
Accompanying the fourth recommendation of the Commissioner of Corporations and Taxation (House, No. 27). Taxation. Dec. 2, 1926.

The Commonwealth of Massachusetts.

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

An Act relative to the Income Tax.

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. Clause (e) of section one of chapter
2 sixty-two of the General Laws is hereby
3 amended by inserting after the word " commis-
4 sioner " in the fourth line the words:—with his
5 approval and consent, — so as to read as follows:—
6 (e) Dividends on shares of any partnership, asso-
7 ciation or trust, of the classes designated in para-
8 graphs first and second of subsection (c), shall be
9 subject to taxation under this section unless the
10 trustees or managers thereof file with the commis-
11 sioner, with his approval and consent, in such form
12 as he determines, its agreement to pay to the
13 commonwealth annually the tax imposed by sub-
14 section (d) and any tax imposed by section five.
15 In case of any breach of the terms of any such
16 agreement, the same may be enforced by informa-
17 tion in equity brought by the attorney general at
18 the relation of the commissioner in the supreme
19 judicial court for Suffolk county. This remedy
20 shall be in addition to all other means of collection
21 provided by this chapter, and to the penalties
22 hereinafter imposed.

1 SECTION 2. Section seven of said chapter sixty-
2 two is hereby further amended by striking out the
3 last paragraph of said section seven and inserting
4 in place thereof a new paragraph to read as
5 follows:—

6 In determining gains or losses realized from sale
7 of tangible property, the basis of determination,
8 in case of such property owned on January first,
9 nineteen hundred and sixteen, shall be the value on
10 that date, and in case of such property acquired
11 thereafter, the cost on the date when it is acquired.

1 SECTION 3. Section eight of said chapter sixty-
2 two, as amended by section one of chapter three
3 hundred and fifty-one of the acts of nineteen
4 hundred and twenty-four, is hereby further
5 amended in subsection (a) by striking out in the
6 eleventh and twelfth lines the words “ or which
7 shall reduce the combined income of husband and
8 wife below fifteen hundred dollars ”, so as to read
9 as follows:— (a) One thousand dollars in all of
10 income taxable under section one and under sub-
11 section (a) of section five, received by a person
12 whose total income from all sources does not exceed
13 one thousand dollars during the year; but said
14 exemption shall not be given to any married person
15 if the combined incomes of both husband and wife
16 from all sources exceed fifteen hundred dollars;
17 provided, however, that no tax shall be exacted
18 upon any income taxable under said section one
19 and said subsection (a) which shall reduce the
20 total income of the taxpayer, if unmarried, below
21 one thousand dollars.

1 SECTION 4. Section ten of said chapter sixty-
2 two is hereby amended by striking out paragraph
3 (b).

1 SECTION 5. Section thirteen of said chapter
2 sixty-two is hereby amended by striking out in the
3 first line the words:— so far as apt,— so as to
4 read as follows:— *Section 13.* Sections ten to
5 twelve, inclusive, shall apply to executors, adminis-
6 trators, guardians, conservators, trustees in bank-
7 ruptcy, receivers and assignees for the benefit of
8 creditors, to the income received by them and to
9 their beneficiaries; except that clauses (a), (b),
10 (c) and (d) of section ten authorizing certain
11 deductions, shall apply only to trustees and
12 guardians.

1 SECTION 6. Section thirty-four of said chapter
2 sixty-two, as amended by section fifty-five of
3 chapter three hundred and sixty-two of the acts of
4 nineteen hundred and twenty-three, is hereby
5 amended in the next to the last line by striking out
6 the words “ eighteen hundred dollars ” and
7 inserting in place thereof the following:— two
8 thousand dollars,— so as to read as follows:—
9 *Section 34.* The treasurer of every city, town and
10 county, and the comptroller, shall, annually not
11 later than April tenth, in the form prescribed by the
12 commissioner, furnish to him names and addresses
13 of all employees of said cities, towns, counties and
14 of the commonwealth, respectively, receiving
15 during the preceding calendar year as salary,
16 wages, or otherwise, amounts exceeding two
17 thousand dollars in each case, together with the
18 amount received by each.

