

The Commonwealth of Massachusetts

SPECIAL REPORT

OF THE

STATE TAX COMMISSION

RELATIVE TO

MAKING CERTAIN TEMPORARY INCOME TAXES
PERMANENT AND ESTABLISHING A
FLEXIBLE SURTAX RATE

UNDER CHAPTER 58 OF THE RESOLVES OF 1961

MARCH, 1962

THE COMMISSIONERS OF REVENUE

ANNUAL REPORT

RELATIVE TO THE

REVENUE OF THE PROVINCE OF WEST BENGAL
FOR THE YEAR 1900

Calcutta, 1900

1900

The Commonwealth of Massachusetts

RESOLVE OF AUTHORIZATION.

CHAPTER 58.

RESOLVE PROVIDING FOR AN INVESTIGATION AND STUDY BY THE STATE TAX COMMISSION RELATIVE TO MAKING PERMANENT CERTAIN TEMPORARY TAXES ON INCOME IN ORDER TO PROVIDE FOR A FLEXIBLE SURTAX RATE TO INSURE FINANCIAL RESPONSIBILITY, AND THE MAINTENANCE OF A BALANCED GENERAL FUND.

Resolved, That the state tax commission is hereby authorized and directed to make an investigation and study of the subject matter of current house document numbered 1226, relative to making permanent certain temporary taxes on income in order to provide for a flexible surtax rate to insure financial responsibility, and the maintenance of a Balanced General Fund. Said commission shall report to the general court the results of its investigation and study, and its recommendations, if any, together with drafts of legislation necessary to carry its recommendations into effect, by filing the same with the clerk of the house of representatives on or before the fourth Wednesday of January, nineteen hundred and sixty-two.

Approved April 6, 1961.

The Commission of Enquiry

REPORT OF THE COMMISSION

1911

The Commission was appointed by the Government in 1909 to inquire into the conditions of the coal-mining industry in the United Kingdom. It has since that time held numerous public hearings and has received many suggestions from the miners, the employers, and the general public. It has also conducted extensive research into the various aspects of the industry, and has now the honor to present to the Government its final report.

The Commission has found that the coal-mining industry is one of the most important in the United Kingdom, and that it is at present in a state of serious depression. This is due to a variety of causes, including the over-production of coal, the competition of foreign coal, and the general depression of the country. The Commission has endeavored to identify the causes of this depression, and to suggest effective remedies. It has found that the most important cause is the over-production of coal, which has led to a glut of the market and a consequent fall in prices. It has also found that the competition of foreign coal is a serious factor, and that the general depression of the country has had a detrimental effect on the industry.

It is the duty of the Government to take such steps as may be necessary to remedy these evils, and to secure the best interests of the coal-mining industry.

The Commonwealth of Massachusetts

STATE HOUSE,
BOSTON 33, MASSACHUSETTS.

To the Honorable Senate and House of Representatives.

We have investigated and studied the subject matter of House, No. 1226 of 1961, which would make certain temporary taxes permanent and establish a flexible surtax rate by having the State Tax Commission determine the deficit for the current fiscal year and set a surtax rate necessary to meet this deficit.

Relative to those provisions of this proposed legislation which would make certain temporary taxes permanent, the State Tax Commission makes no recommendation. This is a question of tax policy which is not within the purview of this Commission.

Relative to the proposed flexible surtax rate plan, the Commission is of the opinion that it is of questionable constitutionality and that before any action is taken by the General Court such plan should be submitted for judicial guidance.

It appears to us that the Constitution of the Commonwealth is quite clear in this area. It provides that the Governor shall submit a balanced budget including the means by which revenues to defray the cost of all proposed expenditures are to be raised. (See Section 2 of Article LXIII of the Amendments as further amended by Articles LXXII and LXXV.)

The Constitution further grants to the General Court the "full power and authority . . . to impose and levy proportional and reasonable assessments, rates and taxes . . ." (See Part II, Section I, Article IV, as amended by Article XLIV of the Amendments.)

Finally, Part I, Article XXX of the Constitution, states that:

In the government of this Commonwealth, the legislative department shall never exercise the executive and judicial powers, or either of them; the executive shall never exercise legislative and judicial powers, or either of them: the judicial shall never exercise the legislative and executive powers, or either of them; to the end it may be a government of laws and not of men;

In view of the above, it is our opinion that this proposed legislation is of questionable constitutionality because in effect it grants to the State Tax Commission, an agency of the Executive Department, the power to determine the rate of a surtax to be levied, a power which belongs exclusively to the General Court itself.

Respectfully submitted,

STATE TAX COMMISSION.

GUY J. RIZZOTTO,
Chairman.

EDWARD C. WILSON.

STEPHEN S. HIGGINS.

