

SUMMARY OF NO. 25-17

This proposed law would change the limit on how much revenue the state can collect in a given year. The proposal would limit state revenue in a given year to the net amount of state revenue from the year before, increased by a rate equal to the average growth of wages and salaries in Massachusetts over the most recent three years. If revenue collected by the state in a given year exceeds the limit, the excess amount would be refunded to taxpayers the following year. The proposed law would include all revenue from the surtax on incomes over \$1 million when calculating the revenue limit and when determining whether state revenue exceeds the limit.

The provisions of the proposed law would all be effective as of July 1, 2027.

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