

**SENATE . . . . . No. 01447**

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The Commonwealth of Massachusetts

PRESENTED BY:

*James B. Eldridge*

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act establishing biannual tax incidence reports.

PETITION OF:

| NAME:                          | DISTRICT/ADDRESS:              |
|--------------------------------|--------------------------------|
| <i>James B. Eldridge</i>       | <i>Middlesex and Worcester</i> |
| <i>Carl M. Sciortino, Jr.</i>  | <i>34th Middlesex</i>          |
| <i>William N. Brownsberger</i> | <i>24th Middlesex</i>          |
| <i>Sheila Harrington</i>       | <i>1st Middlesex</i>           |

# SENATE . . . . . No. 01447

By Mr. Eldridge, petition (accompanied by bill, Senate, No. 1447) of Harrington, Eldridge, Brownsberger and other members of the General Court for legislation to establish biannual tax independence reports [Joint Committee on Revenue].

[SIMILAR MATTER FILED IN PREVIOUS SESSION  
SEE  
□ SENATE  
□ , NO. 1265 OF 2009-2010.]

## The Commonwealth of Massachusetts

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**In the Year Two Thousand Eleven**  
\_\_\_\_\_

An Act establishing biannual tax incidence reports.

*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. Chapter 14 of the General Laws is hereby amended by adding the  
2 following section:-

3 Section 12. The commissioners of revenue shall report to the general court by March 1  
4 of each odd-numbered year on the overall incidence of the income tax, sales and excise taxes,  
5 and property tax. The report shall present information on the distribution of the tax burden (1)  
6 for the overall income distribution, using a system wide incidence measure such as the Suits  
7 index or other appropriate measures of equality and inequality, (2) by income classes, including  
8 at a minimum deciles of the income distribution , and (3 by other appropriate taxpayer  
9 characteristics.

10           At the request of the chairs of the joint committee on taxation, the commissioner shall  
11 prepare an incidence impact analysis of a bill or a proposal to change the tax system which  
12 increases, decreases, or redistributes taxes by more than \$20,000,000. To the extent data is  
13 available on the changes in the distribution of the tax burden that are affected by the bill or  
14 proposal, the analysis shall report on the incidence effects that would result if the bill were  
15 enacted. The report may present information using system wide measures, such as Suits or other  
16 similar indexes, by income classes, taxpayer characteristics, or other relevant categories. The  
17 report may include analyses of the effect of the bill or proposal on representative taxpayers. The  
18 analysis must include a statement of the incidence assumptions that were used in computing the  
19 burdens.

20           The incident analysis shall use the broadest measure of economic income for which  
21 reliable data is available.