

HOUSE No. 6116

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, May 23, 1977.

The committee on Taxation, to whom were referred the petition (accompanied by bill, Senate, No. 1193) of Augustus C. Skamarycz for legislation relative to income tax refunds; the petition (accompanied by bill, Senate, No. 1243) of William L. Saltonstall, John H. Fitzpatrick and other members of the General Court for legislation to provide for interest on late payments of income tax refunds to taxpayers; the petition (accompanied by bill, House, No. 551) of John Sydney Conway for legislation to require all income tax refunds be made within sixty days from the date of filing; the petition (accompanied by bill, House, No. 2851) of William Q. MacLean, Jr., for legislation to require the Commonwealth to pay interest on monies due to taxpayers who have filed for a refund; and the petition (accompanied by bill, House, No. 5031) of Bruce E. Wetherbee and another that provision be made for the payment of interest on refunds due on certain income tax returns, report recommending that the accompanying bill (House, No. 6116) ought to pass.

For the committee,

VINCENT J. PIRO.

The Commonwealth of Massachusetts

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

AN ACT SHORTENING THE TIME WITHIN WHICH THE COMMONWEALTH
MUST PAY INTEREST ON INCOME TAX REFUNDS.

*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 40 of Chapter 62C of the General Laws is
2 hereby amended by striking out the first paragraph and inserting in
3 place thereof the following: —

4 *Section 40.* If any refund of any tax is made pursuant to
5 sections thirty-six, thirty-seven, or, thirty-nine of this chapter, or
6 sections twenty-seven or twenty-seven A of chapter sixty-five, or
7 section six of chapter sixty-five A, the state treasurer shall repay to
8 the taxpayer the amount of such refund with interest thereon at the
9 rate of six per cent from the time when the tax was paid or the due
10 date of the return, whichever is later; provided, however, that in
11 cases where an overpayment arises from the fact that the total of
12 the credit allowed under section nine of chapter sixty-two B and
13 the aggregate payments on account of the declaration of estimated
14 tax pursuant to said chapter sixty-two B exceeds the tax imposed
15 by chapter sixty-two, interest shall be paid at the rate of six per cent
16 per annum from a date five months after the date of the payment of
17 the tax or five months from the date upon which the return for the
18 taxable year, or the application for abatement where no return is
19 required, was actually filed, whichever is later; and provided that in
20 cases where an overpayment arises from the fact that the aggregate
21 payments on account of the declaration of estimated tax pursuant
22 to chapter sixty-three B exceeds the tax imposed by chapter sixty-
23 three, interest shall be paid at the rate of six per cent per annum
24 from a date six months after the date of the payment of the tax or
25 six months from the date upon which the return for the taxable
26 year was actually filed, whichever is later.

1 SECTION 2. This act shall take effect on December thirty-first,
2 nineteen hundred seventy-eight.