

By Mr. Morrissey of Quincy, petition of Michael W. Morrissey, Kenneth M. Lemanski, William R. Keating and Kevin P. Blanchette relative to establishing an individual homeowner's savings program and providing for a reduction therefor from the state income tax. Taxation.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-Two.

AN ACT ESTABLISHING AN INDIVIDUAL HOMEOWNER'S SAVINGS PROGRAM AND PROVIDING FOR A REDUCTION THEREFOR FROM THE STATE INCOME TAX.

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

1 Chapter 62 of the General Laws is hereby amended by inserting
2 after section 3 the following section: —

3 *Section 3A.* There shall be allowed as a deduction against part
4 B gross income the amount of money not exceeding one thousand
5 dollars deposited by a person or two thousand dollars by a person
6 and his spouse in an individual homeowner account in a savings or
7 other bank doing business in the commonwealth. An "individual
8 homeowner account" is a bank account maintained by a resident of
9 the commonwealth over the age of eighteen who is not the owner of
10 a private residence and who has not previously maintained such an
11 account. Such an account may be maintained by a person and his
12 spouse. Such an account may be maintained for a period not
13 exceeding ten years. No withdrawal of funds on deposit in such an
14 account may be made, unless, upon a request for withdrawal, the
15 bank transfers the funds withdrawn directly to a person from
16 whom the depositor or depositors are purchasing a private resi-
17 dence fo his or their own use and occupation.

18 Every bank which holds an individual homeowner's account
19 shall, at the written request of the commissioner of revenue, furnish

20 to the commissioner only whatever information concerning such
21 account he may request.

22 If a person maintaining an individual homeowner's account
23 transfers his residence from the commonwealth, he may withdraw
24 the funds on deposit therein that they shall be includible in his
25 adjusted gross income land taxed as part B income for that year.

26 If a person maintaining an individual homeowner's account dies,
27 the funds on deposit in his name in such an account shall be
28 includible in his adjusted gross income for that year, unless his
29 spouse is a joint tenant or beneficiary of such account and con-
30 tinues it in effect for the purpose for which it was maintained.