

HOUSE No. 474.

[Mr. SHEA, of the Senate, and Messrs. O'HEARN of Lawrence, O'BRIEN of Hopkinton and QUINN of Boston, of the House, dissent from the report of the Committee on Taxation, inexpedient to legislate, and recommend this Bill as a substitute therefor.]

Commonwealth of Massachusetts.

In the Year One Thousand Eight Hundred and Eighty-seven.

AN ACT

In Relation to Taxation of Corporations which permit Employees to share Profits.

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. In addition to the deductions pro-
2 vided in section forty of chapter thirteen of the
3 Public Statutes, there shall be deducted from
4 the value of the shares of every corporation char-
5 tered by the Commonwealth, or organized under
6 the general laws, for the purposes of business or
7 profit, having a capital stock divided into shares,
8 excepting banks, and the shares of every business

9 and manufacturing corporation having a location
10 or place of business within this Commonwealth,
11 the employees of which are permitted to share in
12 some fixed proportion in the net profits of the
13 business for which such corporation was estab-
14 lished, the same percentage or proportion, not to
15 exceed thirty per centum, as such employees are
16 permitted to share in such net profits, and only
17 the balance of the value remaining after such
18 deduction shall be the value of said shares for the
19 purposes of taxation.

1 SECT. 2. This act shall take effect upon its
2 passage.

