

By Mr. Harris of Marblehead (by request), petition of John E. Whipple for a legislative amendment to the Constitution to permit cities and towns to substitute income taxes for the property tax. Taxation.

**The Commonwealth of Massachusetts**

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

PROPOSAL FOR A LEGISLATIVE AMENDMENT TO THE CONSTITUTION TO PERMIT CITIES AND TOWNS TO SUBSTITUTE INCOME TAXES FOR THE PROPERTY TAX.

1 A majority of all the members elected to the Senate and House of  
2 Representatives, in joint session, hereby declares it to be expedient  
3 to alter the Constitution by the adoption of the following Article of  
4 Amendment, to the end that it may become a part of the  
5 Constitution [if similarly agreed to in a joint session of the next  
6 General Court and approved by the people at the state election  
7 next following]:

8 **ARTICLE OF AMENDMENT.**

9 *Section 1.* Cities shall have the power by ordinance and towns  
10 shall have the power by by-law to substitute a tax upon the income  
11 of their residents for the tax upon property.

12 *Section 2.* Cities shall have the power by ordinance and towns  
13 shall have the power by by-law to substitute taxes upon the income  
14 of their residents and upon wages, rents, and business profits  
15 arising from business or rental activity within them for the tax  
16 upon property. A tax upon income from within a city or town  
17 under this section shall be at a rate no greater than one-half of the  
18 rate of tax upon income of residents under this section. A resident  
19 of a city or town which imposes taxes under this section, who has  
20 income from within the same city or town shall be liable for both  
21 taxes imposed under this section.

22 *Section 3.* Taxes imposed under this Article shall be at rates  
23 determined annually by the assessors to raise, as nearly as may be,

24 the amount which would have been to be raised by the property tax  
25 had taxes under this Article not been substituted therefor.

26 *Section 4.* The General Court may by law provide for  
27 appropriate assistance by officers of the Commonwealth to cities  
28 and towns imposing taxes under this Article. The General Court  
29 may also make other necessary and appropriate laws to put this  
30 Article into effect.