

# SENATE NO. 1729

## **AN ACT** ESTABLISHING A SPECIAL COMMISSION TO STUDY THE EFFECTIVENESS AND IMPACT OF THE SINGLE-SALES TAX FORMULA

*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. There shall be a 15 member special commission to study the use and effectiveness  
2 of the manufacturing and mutual fund corporation single-sales tax formulas, so-called. The  
3 commission shall consist of 4 members appointed by the president of the senate, including the  
4 chair of the senate committee on ways and means, the senate chair of the joint committee on  
5 taxation, and 1 member appointed by the leader minority party; 4 members appointed by the  
6 speaker of the house of representatives, including the chair of the house committee on ways and  
7 means, the house chair of the joint committee on taxation, and 1 member appointed by the  
8 leader minority party; the secretary of administration and finance; the secretary of economic  
9 affairs; the commissioner of the department of revenue; 1 representative appointed by the  
10 executive director of the Massachusetts Budget and Policy Center, 1 representative appointed by  
11 the executive director of the Massachusetts Taxpayers Foundation, 1 representative appointed  
12 by the president of the Associated Industries of Massachusetts, and 1 representative appointed  
13 by the president of the Massachusetts AFL-CIO.

14 The commission shall study the impact of the single-sales tax formulas on job growth,  
15 business expansion, state tax revenues, and the overall contribution of the single-sales tax  
16 formulas to the economic climate in the commonwealth, and recommend retaining the single-  
17 sales tax formula or recommend a new tax formula. The commission shall include in its study

18 an individual analysis of each corporation utilizing the single-sales tax formulas since the  
19 implementation of the single-sales tax formulas. The individual analysis shall include the  
20 annual employment level of the corporation; the annual total of salaried workers employed by  
21 the corporation; the annual total of hourly-wage workers employed the corporation; a year-by-  
22 year account of the corporation's property and assets in the commonwealth, including the  
23 valuation of the corporation's property and assets; a year-by-year account of the transfer of jobs  
24 or operations into and out of the commonwealth by the corporation; and a year-by-year account  
25 of the sale and purchase of assets in the commonwealth by the corporation.

26 The commission shall file its study, along with any legislation, with the clerks of the  
27 senate and the house of representatives on or before November 1, 2007.