

HOUSE No. 474

By Mr. Johnson of Brockton, petition of Adolph Johnson for legislation to increase the excise taxes payable by certain corporations. Taxation.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Thirty-Five.

An Act increasing the Excise Taxes on Corporations.

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 thirty-two of chapter sixty-
2 three of the General Laws, as amended by section
3 one of chapter three hundred and forty-two of the
4 acts of nineteen hundred and thirty-three, is hereby
5 further amended by striking out, in the sixth and
6 seventh lines, the words "one twentieth of one per
7 cent" and inserting in place thereof the words:—
8 one fifth of one per cent, — and by striking out, in
9 the ninth line, the words "five dollars per thou-
10 sand" and inserting in place thereof the words:—
11 twenty dollars per thousand, — so as to read as fol-
12 lows:— *Section 32.* Except as otherwise provided in
13 sections thirty-four and thirty-eight B, every domes-
14 tic business corporation shall pay annually an excise
15 equal to the sum of the following, provided, that
16 every such corporation shall pay annually a total

17 excise not less in amount than one fifth of one per
18 cent of the fair value of its capital stock on the day
19 fixed for determination of the value of its corporate
20 excess:—

21 (1) An amount equal to twenty dollars per thou-
22 sand upon the value of its corporate excess.

23 (2) An amount equal to two and one half per cent
24 of its net income determined to be taxable in accord-
25 ance with the provisions of this chapter.

26 Liability for such excise shall be incurred by cor-
27 porate existence at any time within the taxable year,
28 or, in case the corporation has not established a tax-
29 able year, upon April first of the year in which the
30 excise is to be assessed.

1 SECTION 2. Section thirty-nine of said chapter
2 sixty-three, as amended by section six of chapter
3 three hundred and twenty-seven and section four of
4 chapter three hundred and forty-two of the acts of
5 nineteen hundred and thirty-three, is hereby further
6 amended by striking out, in the fifth line, the words
7 “one twentieth of one per cent” and inserting in
8 place thereof the words:— one fifth of one per cent,
9 — and by striking out, in the eleventh line, the words
10 “five dollars per thousand” and inserting in place
11 thereof the words:— twenty dollars per thousand,
12 — so as to read as follows:— *Section 39.* Except
13 as otherwise provided herein, every foreign corpora-
14 tion shall pay annually, with respect to the carrying
15 on or doing of business by it within the common-
16 wealth, an excise equal to the sum of the following,
17 provided that every such corporation shall pay an-
18 nually a total excise not less in amount than one
19 fifth of one per cent of such proportion of the fair

20 value of its capital stock as the assets, both real and
21 personal, employed in any business within the com-
22 monwealth on the day fixed for determination of the
23 value of the corporate excess employed within the
24 commonwealth bear to the total assets of the corpo-
25 ration employed in business on said date:

26 (1) An amount equal to twenty dollars per thou-
27 sand upon the value of the corporate excess employed
28 by it within the commonwealth.

29 (2) An amount equal to two and one half per cent
30 of its net income determined to be taxable in accord-
31 ance with the provisions of this chapter.

32 If two or more foreign corporations doing business
33 in this commonwealth participated in the filing of a
34 consolidated return of income to the federal govern-
35 ment, the tax under paragraph (2) above may, at
36 their option, be assessed upon their combined net
37 income, in which case the tax shall be assessed to all
38 said corporations and collected from any one or more
39 of them.

40 Liability for such excise shall be incurred by cor-
41 porate activity within the commonwealth at any time
42 within the taxable year, or, in case the corporation
43 has not established a taxable year, upon April first
44 of the year in which the excise is to be assessed.

