STATE TAX ADMINISTRATION

EMERGENCY REGULATION

In accordance with General Laws Chapter 30A, Section 2, the Commissioner of Revenue makes the following findings of fact:

1. On July 1, 1983, the Governor signed into law Chapter 233 of the Acts of 1983, and declared it an emergency measure to take effect forthwith.
2. Section 35 of Chapter 233 requires agencies and political subdivisions of the Commonwealth annually to furnish to the Commissioner of Revenue lists of certain licenses and providers of goods, services and real estate space, in such form as the Commissioner determines by regulation.
3. Section 35 further requires that the first list of providers be furnished to the Commissioner on or before August 1, 1983.
4. Delay in the adoption of this regulation would make it impossible for the Commissioner to determine by regulation the form that such lists are to take before August 1, 1983.

Based on the foregoing findings of fact, the Commissioner hereby determines that the immediate adoption of this regulation is necessary for the preservation of the general welfare, and that observance of the requirements of notice and a public hearing would be contrary to the public interest. Accordingly, the Commissioner dispenses with such requirements and adopts the following emergency regulation:

MASSACHUSETTS DEPARTMENT OF REVENUE

STATE TAX ADMINISTRATION REGULATIONS

62C.47: Lists of Licenses and Providers

(1) Definitions.

(a) "Agency". Agency means every department, board, commission, division, authority or other agency of the Commonwealth or of its subdivisions.

(b) "Commissioner". Commissioner means the Commissioner of Revenue.

(c) "License". License means any license or other certificate of authority to conduct a profession, trade or business.

(d) "Provider". Provider means any person who has agreed to furnish goods, services or real estate space to an agency or subdivision of the Commonwealth.

(e) "Subdivision". Subdivision means every political subdivision of the Commonwealth, including counties, cities, towns, and districts.

(2) Annual Submission of Information.

(a) Every agency or subdivision issuing or renewing a license must annually, on or before February 1, furnish to the Commissioner a report of all licenses issued or renewed by the agency or subdivision during the preceding calendar year.

(b) Every agency or subdivision, except for towns and districts having a population of less than five thousand and agencies thereof, must annually, on or before August 1, furnish to the Commissioner a report of all providers who have furnished goods, services or real estate space to the agency or subdivision during the preceding fiscal year, under contracts which, taken together, required the agency or subdivision to pay the provider five thousand dollars or more during the preceding fiscal year.

(3) Form and Contents.

(a) The information on licenses must include the name, address, and social security or federal identification number of each licensee, and his license number.

(b) The information on providers must include the name, address, and social security or federal identification number of each provider, and the amount paid to him during the preceding fiscal year.

(c) Agencies and subdivisions must clearly and legibly print or type the information on forms furnished by the Commissioner, or supply the information on magnetic tape, in a format approved by the Commissioner. (Specifications will be supplied to agencies and subdivisions upon request.)

REGULATORY AUTHORITY

830 CMR 62C.47: G.L. c. 14, § 6(1); G.L. c. 62C, § 3.

This is a true copy of the emergency regulation adopted by the Commissioner of Revenue on August 1, 1983.

Attesting Signature: ______________________
Commissioner of Revenue

Approved: ______________________ Date: 8/2/83
Secretary of Administration

Pursuant to M.G.L. Ch. 62C, sec. 49A, I certify under the penalties of perjury that I, to my best knowledge and belief, have filed all state tax returns and paid all state taxes required under law.

____
Social Security Number
or Federal Identification
Number

____
Signature of Individual or
Corporate Name

by:________________________
Corporate Officer
(if applicable)

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CAMBRIDGE, MASS.

The Commonwealth of Massachusetts

Department of Revenue

Leverett Saltonstall Building,

100 Cambridge Street, Boston 02204

IRA A. JACKSON
COMMISSIONER

August 10, 1983

Arthur Libitz
795 Mass. Avenue
Cambridge, MA 02139

Dear Mr. Libitz:

This letter is to outline the pertinent provisions of the Revenue Enforcement and Protection Program (REAP) and the requirements thereunder, as enacted by Sections 35 and 36 of Chapter 233 of the Acts and Resolves of 1983.

The new law is effective July 1, 1983. It applies to every department, board, commission, division, authority and other agency of the Commonwealth or any subdivision, including cities or towns, issuing or renewing licenses for a trade, business or profession or contracts for goods, services or real estate space.

All state agencies and agencies of any subdivision must submit to the Department of Revenue an annual list of licensees or providers of goods, services or real estate space. Each list shall be in a specific format and contain information as prescribed by the regulations of the Commissioner. Submission of these lists shall be on or before February first, for licensees and on or before August first, for providers.

In the event that the Commissioner has determined from the information furnished and otherwise that a licensee or provider is not in compliance with the tax laws of the Commonwealth, the agency shall be notified by the Department of Revenue. Upon receipt of such notice, the agency must refuse to issue, renew or extend a license or contract until a certificate of good standing is obtained from the Department of Revenue by the licensee or provider.

In addition, the Commissioner is empowered to request that a license issued by an agency be revoked or suspended for neglect to file a tax return or pay a tax. This authority is limited to licenses issued or renewed by <u>state</u> agencies.

An additional aspect of the law requires every licensee or provider to attest under the penalties of perjury that he is in compliance with all laws of the Commonwealth relating to taxes. The attestation must occur at the time of issuing, renewing or extending a license or contract. Therefore, every application renewal form or contract bid must be revised by the agency forthwith, to conspicuously incorporate such a clause. Any person failing to execute the attestation clause shall not be allowed by the agency to obtain, renew or extend a license or contract. This requirement pertains to every licensee or provider of an agency of the state or any subdivision thereof.

In addition to an attestation clause, every application, renewal form or contract bid must provide ample space for each licensee or provider to furnish his social security or federal identification number. It should be noted that submission of a social security or federal identification number is purely voluntary. An agency may not preclude the issuance, renewal or extension of a license or contract for failure to supply this number.

Enclosed for your guidance is a recommended tax certification clause and a copy of the proposed regulation. A format for furnishing annual lists will be supplied to you in the near future.

Any questions concerning the law or its implementation may be directed to Brian Osganian, Massachusetts Department of Revenue, Leverett Saltonstall Building, 100 Cambridge Street, Boston, MA 02204, or call telephone number (617) 727-4201.

Very truly yours,

Ira A. Jackson

Ira A. Jackson

Comm. from Arthur Libitz, City Auditor, transmitting a comm. from Ira A. Jackson, Mass. Commissioner of Revenue Re: outlining the provisions of the Revenue Enforcement & Protection Program (REAP) & the requirements thereunder, as enacted by Sections 35 & 36 of Chapter 233 of the Acts & Resolves of 1983.

In City Council,

September 12, 1983