

Initiative Petition to Repeal State Income Tax

HOUSE No. 4469

The Commonwealth of Massachusetts

INITIATIVE PETITION OF CARLA A. HOWELL
AND OTHERS.

OFFICE OF THE SECRETARY.
BOSTON, JANUARY 8, 2008.

Steven T. James
Clerk of the House of Representatives
State House
Boston, Massachusetts 02133

Sir: — I herewith transmit to you, in accordance with the requirements of Article XLVIII of the Amendments to the Constitution, an Initiative Petition for the Small Government Act to End the Income Tax, signed by ten qualified voters and filed with this department on or before December 5, 2007, together with additional signatures of qualified voters in the number of 76,085, being sufficient number to comply with the Provisions of said Article.

Sincerely,

WILLIAM FRANCIS GALVIN,
Secretary of the Commonwealth.

AN INITIATIVE PETITION.

Pursuant to Article XLVIII of the Amendments to the Constitution of the Commonwealth, as amended, the undersigned qualified voters of the Commonwealth, ten in number at least, hereby petition for the enactment into law of the following measure:

The Commonwealth of Massachusetts

In the Year Two Thousand and Eight.

AN ACT SMALL GOVERNMENT ACT TO END THE INCOME TAX.

Be it enacted by the People, and by their authority, as follows:

- 1 SECTION 1. This law, to be known as The Small Government
2 Act to End the Income Tax, is enacted upon the following findings
3 and declarations:—
- 4 (a) The government of the Commonwealth of Massachusetts
5 today is Big Government; and
- 6 (1) Massachusetts Big Government programs do not work; all
7 too often, they do not achieve their stated objectives; all too often
8 they fail in their duties;
- 9 (2) Massachusetts Big Government programs make things
10 worse;
- 11 (3) Massachusetts Big Government programs create new prob-
12 lems;
- 13 (4) Massachusetts Big Government programs squander and
14 waste; and
- 15 (5) Massachusetts Big Government programs divert money and
16 energy from positive and productive uses in the private sector.
- 17 (b) Big Government has a harmful impact on those who rely
18 upon it; and
- 19 (1) Big Government promotes irresponsibility;
- 20 (2) Big Government makes people weak and dependent; and
- 21 (3) Big Government saps personal initiative and undermines the
22 work ethic.
- 23 (c) Big Government cannot work. It is inherently flawed and
24 unreformable.
- 25 (d) High taxes feed and increase the size and scope of Massa-
26 chusetts Big Government.
- 27 (e) High taxes drive jobs out of Massachusetts.
- 28 (f) High taxes reduce our standard of living, making more
29 people poor and fewer able to help their friends, families, and
30 communities in need.

31 (g) Government spending rises to meet government income. To
32 dramatically shrink government spending, we must dramatically
33 shrink government income.

34 (h) Ending the personal income tax is intended to dramatically
35 shrink the revenue of the Commonwealth of Massachusetts.
36 Ending the personal income tax is designed to be a bold step in
37 making Massachusetts' government small.

38 (i) Small government leaves us free and unburdened to fashion
39 our own lives; and

40 (1) Small government is simple, cheap, and good;

41 (2) Small government is thrifty and effective;

42 (3) Small government is accountable and responsible;

43 (4) There's no place to hide waste and corruption in a small
44 government budget; and

45 (5) Small government leaves us with the responsibility and the
46 resources to manage our own lives, educate our children, protect
47 our families, care for our neighbors, and assist those who cannot
48 support themselves.

1 SECTION 2. Chapter sixty-two of the General Laws, as
2 appearing in the 2006 Official Edition, is hereby amended by
3 inserting at the beginning of Section 3 of said chapter sixty-two a
4 new paragraph to read:—

5 "No income or other gain realized in a taxable year beginning
6 on or after January 1, 2010 shall be taxable, or subject to tax,
7 under the provisions of this chapter."

8 Said chapter sixty-two is hereby further amended by inserting
9 the words "Subject to the introductory paragraph at the beginning
10 of Section 3 of this chapter", followed by a comma, at the begin-
11 nings of each of Subsections (f), (g) and (h) of Section 2 of
12 chapter sixty-two.

1 SECTION 3. Section 4 of chapter sixty-two of the General
2 Laws, as appearing in the 2006 Official Edition, is hereby
3 amended, effective January 1, 2009, first, by striking from the
4 introductory paragraph the words "as follows" and the colon that
5 follows them, and replacing same with the words "at the rate of
6 2.65 per cent", followed by a period; and second, by striking the
7 subsections.

1 SECTION 4. Section 4 of chapter sixty-two B of the General
2 Laws, as appearing in the 2006 Official Edition, is hereby
3 repealed, effective January 1, 2010.

1 SECTION 5. Chapter sixty-two C of the General Laws, as
2 appearing in the 2006 Official Edition, is hereby amended by
3 inserting at the beginning of Section 6 of said Chapter sixty-two C
4 a new paragraph to read:—

5 “The term ‘taxable year’ as used in this Section or Section 7 of
6 this chapter, and applied to a natural person or to a partnership
7 consisting only of natural persons, shall not include any period
8 beginning on or after January 1, 2010.

1 SECTION 6. The Small Government Act to End the Income
2 Tax is not intended to impair the operation of G.L. Chapter sixty-
3 two E. Therefore, Section 2 of G.L. Chapter sixty-two E, as
4 appearing in the 2006 Official Edition, is hereby amended by
5 excising from the first sentence thereof the phrase “required to
6 deduct and withhold taxes upon wages under the provisions of
7 chapter sixty-two B” and the phrase “and any identification
8 number such employer is required to include on a withholding tax
9 return filed pursuant to said chapter sixty-two B”.

1 SECTION 7. The effect of the Small Government Act to End
2 the Income Tax is prospective, not retroactive. Notwithstanding
3 the provisions of the foregoing sections hereof, this law shall not
4 be construed to impair the collection of moneys due the Common-
5 wealth for income or other gain realized by any person before the
6 start of the taxable year described in Section 2 hereof, nor shall it
7 be construed to affect the responsibility of any person to comply
8 with the requirements of G.L. Chapters sixty-two B or sixty-two C
9 as either pertains to income or other gain realized before the start
10 of the taxable year described in Section 2 hereof or before the date
11 of any repeal or change in the law.

1 SECTION 8. The provisions of this law are severable, and if
2 any clause, sentence, paragraph or section of this chapter, or an
3 application thereof, shall be adjudged by any court of competent
4 jurisdiction to be invalid, such judgment shall not affect, impair,

5 or invalidate the remainder thereof but shall be confined in its
6 operation to the clause, sentence, paragraph, section or application
7 adjudged invalid.

FIRST TEN SIGNERS

<u>NAME</u>	<u>RESIDENCE</u>	<u>CITY OR TOWN</u>
Carla A. Howell	6 Goodman Lane	Wayland
Kasia E. Sokalla	590 Prospect Street	Methuen
Richard P. Aucoin	100 Middlesex Road #4	Waltham
Bill Hees	78 Dana Street	Cambridge
George Greeley Bryant.	9 Gale Street	Waltham
Kim E. Bryant	9 Gale Street	Waltham
Irwin L. Jungreis	30 Goodman's Hill Road	Sudbury
Thomas David Hudson	23 Myrtle Avenue	Westford
Barry J. Linton	9 New Meadow Lane	Topsfield
Robert H. French	210 South Stree #5-1	Boston

CERTIFICATE OF THE ATTORNEY GENERAL.

September 5, 2007.

Honorable William Francis Galvin
Secretary of the Commonwealth
One Ashburton Place, Room 1705
Boston, Massachusetts 02108

RE:Initiative Petition No. 07-04: Small Government Act to End the
Income Tax (Version B).

Dear Secretary Galvin:

In accordance with the provisions of Article 48 of the Amendments to the Massachusetts Constitution, I have reviewed the above-referenced initiative petition, which was submitted to me on or before the first Wednesday of August of this year.

I hereby certify that this measure is in proper form for submission to the people; that the measure is not, either affirmatively or negatively, substantially the same as any measure which has been qualified for submission or submitted to the people at either of the two preceding biennial state elections; and that it contains only subjects that are related or are mutually dependent and which are not excluded from the initiative process pursuant to Article 48, the Initiative, Part 2, Section 2.

In accordance with Article 48, I enclose a fair, concise summary of the measure.

Cordially,

MARTHA COAKLEY,
Attorney General.

SUMMARY OF INITIATIVE PETITION.

This proposed law would reduce the state personal income tax rate to 2.65% for all categories of taxable income for the tax year beginning on or after January 1, 2009, and would eliminate the tax for all tax years beginning on or after January 1, 2010.

The personal income tax applies to income received or gain realized by individuals and married couples, by estates of deceased persons, by certain trustees and other fiduciaries, by persons who are partners in and receive income from partnerships, by corporate trusts, and by persons who receive income as shareholders of "S corporations" as defined under federal tax law. The proposed law would not affect the tax due on income or gain realized in a tax year beginning before January 1, 2009.

The proposed law states that if any of its parts were declared invalid, the other parts would stay in effect.

The State of Local Aid in 2003

- ▶ NCSL reports that tax increase proposals are being considered in 24 states; at least 14 will consider higher cigarette taxes, while 6 are weighing higher taxes on alcohol. Six states are looking at sales taxes, four at income taxes.
- ▶ Gov. Romney has stated that his new FY 2004 budget will not propose new taxes and 2/3 of House and Senate would be needed to override Romney's veto
- ▶ Vote on Question One on the 2002 State Ballot, to repeal the state income tax sent a message that a large number of voters are opposed to increasing state taxes

YES	NO	BLANKS	TOTAL
885,683	1,070,668	263,950	2,220,301

45.2% of Massachusetts voters voted to End the Income Tax.

The State of Local Aid in 2003

Worcester and Norfolk District Return of Votes On Question One November 5, 2002

	YES	NO
✓ Bellingham	2,832	2,545
✓ Blackstone	1,637	1,092
✓ Douglas	1,431	1,124
✓ Dudley	1,594	1,425
Hopedale	1,055	1,078
✓ Mendon	1,034	941
✓ Milford	3,709	3,662
✓ Millville	516	365
Northbridge	1,186	2,004
Oxford	1,654	1,808
Southbridge	1,582	2,018
✓ Sutton	1,733	1,587
✓ Uxbridge	2,297	2,034
✓ Webster	2,206	1,978
✓ Total	24,466	23,661