

SENATE . . . . . No. 20

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By Mr. Lewis, a petition (accompanied by bill, Senate, No. 20) of Arthur Joseph Lewis, Jr., for legislation to eliminate tax escrow accounts from the reserve requirements in co-operative banks. Banks and Banking.

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The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Seventy-eight.

AN ACT ELIMINATING TAX ESCROW ACCOUNTS FROM THE RESERVE REQUIREMENTS IN CO-OPERATIVE BANKS.

*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 40 of chapter 170 of the General Laws is hereby  
2 amended by striking out the first sentence, as appearing in  
3 chapter 290 of the acts of 1970, and inserting in place thereof  
4 the following sentence: —

5 Every such corporation shall establish and at all times main-  
6 tain as a minimum reserve to meet withdrawals of shares and  
7 accounts and applications for loans on shares and accounts  
8 an amount equal to not less than six and one half per cent of  
9 its share liability, plus the amount equal to its liabilities upon  
10 club accounts.

