

HOUSE No. 398

By Mr. Carroll of Revere, petition of Thomas F. Carroll that the Commonwealth issue short term notes for furnishing financial aid to cities and towns in connection with welfare relief. Ways and Means (Joint).

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Thirty-Three.

An Act providing for Aiding Cities and Towns in Financing Welfare Relief by the Issue of Short Term Notes, the Principal and Interest of which shall be paid from the Proceeds of a Tax on Certain Income now exempt from Taxation.

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. There shall be paid on April first in
2 the current year to the cities and towns of the com-
3 monwealth from the proceeds of the notes to be
4 issued as provided by the following section, the sum
5 of eighteen million dollars, the same to be apportioned
6 among such cities and towns in proportion to the
7 amounts for which they will be respectively assessed
8 for the state tax of the current year, and any sum
9 received by a city or town hereunder shall be ex-
10 pended only for the financing of welfare relief, and
11 shall in said year be included by the assessors thereof
12 as an estimated receipt and deducted from the amount

13 required to be raised by taxation to meet appropri-
14 ations made in said year.

1 SECTION 2. For the purposes of this act, the state
2 treasurer shall borrow on the credit of the common-
3 wealth such sums, not exceeding eighteen million
4 dollars, and may issue notes of the commonwealth,
5 carrying such rates of interest as the state treasurer
6 may fix, with the approval of the governor and coun-
7 cil. Such notes shall be payable not earlier than one
8 year after the effective date of this act nor later than
9 November thirtieth, nineteen hundred and thirty-
10 five, and their maturities shall be so arranged that the
11 payments of principal on account of such notes in
12 each of the two fiscal years ending November thir-
13 tieth, nineteen hundred and thirty-five will be equal,
14 as nearly as may be. Such notes shall be signed by
15 the state treasurer, approved by the governor and
16 countersigned by the comptroller. All sums neces-
17 sary to meet payments of principal and interest on
18 account of said notes shall be paid from the proceeds
19 of the tax imposed on certain dividends by the fol-
20 lowing section; but said notes shall nevertheless be
21 general obligations of the commonwealth.

1 SECTION 3. The exemption from taxation of divi-
2 dends on shares in corporations and joint stock com-
3 panies organized under the laws of this commonwealth
4 as provided by subsection (c) of section one of chapter
5 sixty-two of the General Laws, is hereby suspended
6 with respect to such dividends received during the
7 years nineteen hundred and thirty-three and nineteen
8 hundred and thirty-four.