

[Bill accompanying the petition of Frederick G. Cutts and others for legislation to provide a basis for taxation of corporations. Taxation. Feb. 4.]

Commonwealth of Massachusetts.

In the Year One Thousand Nine Hundred and Three.

AN ACT

Relative to the Taxation of the Franchise of a Corporation.

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

1 In levying a tax upon the franchise of a cor-
2 poration, all its real estate subject to local taxation
3 shall be deducted from the aggregate value of its
4 shares in order to determine the basis of the tax.
5 But for the purposes of determining the basis of
6 the tax the interest of the mortgagee, when a cor-
7 poration subject to taxation within this Common-
8 wealth, shall not be deducted from the aggregate
9 value of its shares when there is an agreement,
10 oral or written, between the mortgagee and the
11 mortgagor, imposing upon the mortgagor the
12 obligation of paying the local tax on the interest
13 of the mortgagee in any piece of property held
14 subject to a mortgage by any corporation doing
15 business within this Commonwealth.

