

**SENATE . . . . . No. 1352**

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By Mr. Quinlan, a petition (accompanied by bill, Senate, No. 1352) of John M. Quinlan for legislation to exempt from taxation interest and dividends from savings deposits and accounts and interest earned on United States savings bonds. Taxation.

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**The Commonwealth of Massachusetts**

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

**AN ACT EXEMPTING FROM TAXATION INTEREST AND DIVIDENDS FROM SAVINGS DEPOSITS AND ACCOUNTS AND INTEREST EARNED ON UNITED STATES SAVINGS BONDS.**

*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. Section 3 of chapter 62 of the General Laws, as  
2 inserted by section 5 of chapter 555 of the acts of 1971, as  
3 hereby amended by striking out subsection (h) and inserting  
4 in place thereof the following subsection: —

5 (h) Interest and dividends from savings deposits, savings  
6 accounts, shares or share savings accounts in any savings or  
7 cooperative bank, trust company or credit union in incorporated  
8 in or chartered by the commonwealth; in any national banking  
9 association, federal savings or loan association or federal credit  
10 union located in the commonwealth; in any banking company  
11 or Morris Plan company subject to chapter one hundred and  
12 seventy-two A; in any savings or loan association under the  
13 supervision of the commissioner of banks; in the Massachusetts  
14 Hospital Life Insurance Company; and any interest earned on  
15 United States savings bonds.

1 SECTION 2. Section 4 of said chapter 62, as so inserted, is  
2 hereby amended by striking out paragraph (1) of subsection  
3 (a) and inserting in place thereof the following paragraph: —

4 (1) Interest from bonds, notes, money at interest, debts and  
5 from other sources, except interest from loans made in the

6 course of business by persons subject to the provisions of  
7 sections seventy to eighty-five, inclusive, of chapter one hun-  
8 dred and forty.

1 SECTION 3. This act shall apply to taxable years commencing  
2 after December thirty-first, nineteen hundred seventy-two.