

**SENATE . . . . . No. 1631**

---

By Mr. Fitzpatrick, a petition (accompanied by bill, Senate, No. 1631) of John H. Fitzpatrick and Robert A. Hall for legislation to establish a program of municipal revenue sharing. Taxation.

---

**The Commonwealth of Massachusetts**

In the Year One Thousand Nine Hundred and Eighty.

**AN ACT ESTABLISHING A PROGRAM OF MUNICIPAL REVENUE SHARING.**

*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. The purposes of this act are declared to be to  
2 provide additional relief for local property taxes and to assure  
3 that a fair share of future increases in state tax collections  
4 resulting from economic growth and inflation is used for the  
5 benefit of the cities and towns.

1 SECTION 2. Chapter 58 of the General Laws is hereby  
2 amended by inserting after section 18C the following sec-  
3 tion: —

4 MUNICIPAL REVENUE SHARING

5 *Section 18D.* To assist the several cities and towns of the  
6 commonwealth in meeting the costs of providing municipal  
7 services in accordance with their reasonable needs, the state  
8 treasurer, upon certification of the commission and without  
9 further appropriation, shall annually distribute from the Gen-  
10 eral Fund the amounts hereinafter provided: —

11 (a) The total to be distributed under this section in the  
12 fiscal year ending June thirtieth, nineteen hundred and eighty-  
13 two and each succeeding fiscal year shall be an amount equal  
14 to one half of the tax collection increase, as hereinafter de-  
15 fined, in the preceding fiscal year.

16 (b) Approximately one quarter of the amounts distributable  
17 under this section in each fiscal year shall be paid to the  
18 several cities and towns on or before the last day of each  
19 calendar quarter.

20 (c) The share of each distribution to be paid to each city  
21 and town shall be its share of total general revenue sharing  
22 allocations by the Office of Revenue Sharing of the United  
23 States Treasury Department to all cities and towns in the  
24 commonwealth in the entitlement period last preceding such  
25 fiscal year, multiplied by one-third of its work force ratio plus  
26 one, the product thereof divided by the total of such shares  
27 of all cities and towns in the commonwealth as so adjusted.

28 For the purposes of this section, the following words shall  
29 have the following meanings: —

30 “Work force ratio”, the ratio of the number of persons  
31 fifteen years of age or older employed in each city or town  
32 to the number of such employed persons residing in the city  
33 or town as most recently determined by the United States  
34 Bureau of the Census.

35 “Tax collection increases”, the amount as determined by  
36 the commission by which the net sums received under chap-  
37 ters sixty-two, sixty-two A, sixty-two B, sixty-three, sixty-  
38 three B, sixty-three C, sixty-four H and sixty-four I in the  
39 fiscal year ending June thirtieth, nineteen hundred and eighty-  
40 one and in each succeeding fiscal year, if the rate and other  
41 provisions of said chapters in effect in each such year had  
42 been the same as those in effect on January first, nineteen  
43 hundred and eighty exceeded the total of such net sums in the  
44 fiscal year ending June thirtieth, nineteen hundred and eighty  
45 plus thirty-five million dollars.

1 SECTION 3. In order to ensure that municipal revenue shar-  
2 ing distributions under this chapter are used to the fullest  
3 reasonable extent for the relief of taxes on property, the rate  
4 per thousand dollars of assessed valuation at which taxes are  
5 levied by any city or town account of the fiscal year ending  
6 June 30, 1982, shall not exceed the sum of the rate per thou-  
7 sand dollars of assessed valuation at which such taxes were  
8 levied on account of the preceding fiscal year, plus one half  
9 of the amount per thousand dollars of assessed valuation esti-  
10 mated by the tax commissioner to be distributable to each city  
11 and town in the fiscal year 1982 under section 18D of chapter  
12 58 of the General Laws, as inserted by this act. Taxes levied

13 to meet assessments by the commonwealth or any of its politi-  
14 cal subdivisions or instrumentalities and sums required by  
15 law to be raised on account of any indebtedness shall be ex-  
16 cluded from the provisions of this section.

1 SECTION 4. This act shall take effect on July first, nine-  
2 teen hundred and eighty-one and shall apply to distributions  
3 to be made in fiscal year 1982 and thereafter.

