

By Mr. Catino of Medford, petition of Michael Catino for legislation to provide for the taxation of stock transfers. Taxation.

**The Commonwealth of Massachusetts**

In the Year One Thousand Nine Hundred and Sixty-Six.

AN ACT PROVIDING FOR THE TAXATION OF STOCK TRANSFERS.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 The General Laws are hereby amended by inserting after  
2 chapter 64F the following chapter:—

3 CHAPTER 64G.

4 TAXATION OF STOCK TRANSFERS.

5 *Section 1.* An excise tax shall immediately accrue and be  
6 collected on all sales or agreements to sell or memoranda of  
7 sales or deliveries or transfer of shares or certificates of stock  
8 in any domestic or foreign corporation of five cents on each  
9 dollar of the value thereof. The person making or effectuating  
10 the sale or transfer shall pay the excise imposed by this section.

11 *Section 2.* The commissioner of corporation and taxation  
12 may make such rules and regulations consistent with this  
13 chapter as he deems necessary, and may prescribe such forms,  
14 books, records and papers as he deems essential for carrying  
15 out its provisions.

16 *Section 3.* Every person, firm, association or corporation  
17 making a sale, agreement to sell, delivery or transfer of shares  
18 or certificates of stock, or conducting or transacting a broker-  
19 age business, shall keep or cause to be kept at some accessible  
20 place within the commonwealth a true book of accounts  
21 wherein shall be recorded, plainly and legibly, the date of mak-  
22 ing every sale, agreement to sell, delivery or transfer of shares  
23 or certificates of stock and every transaction in relation to any  
24 stock, and also the number of shares, the value of the stock,

25 the name of the stock, and the name of the seller and purchaser.  
26 Such book shall be preserved for two years of the date of the  
27 last entry therein.

28 *Section 4.* Any person liable to pay the excise imposed by  
29 this chapter, and anyone who acts in the matter as agent or  
30 broker for such person, who makes any sale, transfer or de-  
31 livery of shares or certificates of stock without paying said  
32 excise shall be punished by a fine of not less than five hundred  
33 nor more than one thousand dollars.