

**HOUSE . . . . . No. 165**

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The Commonwealth of Massachusetts

PRESENTED BY:

***Robert F. Fennell***

*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 relative to bona fide business entities.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Robert F. Fennell</i>	<i>10th Essex</i>
<i>Tackey Chan</i>	<i>2nd Norfolk</i>
<i>Bruce J. Ayers</i>	<i>1st Norfolk</i>
<i>John J. Lawn, Jr.</i>	<i>10th Middlesex</i>
<i>Robert L. Hedlund</i>	<i>Plymouth and Norfolk</i>

**HOUSE . . . . . No. 165**

By Mr. Fennell of Lynn, a petition (accompanied by bill, House, No. 165) of Robert F. Fennell and others relative to the definition of "bona fide business entities". Community Development and Small Businesses.

**The Commonwealth of Massachusetts**

**In the Year Two Thousand Thirteen**

An Act relative to bona fide business entities.

*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. The Massachusetts General Laws, as appearing in the 2010 official edition, is
- 2 hereby amended by inserting after section 93 I the following section.
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- 4   Chapter 93J, Bona Fide Business Entities
- 5
- 6   A business entity that provides services under a written contract is not an employee for the
- 7 purposes of Title IX, Taxation, and Title XXI, Labor and Industries, provided that the business
- 8 entity is bona fide. A business entity will be deemed to be bona fide if it is shown that:
- 9
- 10    (a) The business entity is registered as such with the Secretary of the Commonwealth and is in
- 11 good standing;
- 12
- 13    (b) The business entity includes the compensation it receives for the services it renders on
- 14 federal and applicable state tax schedules as income from an independent business or profession;
- 15
- 16    (c) The business entity reports the compensation paid to its employees, if any, to the Internal
- 17 Revenue Service and the Massachusetts Department of Revenue; and
- 18
- 19    (d) The business entity complies with federal and state tax, unemployment insurance, workers'
- 20 compensation insurance, and labor and employment law obligations with respect to its
- 21 employees.

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