## **SENATE . . . . . . . . . . . . . . . . No. 1558**

#### The Commonwealth of Massachusetts

PRESENTED BY:

Jason M. Lewis

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 adoption of the accompanying bill:

An Act to eliminate the tax deduction for direct-to-consumer pharmaceutical marketing.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
Jason M. Lewis	Fifth Middlesex	
Chris Walsh	6th Middlesex	1/24/2017
Michael J. Barrett	Third Middlesex	1/26/2017
Steven Ultrino	33rd Middlesex	2/2/2017

FILED ON: 1/13/2017

### **SENATE . . . . . . . . . . . . . . . No. 1558**

By Mr. Lewis, a petition (accompanied by bill, Senate, No. 1558) of Jason M. Lewis, Chris Walsh, Michael J. Barrett and Steven Ultrino for legislation to eliminate the tax deduction for direct-to-consumer pharmaceutical marketing. Revenue.

# [SIMILAR MATTER FILED IN PREVIOUS SESSION SEE SENATE, NO. 1508 OF 2015-2016.]

#### The Commonwealth of Massachusetts

In the One Hundred and Ninetieth General Court (2017-2018)

An Act to eliminate the tax deduction for direct-to-consumer pharmaceutical marketing.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- SECTION 1. Section 1 of chapter 63 of the General Laws, as appearing in the 2014
- 2 Official Edition, is hereby amended by striking items (e) and (f) under the definition of "net
- 3 income" and inserting in place thereof the following:-
- 4 (e) the deduction allowed by section 199 of the Code;
- 5 (f) the deduction described in section 163(e)(5) of the Code, to the extent increased by
- 6 amendments to section 163(e)(5)(F) and section 163(i)(1) of the Code, inserted by section 1232
- 7 of the American Recovery and Reinvestment Act of 2009; or
- 8 (g) the deduction described in section 162(a) of the Code, to the extent that this deduction
- 9 applies to direct consumer advertising of prescription drugs, which shall include all direct and

- indirect costs incurred or paid relating to advertising prescription drugs and devices to patients in
- 11 Massachusetts, including media advertising, coupons, outreach and persistency programs, and
- any other forms of marketing or advertising directed to persons other than licensed prescribers.
- For amounts paid or incurred in national or regional programs, the amount disallowed shall be
- the ratable share of expenses directed to Massachusetts residents.