

By Mr. Antonioni, a petition (accompanied by bill, Senate, No. 557) of Robert A. Antonioni for legislation to equalize the quarterly payments of corporate excise taxes. Financial Services.

The Commonwealth of Massachusetts

In the Year Two Thousand and Five.

AN ACT RELATIVE TO THE CORPORATE EXCISE 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 1. Section 3(c) of chapter 63B of the General Laws
2 is hereby amended by striking said section and inserting in place
3 thereof the following:—

4 Section 3(c). For the purposes of this chapter, there shall be
5 four required installments for each taxable year, except as other-
6 wise provided by this chapter. The first installment shall be paid
7 on or before the fifteenth day of the third month of the taxable
8 year; the second installment shall be paid on or before the fif-
9 teenth day of the sixth month of the taxable year; the third install-
10 ment shall be paid on or before the fifteenth day of the ninth
11 month of the taxable year; and the fourth installment shall be paid
12 on or before the fifteenth day of the twelfth month of the calendar
13 year. The amount of any installment shall be twenty-five percent
14 of the required annual payment. The term “required annual pay-
15 ment” means the lesser of:

16 i. ninety percent of the tax shown on the return for the taxable
17 year or, if no return is filed, ninety percent of the tax for such
18 year, or

19 ii. one hundred percent of the tax shown on the return of the
20 corporation for the preceding taxable year, or

21 iii. ninety percent of the tax for the taxable year or, if no return
22 is filed, ninety percent of tax for such year determined by using
23 the income apportionment percentage, if any, applicable for the
24 preceding taxable year in computing its net income subject to tax
25 under chapter sixty-three.

26 Clause (ii) shall not apply if the preceding taxable year was not
27 a taxable year of twelve months or the corporation did not file a
28 return for such preceding taxable year showing a liability for tax.
29 Clause (ii) shall not apply in the case of a large corporation, as
30 defined in section sixty-six hundred and fifty-five (g) of the
31 Internal Revenue Code of the United States, as amended on Jan-
32 uary first, nineteen hundred and eighty-nine and in effect for the
33 taxable year except for purposes of determining the amount of the
34 first required installment for any taxable year; provided, however
35 that any reduction in such first installment by reason of this provi-
36 sion shall be recaptured by increasing the amount of the next
37 required installment by the amount of such reduction.

1 SECTION 2. Section 4(a) of chapter 63B of the General Laws
2 is hereby amended as follows:—

3 By striking the word “sixty-five” in line 4 and inserting in place
4 thereof the word “fifty”, and by striking the word “ten” in line 9
5 and inserting in place thereof the word “twenty-five”, and by
6 striking the word “ninety” in line 14 and inserting in place thereof
7 the word “seventy-five”, and by striking the word “ten” in line 16
8 and inserting in place thereof the word “twenty-five”.

1 SECTION 3. Section 4(b) of chapter 63B of the General Laws
2 is hereby amended by striking said section.