

The Commonwealth of Massachusetts

SPECIAL REPORT

OF THE

STATE TAX COMMISSION

RELATIVE TO

ALLOWING COMPENSATION FOR MAKING
RETURNS AND PAYMENTS UNDER THE
ALCOHOLIC BEVERAGES EXCISE STATUTE

Under Chapter 43 of the Resolves of 1961

The Commonwealth of Massachusetts

CHAP. 43. RESOLVE PROVIDING FOR AN INVESTIGATION AND STUDY BY THE STATE TAX COMMISSION FOR THE PURPOSE OF AUTHORIZING AN ALLOWANCE NOT TO EXCEED ONE AND ONE HALF PER CENT TO LICENSEES PAYING AN ALCOHOLIC BEVERAGE TAX.

Resolved, That the state tax commission is hereby authorized and directed to make an investigation and study of the subject matter of current senate document numbered 365, relative to authorizing an allowance not to exceed one and one half per cent to licensees paying an alcoholic beverage tax. 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 senate on or before the fourth Wednesday of January, nineteen hundred and sixty-two.

Approved March 29, 1961.

The Commonwealth of Massachusetts

STATE HOUSE
BOSTON 33, MASSACHUSETTS

To the Honorable Senate and House of Representatives:

In compliance with the directive contained in Chapter 43 of the Resolves of 1961, the State Tax Commission has made an investigation and study of the subject matter of Senate 365 of 1961 relative to allowing compensation for making returns and payments under Chapter 138 of the General Laws, the Alcoholic Beverages Excise Statute.

This legislation, as written, allows compensation to the licensees making payments and returns under the Alcoholic Beverages Excise Statute. Seven states permit a form of taxpayer's compensation of deductions from their Alcoholic Beverages excise payments. Such deductions range from one to six per cent. Of these seven states four permit their deductions only for the purchase of excise stamps or crowns in quantity.

If Massachusetts were to allow compensation, as is proposed, it is estimated, for fiscal 1962, that this payment would amount to \$435,000. This money would be apportioned among the 135 licensees making returns and payments under this statute.

Respectfully submitted,

STATE TAX COMMISSION

GUY J. RIZZOTTO,

Chairman.

EDWARD C. WILSON

STEPHEN S. HIGGINS

[Senate No. 365 of 1961.]

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Sixty.

AN ACT AUTHORIZING AN ALLOWANCE NOT TO EXCEED ONE AND ONE-HALF PERCENT TO LICENSEES PAYING AN ALCOHOLIC BEVERAGE 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 Section 21 of Chapter 138 of the General Laws, as most re-
2 cently amended by Section 2 of chapter 421 of the acts of 1955,
3 is hereby further amended by adding at the end the following
4 paragraph:

5 The commissioner is hereby authorized to allow licensees
6 making returns and payments under this chapter to receive as
7 compensation for services rendered by such licensees in com-
8 pliance with the provisions of this section an amount not to
9 exceed one and one-half percent of the excise collected and
10 paid to the commissioner; provided, that no licensee shall be
11 entitled to receive payment as compensation or otherwise as
12 aforesaid except in accordance with such regulations as the
13 State tax commissioner may prescribe, and unless such licensee
14 shall in addition to the return above referred to furnish to the
15 commissioner any further information required by him respect-
16 ing the return to be set forth in such form as he may require.
17 The amount hereby allowed pursuant to approval by the com-
18 missioner shall be transmitted within thirty days after receipt
19 of the return by the commissioner to the comptroller for certi-
20 fication, and when certified shall be paid forthwith from the
21 proceeds of the excise tax levied under this chapter without
22 appropriation, or in the alternative the tax commissioner may
23 authorize the licensee to deduct the amount allowed as com-
24 pensation at the time of payment of the tax.