

HOUSE No. 2840

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, March 7, 1960.

The committee on Taxation, to whom was referred so much of the recommendations of the State Tax Commission (House, No. 65) as relates to clarifying the statutory formula allocating net income under the corporation excise law (accompanied by bill, House, No. 73), report the accompanying bill (House, No. 2840).

For the committee,

PETER J. CLOHERTY.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Sixty.

AN ACT TO CLARIFY THE STATUTORY FORMULA ALLOCATING NET INCOME UNDER THE CORPORATION EXCISE LAW.

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 38 of chapter 63 of the General Laws, as most recently
2 amended by section 3 of chapter 342 of the acts of 1933, is hereby
3 further amended by striking out subdivision (c) of paragraph 2,
4 and inserting in place thereof the following:—

5 (c) Of the remaining third, such portion shall be attributed
6 to business carried on within the commonwealth as shall be
7 found by multiplying said third by a fraction whose numerator
8 is the amount of the corporation's gross receipts from business
9 assignable to this commonwealth as hereinafter provided, and
10 whose denominator is the amount of the corporation's gross
11 receipts from its total sales, rents and royalties. There shall
12 not be included in either the numerator or the denominator of
13 said fraction, gross receipts allocated under the provisions of
14 section thirty-seven or section forty-one of this chapter.