

HOUSE No.

The Commonwealth of Massachusetts

PRESENTED BY:

Bradley H. Jones, Jr.

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 quarterly estimated taxes for corporations.

PETITION OF:

| NAME: | DISTRICT/ADDRESS: |
|-------------------------|-------------------|
| Viriato Manuel deMacedo | 1st Plymouth |
| Bradley H. Jones, Jr. | 20th Middlesex |
| George N. Peterson, Jr. | 9th Worcester |
| Elizabeth Poirier | 14th Bristol |

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE HOUSE, NO. 2971 OF 2007-2008.]

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT RELATIVE TO QUARTERLY ESTIMATED TAXES FOR CORPORATIONS.

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. Subsection (c) of section 3 of chapter 63B of the General Laws, as appearing in the
2 2006 Official Edition, is hereby amended by striking said subsection and inserting in place
3 thereof the following:—

4 (c) For purposes of this chapter, there shall be four required installments for each
5 taxable year, except as otherwise provided by this chapter. The first installment shall be paid on
6 or before the fifteenth day of the third month of the taxable year; the second installment shall
7 be paid on or before the fifteenth day of the sixth month of the taxable year; the third
8 installment shall be paid on or before the fifteenth day of the ninth month of the taxable year;
9 and the fourth installment shall be paid on or before the fifteenth day of twelfth month of the
10 calendar year. The amount of any installment shall be twenty-five per cent of the required
11 annual payment.

12

13 The term “required annual payment” means the lesser of (i) ninety percent of the tax shown on
14 the return for the taxable year or, if no return is filed, ninety percent of the tax for such year, or
15 (ii) one hundred percent of the tax shown on the return of the corporation for the preceding
16 taxable year, or (iii) ninety percent of the tax for the taxable year or, if no return is filed, ninety
17 percent of tax for such year determined by using the income apportionment percentage, if any,
18 applicable for the preceding taxable year in computing its net income subject to tax under
19 chapter sixty-three.

20

21 Clause (ii) shall not apply if the preceding taxable year was not a taxable year of twelve months
22 or the corporation did not file a return for such preceding taxable year showing a liability for
23 tax.

24

25 Clause (ii) shall not apply in the case of a large corporation, as defined in section sixty-six
26 hundred and fifty-five (g) of the Internal Revenue Code of the United States, as amended on
27 January first, nineteen hundred and eighty-nine and in effect for the taxable year except for
28 purposes of determining the amount of the first required installment for any taxable year;
29 provided, however that any reduction in such first installment by reason of this provision shall
30 be recaptured by increasing the amount of the next required installment by the amount of such
31 reduction.

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33 SECTION 2. Section 4A of chapter 63B of the General Laws, as so appearing, is hereby amended
34 by striking the word "sixty-five" in line 4 and inserting in place thereof the following:-- 50

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36 SECTION 3. Section 4A of chapter 63B of the General Laws, as so appearing, is hereby amended
37 by striking the word "ten" in line 9 and inserting in place thereof the following:-- 25

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39 SECTION 4. Section 4A of chapter 63B of the General Laws, as so appearing, is hereby amended
40 by striking the word "ninety" in line 14 and inserting in place thereof the following:-- 25

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42 SECTION 5. Section 4A of chapter 63B of the General Laws, as so appearing, is hereby amended
43 by striking the word "ten" in line 16 and inserting in place thereof the following:-- 25

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