

Taxes to be retained by commonwealth.

SECTION 2. The additional taxes provided by this act shall be retained for the general purposes of the commonwealth.

Time of taking effect, etc.

SECTION 3. This act shall take effect as of January first, nineteen hundred and eighteen, and shall continue in force for one year thereafter. *Approved May 29, 1918.*

*Chap. 253* AN ACT IMPOSING AN ADDITIONAL TAX UPON THE NET INCOMES OF FOREIGN CORPORATIONS.

*Be it enacted, etc., as follows:*

Additional tax upon net incomes of foreign corporations, etc.

SECTION 1. Every foreign corporation, as defined in section thirty-nine of Part III of chapter four hundred and ninety of the acts of nineteen hundred and nine, shall pay a tax to the commonwealth computed upon the net income for its fiscal or calendar year next preceding, as hereinafter provided, upon which income such corporation is required to pay a tax to the United States. Each corporation subject to the tax imposed by this act shall render to the tax commissioner, under oath or affirmation of its treasurer or assistant treasurer, on or before the first day of July in the year nineteen hundred and eighteen, unless the fiscal year of the corporation for which it made return to the collector of internal revenue ended between the thirtieth day of April and the first day of July, both inclusive, in which case the said report shall be rendered by the corporation within sixty days after the date of the closing of its said fiscal year, a true copy of the last return made to the collector of internal revenue, of the annual net income arising or accruing from all sources in its fiscal or calendar year next preceding, stating the name and situation of the principal place of business of the corporation; the kind of business transacted, and a list of all subsidiary companies, if any, with the situation of the principal place of business of each; the gross amount of its income during the said year from all sources, and the amount of its ordinary necessary expenses paid out of earnings in the maintenance and operation of the business and properties of the corporation; such other information as may be requested by the United States treasury department for the purpose of ascertaining the total amount of net income taxable under the United States income tax act; the net income of the corporation after making the deductions authorized; the amount of taxes paid upon its income

Sworn return to tax commissioner.

to the internal revenue department for the year next preceding the one for which such return is made.

SECTION 2. If the amount of the net income returned by any such corporation to the collector of internal revenue is changed or corrected by the commissioner of internal revenue or by any other official of the United States, such corporation, within ten days after the receipt of notification of the change or correction, shall make return under oath or affirmation to the tax commissioner of such changed or corrected net income upon which the tax is required to be paid to the United States. In case a corporation fails to file the return within the time prescribed, there shall be added to, and become a part of the tax, as an additional tax, the sum of five dollars for every day during which the corporation is in default. If any deduction is made from the net income as returned, the tax commissioner shall certify to the auditor the amount of any tax paid upon such deduction, and the treasurer and receiver general shall pay said amount without any appropriation therefor, or if any addition is made, the corporation shall, within thirty days after receipt of notice from the tax commissioner of the amount of such addition, pay the tax thereon.

Return of change or correction of net income to tax commissioner.

Penalty for failure to file return, etc.

Deductions, certification and payment of.

SECTION 3. If any such corporation carries on business outside of this commonwealth, or owns property beyond its jurisdiction, or is to any extent engaged in interstate or foreign commerce, that portion only of its net income which is not derived from the said sources shall be apportioned to this commonwealth and taxed hereunder. Each corporation, in connection with the return required by section one of this act, shall state in such form as the tax commissioner shall prescribe what portion or amount of its annual net income is apportionable to this commonwealth, as provided in this section. A tax is hereby laid on every such corporation of one per cent of the said income to be assessed in the manner hereinafter provided.

Statement from corporation engaged in interstate or foreign commerce.

Amount of tax levied.

SECTION 4. Sections four to nine, inclusive, of the general act of the current year, entitled "An Act imposing an additional tax upon the net incomes of domestic corporations", shall apply to the taxes imposed by this act and to the enforcement of its provisions.

Certain act of present year to apply.

SECTION 5. The tax imposed by this act shall be construed as a temporary emergency tax levied in addition to all other taxes imposed on foreign corporations, and not to

Temporary emergency tax.

any extent as a part of the system of taxation established by sections fifty-four to fifty-six, inclusive, of Part III of chapter four hundred and ninety of the acts of nineteen hundred and nine and acts in amendment thereof or in addition thereto.

SECTION 6. This act shall take effect upon its passage and shall be operative for one year only.

*Approved May 29, 1918.*

*Chap. 254* AN ACT TO ESTABLISH THE SALARY OF THE ACTUARY OF THE MASSACHUSETTS INSURANCE DEPARTMENT.

*Be it enacted, etc., as follows:*

SECTION 1. The annual salary of the actuary of the Massachusetts insurance department shall be three thousand dollars.

SECTION 2. This act shall take effect upon its passage.

*Approved May 29, 1918.*

*Chap. 255* AN ACT IMPOSING AN ADDITIONAL TAX UPON THE NET INCOMES OF DOMESTIC CORPORATIONS.

*Be it enacted, etc., as follows:*

SECTION 1. Every corporation incorporated under the laws of this commonwealth and doing business for profit shall pay a tax to the commonwealth computed upon the net income for its fiscal or calendar year next preceding, as hereinafter provided, upon which income such corporation is required to pay a tax to the United States. Every corporation subject to the tax imposed by this act shall render to the tax commissioner, under oath or affirmation of its treasurer or assistant treasurer, on or before the first day of July in the year nineteen hundred and eighteen, unless the fiscal year of the corporation for which it made return to the federal collector of internal revenue ended between the thirtieth day of April and the first day of July, both inclusive, in which case such report shall be rendered by the corporation within sixty days after the date of the closing of its said fiscal year, a true copy of the last return made to the collector of internal revenue of the annual net income arising or accruing from all sources in its fiscal or calendar year next preceding, stating the name and situation of the principal place of business of the corporation; the kind of business transacted, and a list of all subsidiary companies, if any, with the location of the principal place of business of

Act operative for one year.

Salary of actuary, Massachusetts insurance department, increased.

Additional tax upon net incomes of domestic corporations, etc.

Sworn return to tax commissioner.