

TESTIMONY OF
GALE D. CANDARAS
BEFORE THE
JOINT COMMITTEE ON REVENUE

JUNE 28, 2007

**S. 1707, “An Act Providing Relief from Joint and
Severable Liability on Joint Return”**

June 28, 2007

The Hon. Cynthia Stone Creem, Chairwoman
Senate Committee on Revenue
The State House, Rm. 416B
Boston, MA 02133

The Hon. John J. Binienda, Chairman
House Committee on Revenue
The State House, Rm. 34
Boston, MA 02133

Re: S. 1707, "An Act Providing Relief from Joint and Severable Liability on Joint Return"

Dear Chairwoman Creem and Chairman Binienda:

I write in support of S. 1707, "An Act Providing Relief from Joint and Severable Liability on Joint Return," also known as the "Innocent Spouse Law." This legislation aims to provide additional protections for a person whose spouse has intentionally filed inaccurate tax return information without that person's knowledge.

Though existing law mandates certain protections in instances where one spouse misrepresents personal or joint assets on a tax return form unbeknownst to the other, I would contend that these protections do not extend far enough. The legislation I have filed states that the "innocent" spouse may petition the Department of Revenue up to two years after the Department has begun collection activities with respect to that individual. In providing more time to individuals who find themselves in this difficult situation, we will ensure that they have ample opportunity to prove their innocence and rid themselves of any undue financial burden incurred as a result of another's actions.

Additionally, this bill establishes procedures for limiting liability for taxpayers who are no longer married, or who are legally separated and no longer living together. As you might imagine, the realization that one's spouse has committed tax fraud, or withheld financial information, may cause an individual to end their marriage. In cases where spouses have been legally separated since the return in question was filed, an individual would be responsible only for the share of the tax burden that rightfully belongs to them, as opposed to the entire pre-separation amount.

In the interest of promoting fairness and protecting residents of our Commonwealth in this difficult economic climate, it is imperative that no individual pay more in taxes than is his or her fair share.

Thank you for your kind consideration of S. 1707; it is my hope that the Committee will report favorably on this important legislation. As always, should you have questions or require additional information, please do not hesitate to contact me.

Very truly yours,

Gale D. Candaras
State Senator