during such year or due in any prior

24 year, which shall terminate at the end of the second  
25 calendar year following the year in which the sale is  
26 made unless proceedings to enforce such lien shall  
27 have been commenced prior to such time.

28 Any such sale or transfer of real estate without  
29 giving such notice or without a written waiver thereof  
30 by the commissioner or an assistant commissioner  
31 shall establish a lien on the estate or interest therein  
32 of said corporation effective immediately prior to such  
33 sale or transfer for all taxes due or to become due  
34 under this chapter during the year in which such sale  
35 or transfer is made or due in any prior year; provided,  
36 that during such year or during the two next ensuing  
37 calendar years the department shall record or register  
38 a notice of lien in the district within which such real  
39 estate lies. Any such sale or transfer of personal  
40 property without giving such notice or without such  
41 a waiver shall establish a lien thereon for all such  
42 taxes. The provisions of chapters two hundred and  
43 fifty-four and two hundred and fifty-five shall apply  
44 to such liens so far as applicable.

45 The commissioner or either assistant commissioner  
46 may in writing waive notice of sale or transfer prior  
47 to such sale or transfer, but may not waive such  
48 notice thereafter without the assent of the attorney  
49 general endorsed thereon. Such a waiver may be  
50 recorded or registered.

1 SECTION 2. Sales and transfers made prior to the  
2 effective date of this act by corporations which have  
3 prior to such effective date paid all taxes due under  
4 chapter sixty-three for the year in which each such  
5 sale or transfer was made and for all prior years are  
6 hereby declared to be valid and binding against the  
7 commonwealth despite anything stated or said in  
8 section seventy-six of chapter sixty-three as it ap-  
9 peared before such effective date, and such sales and  
10 transfers shall become so valid and binding against  
11 the commonwealth upon the payment after such ef-

12 fective date of all such taxes. The treasurer of the  
13 commonwealth shall, upon payment of a fee of two  
14 dollars, issue a certificate that no tax due under chap-  
15 ter sixty-three for a stated year or for any prior  
16 year is due and unpaid upon his records from the  
17 grantor corporation, and such a certificate when  
18 recorded or registered in the district within which any  
19 land sold or transferred by such corporation lies shall  
20 be conclusive evidence, with reference to the pro-  
21 visions of this section, that all such taxes for such  
22 year and prior years have been paid.

1 SECTION 3. This act shall take effect on July first,  
2 nineteen hundred and fifty-four.

