HOUSE . . . . . No. 4633

By Mr. Hermann of North Andover, petition of Joseph N. Hermann relative to making corrective changes in the tax laws of the Commonwealth. Taxation.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-Three.

AN ACT MAKING CORRECTIVE CHANGES IN THE EXISTING TAX LAWS.

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

SECTION 1. Clause 1 of section 6 of chapter 14 of the General Laws, as appearing in section 5 of chapter 514 of the acts of 1978, is hereby amended by striking out, in line 3, the words "not consistent" and inserting in place thereof the words: — "not inconsistent".

SECTION 2. Chapter 59 of the General Laws is hereby amended by adding after section 20A the following section: —

Section 20B. No city, town, county, district, including the metropolitan district commission, public authority, the commonwealth, or other governmental entity shall make any charge or impose any fee for goods provided or services rendered in excess of the cost of furnishing such goods or providing such services."

SECTION 3. The first sentence of paragraph (*c*) of section 21C of chapter 59 of the General Laws, as most recently amended by section 10 of chapter 782 of the Acts of 1981, is hereby amended by striking out the phrase "whichever the city or town shall choose to apply" and inserting in place thereof the following: — "whichever the local appropriating authority shall choose to apply."

SECTION 4. Subparagraph (9) of paragraph (*a*) of subsection B of section 3 of chapter 62 of the General Laws, as most recently amended by section 17 of chapter 795 of the acts of 1981, is hereby further amended by adding the following sentence at the end

thereof: — "In no event shall the deduction under this subparagraph exceed two thousand five hundred dollars."

SECTION 5. Subsection (*b*) of section 26 of chapter 62C of the General Laws, as appearing in section 22 of chapter 415 of the acts of 1976, is hereby amended by striking out, in line 6, the word "thirty-three" and inserting in place thereof the word: — "thirty-two".

SECTION 6. Subsection (*d*) of section 33 of said chapter 62C, as inserted by section 4 of chapter 27 of the acts of 1980, is hereby amended by striking out the second sentence and inserting in place thereof the following sentence: — "For purposes of subsections (*b*) and (*c*), the amount of tax shown on the return shall, for the purpose of computing the addition for any month, be reduced by the amount of any part of the tax which is paid before the beginning of such month."

SECTION 7. Section forty-nine of chapter three hundred and sixty-seven of the acts of nineteen hundred and seventy-eight is hereby repealed.

SECTION 8. Paragraph (*cc*) of section 6 of chapter 64H of the General Laws, as most recently amended by section 169B of chapter 514 of the acts of 1978, is hereby further amended by striking out, in lines 14 and 15, the words "public and private nonprofit primary and secondary schools" and inserting in place thereof the words: — "an educational institution which normally maintains a regular faculty and curriculum and normally has a regularly enrolled body of pupils or students in attendance at the place where its educational activities are regularly carried on."

SECTION 9. Section 27 of chapter 631 of the General Laws, as appearing in section 2 of chapter 557 of the acts of 1980, is hereby amended by striking out the first sentence and inserting in place thereof the following two sentences: — "Where a trade in of a motor vehicle or trailer is received by a dealer in such vehicles holding a valid vendor's registration, upon the sale of another motor vehicle or trailer to a consumer or user, the tax shall be imposed only on the difference between the sale price of the motor

vehicle or trailer purchased and the amount allowed on the motor vehicle or trailer traded in on such purchase. When any such motor vehicle or trailer traded in is subsequently sold to a consumer or user, the tax provided for in the chapter shall apply."

SECTION 10. The first sentence of the second paragraph of section 27 of chapter 65 of the General Laws, as appearing in section 83 of chapter 415 of the acts of 1976, is hereby amended by striking out, in line 5, the words "section thirty-three of".

SECTION 11. The last sentence of section 32 of said chapter 65, as most recently amended by section 85 of chapter 415 of the acts of 1976, is hereby further amended by striking out the word "thirty-three" and inserting in place thereof the word: — "thirty-two".

SECTION 12. The second sentence of section 2 of chapter 65A of the General Laws, as most recently amended by section 86 of chapter 415 of the acts of 1976, is hereby further amended by striking out the word "thirty-three" and inserting in place thereof the word: — "thirty-two".

SECTION 13. The second paragraph of section 16B of chapter 71 of the General Laws, as most recently amended by chapter 744 of the acts of 1981, is hereby amended by adding at the end thereof the following sentence: — "For the purposes of this section, the term "local appropriating authority" shall mean, in a town, the board of selectmen; in a city, the council, with the mayor's approval when required by law; in a municipality having a town council form of government, the town council."

SECTION 14. Sections 7 and 8 shall apply to all meals furnished on or after July first, nineteen hundred and seventy-eight. Sections 5, 10, 11 and 12 shall apply as of July first, nineteen hundred and eighty. Sections 4, 6 and 9 shall apply to tax years commencing after December thirty-first, nineteen hundred and eighty-one. Sections 1, 2 and 13 shall take effect immediately and apply to tax years commencing after June thirtieth, nineteen hundred and eighty-two. Section 3 shall take effect immediately upon passage.