

HOUSE No. 2722

By Mr. Palumbo of Newbury, petition of Thomas G. Palumbo and Bruce E. Tarr for legislation to provide for a tax exemption for non-withdrawal bank accounts established for the purpose of paying for long term medical care. Taxation.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Ninety-Four.

AN ACT PROVIDING A TAX EXEMPTION FOR CERTAIN BANK INTEREST.

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 5 of chapter 62 of the General Laws, as appearing in
2 the 1990 Official Edition, is hereby amended by adding the
3 following subsection: —
4 (C) Notwithstanding any other provisions of this chapter, no
5 tax shall be imposed on the interest received from a non-
6 withdrawable bank account established for the purpose of paying
7 for long term care. Non-taxable contributions to such accounts
8 shall not exceed three thousand dollars in any one taxable year
9 either singly or jointly with spouse. The department of revenue
10 shall promulgate rules and regulations to carry out the provisions
11 of this subsection.

