

SENATE No. 1939

The Commonwealth of Massachusetts

PRESENTED BY:

Bruce E. Tarr

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 relative to improving Massachusetts' competitiveness and reduce the cost of living.

PETITION OF:

NAME:

Bruce E. Tarr

DISTRICT/ADDRESS:

First Essex and Middlesex

SENATE No. 1939

By Mr. Tarr, a petition (accompanied by bill, Senate, No. 1939) of Bruce E. Tarr for legislation relative to improving Massachusetts’ competitiveness and reduce the cost of living. Revenue.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Third General Court
(2023-2024)**

An Act relative to improving Massachusetts’ competitiveness and reduce the cost of living.

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. Subparagraph (9) of paragraph (a) of part B of section 3 of chapter 62 of the
2 General Laws, as appearing in the 2020 Official Edition, is hereby amended by striking out, in
3 line 109, the figure “3,000” and inserting in place thereof the following figure:- 5,000.

4 SECTION 2. Paragraph (1) of subsection (a) of section 4 of said chapter 62, as so
5 appearing, is hereby amended by inserting, in line 5, after the word “cent” the following words:-
6 provided, however, that any gain from the sale or exchange of capital assets held for 1 year or
7 less shall be taxed at the rate of 5 per cent.

8 SECTION 3. Paragraph (1) of subsection (a) of section 5 of said chapter 62, as so
9 appearing, is hereby amended by striking out, in line 6, the words “eight thousand dollars” and
10 inserting in place thereof the following figure:- \$12,550.

11 SECTION 4. Said subsection (a) of said section 5 of said chapter 62, as so appearing, is
12 hereby amended by striking out paragraph (2) and inserting in place thereof the following 2
13 paragraphs:-

14 (2) in the case of a husband and wife filing a joint return, \$25,100, or

15 (3) in the case of a person filing as head of household, \$18,800.

16 SECTION 5. Paragraph (2) of subsection (k) of section 6 of said chapter 62, as so
17 appearing, is hereby amended by striking out, in line 447, the figure “750” and inserting in place
18 thereof the following figure:- 1,755.

19 SECTION 6. Subsection (x) of said section 6 of said chapter 62, as most recently
20 amended by section 31 of chapter 102 of the acts of 2021, is hereby further amended by striking
21 out the figure “240” and inserting in place thereof the following figure:- 480.

22 SECTION 7. Said subsection (x) of said section 6 of said chapter 62, as so amended, is
23 hereby further amended by striking out the figure “480” and inserting in place thereof the
24 following figure:- 960.

25 SECTION 8. Subsection (y) of said section 6 of said chapter 62, as most recently
26 amended by section 33 of said chapter 102, is hereby further amended by striking out the figure
27 “180” and inserting in place thereof the following figure:- 360.

28 SECTION 9. Said subsection (y) of said section 6 of said chapter 62, as so amended, is
29 hereby further amended by striking out the figure “360” and inserting in place thereof the
30 following figure:- 720.

31 SECTION 10. Subsection (a) of section 6 of chapter 62C of the General Laws, as
32 appearing in the 2020 Official Edition, is hereby amended by striking out, each time it appears,
33 in line 4, lines 6 to 7 and line 17, the words “eight thousand dollars” and inserting in place
34 thereof, in each instance, the following words:- the thresholds specified in subsection (a) of
35 section five of chapter sixty-two.

36 SECTION 11. Section 2A of chapter 65C of the General Laws, as so appearing, is hereby
37 amended by striking out subsection (a) and inserting in place the following subsection:-

38 (a) A tax is hereby imposed upon the transfer of the estate of each person dying on or
39 after January 1, 1997 who, at the time of death, was a resident of the commonwealth. The
40 amount of the tax shall be equal to the credit for state death taxes that would have been allowable
41 to a decedent’s estate as computed under Code section 2011, as in effect on December 31, 2000,
42 hereinafter referred to as the “credit”. In the event that the federal gross estate of a person
43 includes real or tangible personal property located outside of Massachusetts at the time of death,
44 the tax shall be reduced by an amount equal to the proportion of such allowable credit as the
45 value of said real or tangible personal property located outside of Massachusetts bears to the
46 value of the entire federal gross estate wherever situated, as determined under Code section
47 2011, as in effect on December 31, 2000.

48 SECTION 12. Said section 2A of said chapter 65C, as so appearing, is hereby further
49 amended by adding the following subsection:-

50 (f) Effective for the estates of decedents dying on or after July 1, 2022, for purposes of
51 computing the tax imposed by subsections (a) and (b), the credit shall be determined based on
52 the value of the federal taxable estate after such estate is reduced by \$2,000,000. Estates of

53 decedents dying on or after July 1, 2022 are not required to pay any tax under subsections (a) and
54 (b) if the value of the federal taxable estate is \$2,000,000 or less. For purposes of this subsection,
55 the federal taxable estate is the federal gross estate less any Qualified Conservation Exclusion
56 elected under Code section 2031(c), as in effect on December 31, 2000, and further reduced by
57 the deductions allowable by the Code, as in effect on December 31, 2000.

58 SECTION 13. Sections 11 and 12 shall take effect for the estates of decedents dying on
59 or after July 1, 2023.

60 SECTION 14. Except as otherwise specified, this act shall take effect for taxable years
61 beginning on or after January 1, 2023.