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The Massachusetts High Technology Council's Statement on the Senate's Tax Reform Proposal

As the outmigration of Massachusetts population and wealth continues to accelerate, the Massachusetts High Technology Council supports the proposals offered by the Senate President and Senate leadership that recognize the competitive challenges posed by Massachusetts' position as a national outlier on high taxes but urges the Senate to do more to address these challenges. Massachusetts investors and employers are confronting strong economic headwinds, and state action is urgently needed to address the continued loss of residents and businesses to other states.

"The High Tech Council is pleased that tax reform is advancing on Beacon Hill and while increasing the estate tax exemption is a step in the right direction, the Senate's marginal increase to the exemption limit and the absence of reforms related to the short-term capital gains rate and single sales factor apportionment will not do enough to improve the Commonwealth's competitive position relative to other states and rehabilitate Massachusetts' declining business climate," said High Tech Council President Chris Anderson. "The data shows that high-income earners are significantly contributing to the loss of wealth from the state and the Senate's proposal does not go far enough to mitigate this outmigration. A final tax package must more urgently address the areas where Massachusetts is a national outlier on high taxes."

The High Tech Council appreciates that the Senate's proposal does not advance an unconstitutional change to the distribution of tax refunds under the voter-approved Chapter 62F state tax revenue growth limit. After the House included such a change in its tax reform package, the High Tech Council [warned legislative leaders](#) that this would violate the Constitution and provided a legal analysis to that effect.

The High Tech Council urges Senators to support additional tax reform measures that will make Massachusetts more competitive.

About the Massachusetts High Technology Council

The [Massachusetts High Technology Council, Inc.](#) is an organization of CEOs and senior executives representing innovation, technology, and scientific companies; professional services firms; and research institutions dedicated to collaborating to create and sustain conditions that support investment, job growth, and improved quality of life in Massachusetts. Our members are growth-oriented, knowledge-intensive employers and institutions that develop, deliver, and depend on technology and scientific products, services, and innovations to advance their organizational objectives—a definition that covers just about all business enterprises in Massachusetts today.

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