

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, SS.

SUPREME JUDICIAL COURT
FOR SUFFOLK COUNTY
CASE NO. _____

LEWIS FINFER, BARRY C. SANDERS,
KATHRYN ANDERSON, ERIK BERG,
JOAN LYNNE CEDERHOLM, PHYLLIS
KEENAN, JAZMINE WOODBERRY, and
CYNTHIA YETMAN,

Plaintiffs,

v.

ANDREA JOY CAMPBELL, in her official capacity as Attorney General of the Commonwealth of Massachusetts, and WILLIAM F. GALVIN, in his official capacity as Secretary of the Commonwealth of Massachusetts,

Defendants.

COMPLAINT

Introduction

1. This is a civil action asserting claims for a declaratory judgment under G.L. c. 231A, § 1, and for certiorari and mandamus under G.L. c. 249, §§ 4 and 5. Plaintiffs challenge as constitutionally deficient the Attorney General's unfairly inaccurate and misleading summary of Initiative Petition No. 25-18, an "Initiative Petition for a Law Relative to Reducing the State Personal Income Tax Rate from 5% to 4%" (the "Tax Rate Reduction Initiative").

2. The Tax Rate Reduction Initiative proposes to reduce the tax rate for personal taxable income consisting of interest, dividends, other income such as wages and salaries, and long-term capital gains, by means of an amendment to § 4 of G.L. c. 62 ("Chapter 62"). More

specifically, the Tax Rate Reduction Initiative proposes to reduce the tax rates applicable to “Part A” taxable income *other than short-term capital gains*¹, “Part B” taxable income, and “Part C” taxable income *including almost all long-term capital gains*², as these three “Parts” are defined by § 2(b) of Chapter 62.

3. Plaintiffs and many other citizens are concerned that the Tax Rate Reduction Initiative, if approved by the voters, will cost the Commonwealth an estimated \$5 billion in annual revenue, once fully implemented. It would do so by making income tax cuts that will overwhelmingly benefit the wealthiest one percent of Massachusetts taxpayers through the reduction of taxes on long-term capital gains, interest, dividends, salaries, wages and other income. Approximately three-quarters of all long-term capital gains in Massachusetts are received by the wealthiest one percent of taxpayers. Accordingly, Plaintiffs and many others view the Tax Rate Reduction Initiative as a deeply regressive proposal that would trigger massive state budget cuts, effectively taking from the poor and middle class, and benefiting the wealthy, to the detriment of the citizens of Massachusetts who rely upon publicly funded education, health care, public safety, transportation, and other services. The initiative’s proponents and supporters naturally disagree. This case, however, is *not* about the public policy debate over the merits of the Tax Rate Reduction Initiative.

¹ In addition to retaining the present higher rate on short-term capital gains, the initiative also retains the higher rate on the narrow class of gains on sale or exchange of “collectibles”. References in this Complaint to an exception for short-term capital gains are also intended to include the exception for gains from sales of collectibles.

² Chapter 62, § 4(c) provides a preferential 3% tax rate for a narrowly defined class of gains from sales of certain investments in certain “qualified small business stock.” The initiative would not alter this preferential rate. In this Complaint, references to Part C income or to long-term capital gains are not intended to apply to this narrow class of preferred investments.

4. This case is about the constitutional requirements for an initiative petition for a law to go to petition signers and to voters, and about the need to ensure strict satisfaction of those requirements. Article 48 of the Amendments to the Massachusetts Constitution specifies that both the petition form and the ballot form must present “a fair, concise summary” of the proposal, prepared by the Attorney General.

5. Here, the Attorney General’s summary of the Tax Rate Reduction Initiative (the “Summary”) is fundamentally unfair, because it is inaccurate and misleading on a key point. It fails to inform petition signers and voters of a critical feature, which is that the initiative proposes to reduce the tax rates applicable to *all three* of the statutorily-defined categories of personal taxable income—including long-term capital gains (Part C income), and not just interest and dividends (Part A income excluding short-term capital gains) and income such as wages and salaries (Part B income), as the Summary unfairly represents.

6. The Summary affirmatively refers to proposed reductions, over a three-year period, of the personal income tax rate applicable both to dividends and interest and to income such as wages and salaries. The Summary fails, however, to refer to the third essential component of the proposed tax rate reductions, which applies to long-term capital gains. Moreover, the Summary compounds the adverse impact of that critical omission by erroneously asserting that “capital gain income” is affirmatively excluded from the proposed tax rate reductions.

7. In short, the Summary not only omits but misrepresents a critical aspect and core component of the Tax Rate Reduction Initiative. As a result, the Summary has already misled signers of the initiative petition—including many (if not all) of the constitutionally required qualified voters that signed forms containing the misleading Summary, enabling the Tax Rate

Reduction Initiative to progress as far as it has in the ballot initiative process. If it is permitted to appear on the ballot for the 2026 general election, the Summary will also mislead voters in the voting booth.

8. The deficiency in the Summary is not inconsequential. Many petition signers and voters might support lower personal income tax rates on their salaries, wages, interest, and dividends *but only as long as* the Commonwealth would still receive the benefit of much-needed income tax revenues derived from the long-term capital gains enjoyed by the wealthiest of their fellow citizens, with no reduction of the tax rate applicable to that category of income. The Summary creates a constitutionally unacceptable risk that petition signers and voters will falsely believe that the Tax Rate Reduction Initiative does not apply to long-term capital gains, when, in fact, it would, causing a substantial loss of capital gains tax revenue in the estimated amount of approximately \$347 million annually, when fully implemented.

9. The unfairly incomplete and misleading Summary has already tainted the process of collecting the signatures that were required by Article 48 to advance the measure to the Legislature for consideration. In the event of a further round of signature collection, the incomplete and misleading aspects of the Summary will likewise foster misunderstanding on the part of additional petition signers.

10. Because the Summary does not satisfy the constitutional requirement that it be fair, it cannot be included on the ballot.

11. In the absence of a constitutionally sufficient summary, the Tax Rate Reduction Initiative cannot be presented to the voters in the general election on November 3, 2026.

Jurisdiction

12. The Court has jurisdiction over this matter pursuant to G.L. c. 249, §§ 4 and 5, and G.L. c. 231, § 1.

Parties

13. Plaintiff Lewis Finfer is a registered voter, taxpayer, and resident of Boston, Massachusetts. He is an officer and director of Massachusetts Action for Justice, Inc., a Massachusetts non-profit corporation with a mission to organize for living wage jobs, affordable housing, access to affordable health care, safe neighborhoods, education for jobs and civic life, transportation access and affordability, rights for immigrants, just policing and judicial systems, a safe environment, and to assist organizations on their issues, strategies, and leadership development work.

14. Plaintiff Barry C. Sanders is a registered voter, taxpayer, and resident of Taunton, Massachusetts. He is the President of the Taunton City Council, and an adjunct faculty member of Bridgewater State University, where he teaches undergraduate and graduate courses in the School of Social Work. He is a Massachusetts Licensed Independent Clinical Social Worker, and for more than 35 years, he has served his community as a social worker—helping children, adults and families overcome the impact of child sexual abuse, domestic violence, substance use and mental illness.

15. Plaintiff Kathryn Anderson is a registered voter, taxpayer, and resident of Somerville, Massachusetts. She is a special education teacher at the Browne Middle School in Chelsea, where she works with students in grades 5 through 8. She is also the President of the Chelsea Teachers Union.

16. Plaintiff Erik Berg is a registered voter, taxpayer, and resident of Boston, Massachusetts. He was a teacher for 18 years in the Boston public school system, most recently at the Philbrick Elementary School in Roslindale, where he taught second grade for 14 years, and is currently on leave from BPS as the President of the Boston Teachers Union.

17. Plaintiff Joan Lynne Cederholm is a registered voter, taxpayer, and resident of Weymouth, Massachusetts. She is a retired former education support professional (“ESP”) in the Weymouth Public Schools, and she previously served as Vice President of the Weymouth Educators Association. Currently, she is a member of the Massachusetts Teachers Association ESP Committee, Chair of the Association’s ESP Committee, mentor and secretary of the ESP Leadership Mentoring Program, member of the Association’s Credential and Ballot Committee and the Mass Child Program. She served as the Chair for the MTA Task Force for the MTA ESP Bill of Rights.

18. Plaintiff Phyllis Keenan is a registered voter, taxpayer, and resident of Amherst, Massachusetts. She is an Adjunct Professor of Mathematics at Greenfield Community College. She is a union member of the Massachusetts Community College Council, where she serves as a member of the Division of Continuing Education Statewide Bargaining Team and as an Adjunct Faculty Representative. She also is a Massachusetts Teachers Association Higher Education Senate District Coordinator for Western Massachusetts.

19. Plaintiff Cynthia Yetman is a registered voter, taxpayer, and resident of Amesbury, Massachusetts. She is the President of the Amesbury chapter, Local #1033, of the American Federation of Teachers. She is also a former teacher, having taught at Amesbury High School in Amesbury, Massachusetts for 36 years.

20. Plaintiff Jazmine Woodberry is a registered voter, taxpayer, and resident of Foxboro, Massachusetts. She is a specialized healthcare professional who works as a phlebotomist at the Boston Medical Center in Brighton. She is also the President of the Massachusetts chapter of the African American Caucus of the Service Employees International Union.

21. Defendant Andrea Joy Campbell is the Attorney General of the Commonwealth of Massachusetts and is sued in her official capacity. The office of the Attorney General is located at One Ashburton Place, Boston, MA 02108.

22. Defendant William F. Galvin is Secretary of the Commonwealth of Massachusetts and is sued in his official capacity. The office of the Secretary of the Commonwealth's Elections Division is located at One Ashburton Place, Boston, MA 02108.

Background

23. Article 48 gives Massachusetts citizens the right to use a petition process to seek amendments to both the Massachusetts Constitution and existing state laws. Article 48 specifies substantive and procedural requirements that apply to such citizen initiatives. In carving out for the people legislative power otherwise vested in the General Court, Article 48 is very specific and particular, laying out in minute detail the various steps—including, among other things, the mode of originating the petition, various deadlines and signature requirements, and the form of the ballot itself—that must be satisfied for constitutional compliance.

24. When an initiative petition is submitted by ten qualified voters, Article 48 requires the Attorney General to undertake a review of each timely submitted original petition, to determine whether it concerns an acceptable subject for an initiative petition, or a subject that is not constitutionally excluded from consideration. If the Attorney General determines that the

subject of the petition is a permitted one, she is required by Article 48 to certify the petition and to prepare “a fair, concise summary” of the proposed law or amendment.

25. A fair summary must do more than merely summarize the text of the proposed initiative itself. More fundamentally, where the initiative pertains to a law, the summary must address the substance and essence of the material change(s) to existing law that the initiative would accomplish, if approved and enacted.

26. A fair and concise summary need not, and cannot be expected to, address all of the various indirect consequences and implications of an initiative’s passage. To satisfy the constitutional requirement for fairness, however, it must identify the principal substantive imports of the changes that the initiative would accomplish.

27. Following the Attorney General’s certification and preparation of the summary of an initiative, and upon the request of the ten original signers, the Secretary of the Commonwealth is required to prepare a form of petition for use in collecting signatures expressing support for the proposed measure. The form presents only the Attorney General’s summary of the initiative, together with signature lines; the text of the initiative itself is not included.

28. It is reasonably anticipated that signers of the petition will rely upon the Attorney General’s summary to understand the main thrust and purpose of the petition, for purposes of determining whether they wish to lend their names to support its advancement.

29. If a constitutionally sufficient number of signatures³ are gathered, duly certified, and timely delivered to the Secretary of the Commonwealth, the Secretary is required to transmit the petition to the Legislature for potential action. If the Legislature does not take timely action,

³ Article 48 specifies signatures of “not less than such number of voters as will equal three per cent of the entire vote cast for governor at the preceding biennial state election.”

and the requisite number of additional certified signatures is gathered⁴ – once again using the form containing the Attorney General’s summary – and timely submitted and confirmed, the Secretary of the Commonwealth shall present the matter to the voters in the form of a ballot question.

30. Article 48 requires that ballot questions pertaining to a proposed law must appear in the form of a “yes/no” question, which must appear together with the text of the Attorney General’s summary.

31. The precisely worded procedural requirements in the text of Article 48 do not allow any opportunity for the Attorney General to revise the Summary before the ballots are printed.

Facts

A. The Tax Rate Reduction Initiative.

32. On or about August 6, 2025, a group of Massachusetts residents proposed the Tax Rate Reduction Initiative for the 2026 statewide election, as permitted by Article 48 of the Amendments to the Massachusetts Constitution (“Article 48”), Mass. Const. Art. 48, as amended.

33. The Tax Rate Reduction Initiative states in full as follows:

SECTION 1. Section 4 of chapter 62 of the General Laws as appearing in the 2024 Official Edition is hereby amended by striking out subparagraphs (a)(1)(2) and subparagraph (b) and inserting in place thereof the following two subparagraphs –

(a)(1)(2) Part A taxable income consisting of interest and dividends shall be taxed at the rate of 4.67 per cent for the tax year beginning on January 1, 2027, 4.33 per cent for the tax year

⁴ Article 48 specifies signatures of “qualified voters equal in number to not less than one half of one per cent of the entire vote cast for governor at the preceding biennial state election.”

beginning on January 1, 2028, and 4.00 per cent for tax years beginning on or after January 1, 2029.

(b) Part B taxable income shall be taxed at the rate of 4.67 per cent for the tax year beginning on January 1, 2027, 4.33 per cent for the tax year beginning on January 1, 2028, and a 4.00 per cent for tax years beginning on or after January 1, 2029.

SECTION 2. The provisions of this law are severable, and if any clause, sentence, paragraph or section of this chapter, or an application thereof, shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof but shall be confined in its operation to the clause, sentence, paragraph, section, or application adjudged invalid.

A true and correct copy of the Tax Rate Reduction Initiative, as submitted to the Attorney General, is attached as **Exhibit A**.

34. The Tax Rate Reduction Initiative proposes to make changes to § 4 of Chapter 62.

On its face, the initiative makes clear only that it will reduce the tax rate for Part A income that does not consist of short-term capital gains or gains from collectibles and Part B personal taxable income. In fact, however, when read together with the existing statute, it is readily apparent that the Tax Rate Reduction Initiative would reduce the tax rates for all of the following:

- Part C taxable income, which is long-term capital gains (*i.e.*, gains from sale or exchange of assets, other than collectibles, held for more than one year), aside from gains from a narrowly defined class of investments in certain small Massachusetts entities (currently taxed at a preferential 3% rate);
- Part A taxable income *other than* short-term capital gains (*i.e.*, gains from sale or exchange of assets held for a year or less, currently taxed at an 8.5% rate) *and other than* gains from sales of “collectibles” (items such as antiques or stamp, currently taxed at a 12% rate); and

- Part B taxable income.

35. Simply stated, and as is suggested by the title proponents gave the initiative, “Initiative Petition for a Law Relative to Reducing the State Personal Income Tax Rate from 5% to 4%,” the Tax Rate Reduction Initiative applies to all income that is currently taxed at 5%, while leaving intact the tax rate applicable to the handful of classes of income that are currently taxed either at a higher rate – short-term capital gains taxed at 8.5% and gains from sale of collectibles taxed at 12% – or at the lower 3% rate for gains on certain preferred investments in local businesses.

B. The Existing Statute Governing Tax Rates for Taxable Income.

36. Section 2(b) of Chapter 62 provides that Massachusetts gross income shall be divided into three Parts, which are described as Part A, Part B, and Part C income. More specifically:

(1) Part A gross income shall be the total interest, dividends and capital gain income included in Massachusetts gross income, other than:—

(A) Interest and dividends from savings deposits, including term and time deposits having a principal amount of less than one hundred thousand dollars, savings accounts, share or share savings accounts in any savings or cooperative bank, trust company or credit union incorporated in or chartered by the commonwealth; in any national bank, federal savings and loan association, federal savings bank or federal credit union located in the commonwealth; in any banking company or Morris Plan company subject to chapter one hundred and seventy-two A; in any savings or loan association or banking partnership under the supervision of the commissioner of banks.

(B) Interest from loans made in the course of business by persons subject to the provisions of sections seventy to eighty-five, inclusive, of chapter one hundred and forty.

(C) Gain income from the sale or exchange of capital assets held for more than one year, with such holding period beginning on January 1, 1995 but not including gain income from the sale or

exchange of property defined under section four hundred and eight (m)(2) of the Code, as amended and in effect for the taxable year.

(2) Part B gross income shall be Massachusetts gross income not included in Part A or Part C gross income; provided, however, that Part B gross income shall include bribes, corrupt gifts and any income gained through illegal activities.

(3) Part C gross income shall be capital gain income which equals the gains from the sale or exchange of capital assets held for more than 1 year.

37. Chapter 62, § 2(c), (d), and (e) define Part A, Part B, and Part C adjusted gross income, respectively, based on various specified permitted adjustments to the Part A, Part B, and Part C gross income.

38. Chapter 62, § 2(f), (g), and (h), in turn, define Part A, Part B, and Part C taxable income, respectively, as the Part A, Part B, and Part C adjusted gross income less the deductions and exemptions allowable under § 3 of the statute.

39. Section 4 of Chapter 62 establishes the applicable rates of income tax for Massachusetts residents, non-residents and corporate trusts. Sub-sections (a), (b), and (c) of § 4 pertain to the tax rates applicable to Part A, Part B, and Part C taxable income, respectively.

40. In its currently effective form, § 4 of Chapter 62 provides in pertinent part as follows:

Residents shall be taxed on their taxable income, and non-residents shall be taxed to the extent specified in section 5A on their taxable income, as follows:

(a)(1) **Part A taxable income consisting of capital gains** shall be taxed at the rate of 12 per cent; provided, however, that any gain from the sale or exchange of capital assets held for 1 year or less shall be taxed at the rate of 8.5 per cent.

(2) **Part A taxable income consisting of interest and dividends** shall be taxed at the rate of 5.95 per cent provided, however that any interest and dividend income subject to this

paragraph shall be taxed at the same rate as provided for in subsection (b) of this section.

(b) **Part B taxable income** shall be taxed at the rate of 5.3 per cent for tax years beginning on or after January 1, 2002.

For taxable years subsequent to tax years in which personal exemption amounts in effect pursuant to subparagraphs (1), (1A) and (2) of paragraph (b) of section 3 are the same as those amounts that were in effect for the taxable year beginning on January 1, 2001, Part B taxable income shall be taxed at the lesser of: (i) the rate in effect for the prior taxable year minus .05 per cent if the inflation adjusted growth in baseline taxes in the fiscal year ending the June 30 of the previous year exceeds 2.5 per cent and the inflation-adjusted change in baseline taxes for each consecutive 3 month period reported by the commissioner between August and December of the previous year is greater than 0; or (ii) the rate in effect for the prior year. On or before October 15 of each year, the commissioner shall submit a report to the secretary of administration, the house and senate committees on ways and means and the joint committee on taxation providing a preliminary statement of the Part B tax rate for taxable years beginning on or after the following January 1. On or before December 15, the commissioner shall make a final statement of the Part B tax rate for the following year to the same recipients.

Part B taxable income shall be taxed at a rate of not less than 5 per cent.

(c) **Part C taxable income shall be taxed at the same rate as provided for in paragraph (b)**, excepting Part C taxable income derived from the sale of investments which: (1) are in a corporation which is domiciled in the commonwealth with a date of incorporation on or after January 1, 2011 which has less than \$50 million in assets at the time of investment and complies with subsections (e)(1), (e)(2), (e)(5), and (e)(6) of Section 1202 of the Internal Revenue Service Code; and (2) are held for 3 years or more, which shall be taxed at a rate of 3 per cent; provided, however, that in order to qualify for the 3 per cent rate, such investments shall be made within 5 years of the date of incorporation and, to the extent consistent with the provisions of this subsection, shall be in stock in a corporation that satisfies the requirements for treatment as "qualified small business stock" under section 1202(c) of the federal Internal Revenue Code, without regard to the requirement that the corporation be a C corporation.

(Boldfacing added.)

41. There are two distinct parts to sub-section (a) of § 4, addressing Part A taxable income: sub-section (a)(1) concerns short-term capital gains and gains on collectibles, while sub-section (a)(2) concerns interest and dividends. The Tax Rate Reduction Initiative contains an apparent drafting error insofar as it refers to “(a)(1)(2) Part A taxable income consisting of interest and dividends.” *See Exhibit A.* The import of this portion of the initiative’s text is nevertheless plain from the limitation that immediately follows the reference to “(a)(1)(2) – “consisting of interest and dividends.” This specification makes clear that Tax Rate Reduction Initiative is designed to leave intact the tax rates for Part A income consisting of short-term capital gains and gains on collectibles, which are specified by § 4(a)(1), while reducing the tax rate for Part A income consisting of interest and dividends, which is specified by § 4(a)(2).

42. Sub-section (c) of § 4 provides that the tax rate applicable to Part C taxable income, with a narrow exception, is the same as whatever tax rate is specified for Part B taxable income. The initially specified Part B rate was 5.3% for tax years beginning on or after January 1, 2002, with gradual reductions in subsequent years until the rate reached 5%, where it currently stands. Thus, since the current Part B tax rate is 5%, it automatically follows that the current Part C rate is also 5%.

43. This automatic statutory matching of the tax rate for Part C taxable income to the tax rate set for Part B taxable income reflects a deliberate legislative policy choice. As a practical matter, it ensures that the tax rate applied to long-term capital gains (Part C income) will be the same as the tax rate deemed applicable to wages and dividends (Part B income), on a consistent, reliable, and automatic basis.

44. The structural interdependence of the tax rates for Part B and Part C taxable income under § 4 of Chapter 62 means that ***any reduction in the rate applicable to Part B***

taxable income – without more – will necessarily and automatically effectuate an identical reduction in the tax rate applicable to Part C taxable income. It is unnecessary to mention them both in order to change them both. In the event of any change to the Part B rate, the structure and design of § 4, on its own, will do the work of accomplishing a corresponding change to the Part C rate, for long-term capital gains.

45. The fact that the Tax Rate Reduction Initiative would reduce the income tax rates for long-term capital gains is not a speculative, uncertain, or debatable consequence of the proposed measure. To the contrary, the plain language of sub-section (c) of § 4, which the Tax Rate Reduction Initiative would leave untouched, requires that result, if the initiative passes.

46. The fact that the Tax Rate Reduction Initiative would reduce the income tax rates for long-term capital gains is neither a minor aspect nor a collateral consequence of the proposed measure. To the contrary, it is an essential feature of the Tax Rate Reduction Initiative. There are only three general categories of income under Massachusetts law, and the Tax Rate Reduction Initiative would impact all three, without disrupting the established principle of taxing long-term capital gains at the same rate as ordinary (Part B) income.

47. The impact of the Tax Rate Reduction Initiative on total tax revenues would be profound, and the portion of that impact attributable to the reduction of the tax rate for long-term capital gains is very significant. The resulting 20% reduction in revenue derived from long-term capital gains tax amounts to approximately \$347 million of the total \$5 billion in annual lost revenue that the initiative would accomplish. It is undeniable that the proposed reduction of the tax rate for long-term capital gains is not a minor feature of the Tax Rate Reduction Initiative.

C. The Attorney General's Summary.

48. On or about September 3, 2025, the Attorney General for the Commonwealth certified the Tax Rate Reduction Initiative as No. 25-18. The Attorney General also issued her summary of the initiative (the “Summary”).

49. On information and belief, prior to the Attorney General’s certification, counsel for the proponents drafted and offered to the Attorney General a proposed summary, as well as a supporting memorandum of law.

50. The Summary of the Tax Rate Reduction Initiative, as issued by the Attorney General, states in full as follows:

This proposed law would, over a period of three years, lower the tax rates on (1) personal taxable income consisting of interest and dividends, and (2) personal taxable income other than interest, dividends or capital gain income, such as wages and salaries. Both tax rates were 5.00% for tax year 2024. The proposed law would set both tax rates at 4.67% for tax year 2027, 4.33% for tax year 2028, and 4.00% beginning in tax year 2029.

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

A true and correct copy of the Summary is attached as **Exhibit B.**

51. The Summary describes the proposed substantive effect of the Tax Rate Reduction Initiative with respect to Part A and Part B taxable income only. It fails entirely to address the substantive change that the proposal would make to the tax rate applicable to Part C taxable income, by reducing the tax rate for long-term capital gain income down from 5.00% to 4.00%, along with the tax rate for Part B taxable income.

52. The significance of this error is unfortunately multiplied and magnified by the fact that the Summary affirmatively disclaims any impact to the tax rates applicable to income from capital gains. By stating that the proposed law would lower the tax rates on “personal taxable

income other than interest, dividend or capital gain income,” the Summary erroneously informs petition signers and voters that capital gains income is excluded from the types of income affected by the initiative.

53. A petition signer or voter reading and relying on the Summary would be informed, incorrectly, that the initiative would have no impact on the tax rates applicable to any capital gains. It is impossible to discern from the Summary that the proposed Tax Rate Reduction Initiative, if enacted into law, would substantially lower not only the tax rates for taxable income consisting of interest, dividends, wages and salaries, but also the tax rate for taxable income consisting of long-term capital gains.

54. After the Attorney General certified the Tax Rate Reduction Initiative and issued the Summary, the proponents, pursuant to the process laid out in Article 48, requested the Secretary of the Commonwealth to prepare an official petition form for the Tax Rate Reduction Initiative, which recites the text of the Summary and provides signature lines. This form was used by the initiative’s proponents, for purposes of collecting the constitutionally required signatures of 74,574 qualified voters to preliminarily qualify the measure for inclusion on the 2026 general election ballot. A true and correct copy of the petition form prepared by the Secretary of the Commonwealth for the Tax Rate Reduction Initiative is attached as **Exhibit C**.

55. By letter dated December 18, 2025, the Elections Division of the Office of the Secretary of the Commonwealth confirmed to the original signer of the Tax Rate Reduction Initiative that 74,574 certified signatures were required to advance an initiative petition for a law to be transmitted to the General Court, and that 86,970 of the signatures for the initiative received by that office on or before December 3, 2025, had been allowed. Accordingly, as required by Article 48, the Secretary presented the Tax Rate Reduction Initiative to the General

Court for consideration and potential action. A true and correct copy of the December 18, 2025 notice letter from the Elections Division of the Office of the Secretary of the Commonwealth is attached as **Exhibit D**.

56. Unless the Legislature takes timely action upon the Tax Rate Reduction Initiative, the petition form containing the Summary will be used to gather a further round of qualifying signatures. If those are obtained, the Secretary will then be required, among other things, to include the Summary, together with a “yes/no” question for the voters, on the ballot for the 2026 general election, which is set to take place on Tuesday, November 3rd.

COUNT I
(Declaratory Judgment, under G.L. c. 231A, § 1)

57. Paragraphs 1-56 are incorporated by reference.

58. The Attorney General erred in issuing the Summary of the Tax Rate Reduction Initiative, because the Summary does not fairly summarize the proposed reductions of the tax rates as being applicable to all three of the categories of personal taxable income, consisting not only of interest and dividends (Part A income) and taxable income such as wages and salaries (Part B income), but also long-term capital gains (Part C income).

59. The Attorney General erred in issuing the Summary of the Tax Rate Reduction Initiative, because the Summary unfairly states that that the proposed reductions of the tax rates would apply only to certain kinds of personal taxable income that do not include capital gains.

60. The Summary’s deficiency has already misled petition signers about the import and effect of the changes to existing law that the Tax Rate Reduction Initiative would effectuate, if approved and enacted into law.

61. The referral of the Tax Rate Reduction Initiative to the General Court for consideration was made on the basis of signatures that were collected upon a petition form that presented the deficient Summary.

62. If, following the General Court's consideration of the Tax Rate Reduction Initiative, additional signatures are collected on the petition form with the deficient Summary for purposes of qualifying the initiative to appear on the ballot for the general election, additional petition signers will also be misled about the import and effect of the changes to existing law that the initiative would effectuate, if approved and enacted into law.

63. If the Tax Rate Reduction Initiative appears on the ballot, the Summary's deficiency will mislead voters in the voting booth about the import and effect of the change to existing law that the initiative would effectuate, if approved and enacted into law.

64. The Summary's deficiency cannot be attributed to a reasonable exercise of the substantial discretion which the Constitution vests in the Attorney General.

65. The Court should declare that the Summary of the Tax Rate Reduction Initiative does not satisfy the requirements of Article 48 because it is unfair, and on that basis, the Court should declare and order that the Tax Rate Reduction Initiative must be excluded from the 2026 statewide general election ballot. *See Sears v. Treasurer and Receiver General*, 327 Mass. 310, 325-26 (1951) (invalidating a statutory amendment enacted by direct popular vote on the basis of an unfair and constitutionally deficient summary).

COUNT II
(Certiorari and/or Mandamus, Under G.L. c. 249, §§ 4 and 5)

66. Paragraphs 1-65 are incorporated by reference.

67. The Court should enjoin the Secretary from including the Tax Rate Reduction Initiative and the Summary in the voters' guide (the "red book") to be issued in the summer of

2026, and also from presenting the Summary to the voters, together with a yes/no question, on the 2026 general election ballot.

Prayer for Relief

WHEREFORE, Plaintiffs request that the Court grant the following relief:

- (a) Declare that the Summary of the Tax Rate Reduction Initiative fails to meet the requirements of Article 48 of the Amendments to the Massachusetts Constitution, as it is not a fair summary;
- (b) Declare that the referral of the Tax Rate Reduction Initiative to the General Court on the basis of signatures on a petition form that contains the Summary did not meet the constitutional requirements for such a referral, due to the unfairness of the Summary on the petition form;
- (c) Declare that the Summary of the Tax Rate Reduction Initiative cannot be included on the 2026 general election ballot;
- (d) Enjoin the Secretary of the Commonwealth from including the Tax Rate Reduction Initiative and the Summary in the voters' guide (the "red book") to be issued in the summer of 2026;
- (e) Enjoin the Secretary of the Commonwealth from including the Summary of the Tax Rate Reduction Initiative on the 2026 general election ballot; and
- (f) Grant Plaintiffs any and all other relief as the Court deems just and appropriate.

Respectfully submitted,

LEWIS FINFER, BARRY C. SANDERS,
KATHRYN ANDERSON, ERIK BERG,
PAULENA BERGERON, JOAN LYNNE
CEDERHOLM, PHYLLIS KEENAN,
JAZMINE WOODBERRY, and CYNTHIA
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Dated: January 29, 2026

CERTIFICATE OF SERVICE

I, Lisa C. Goodheart, counsel for Plaintiffs, hereby certify that I have served a copy of this Complaint by causing it to be delivered by email this 29th day of January, 2026, to:

Anne Sterman, Esq.
Chief, Government Bureau
Office of the Attorney General of the Commonwealth
One Ashburton Place
Boston, MA 02108
Anne.Sterman@state.ma.us

Michelle K. Tassinari, Esq.
First Deputy Secretary of the Commonwealth and
Director and Legal Counsel, Elections Division
Office of the Secretary of the Commonwealth
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Lisa C. Goodheart

EXHIBIT A

Initiative Petition for a Law Relative to Reducing the State Personal Income Tax Rate from 5% to 4%

Be it enacted by the People, and by their authority:

SECTION 1. Section 4 of chapter 62 of the General Laws as appearing in the 2024 Official Edition is hereby amended by striking out subparagraph (a)(1)(2) and subparagraph (b) and inserting in place thereof the following two subparagraphs –

(a)(1)(2) Part A taxable income consisting of interest and dividends shall be taxed at the rate of 4.67 per cent for the tax year beginning on January 1, 2027, 4.33 per cent for the tax year beginning on January 1, 2028, and 4.00 per cent for tax years beginning on or after January 1, 2029.

(b) Part B taxable income shall be taxed at the rate of 4.67 per cent for the tax year beginning on January 1, 2027, 4.33 per cent for the tax year beginning on January 1, 2028, and 4.00 per cent for tax years beginning on or after January 1, 2029.

SECTION 2. The provisions of this law are severable, and if any clause, sentence, paragraph or section of this chapter, or an application thereof, shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof but shall be confined in its operation to the clause, sentence, paragraph, section, or application adjudged invalid.

The undersigned voters of the Commonwealth of Massachusetts have personally reviewed the final text of this Initiative Petition, fully subscribe to its contents, and agree to be one of the original signers of the petition.

1. Name: JAMES STERGIO'S Signature: 
2. Name: _____ Signature: _____
3. Name: _____ Signature: _____
4. Name: _____ Signature: _____
5. Name: _____ Signature: _____
6. Name: _____ Signature: _____
7. Name: _____ Signature: _____

EXHIBIT B

SUMMARY OF NO. 25-18

This proposed law would, over a period of three years, lower the tax rates on (1) personal taxable income consisting of interest and dividends, and (2) personal taxable income other than interest, dividends or capital gain income, such as wages and salaries. Both tax rates were 5.00% for tax year 2024. The proposed law would set both tax rates at 4.67% for tax year 2027, 4.33% for tax year 2028, and 4.00% beginning in tax year 2029.

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

EXHIBIT C



**The Commonwealth of Massachusetts
AN INITIATIVE PETITION
FOR A LAW**

Under Article XLVIII of the Amendments to the
Constitution of the Commonwealth

SUMMARY

This proposed law would, over a period of three years, lower the tax rates on (1) personal taxable income consisting of interest and dividends, and (2) personal taxable income other than interest, dividends or capital gain income, such as wages and salaries. Both tax rates were 5.00% for tax year 2024. The

proposed law would set both tax rates at 4.67% for tax year 2027, 4.33% for tax year 2028, and 4.00% beginning in tax year 2029.

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

FILING DEADLINES. Initiative petitions must be submitted to local election officials for certification of signatures no later than **5 p.m. on Wednesday, November 19, 2025**. Local election officials must complete their certification no later than December 1, 2025. Thereafter, initiative petitions containing certified signatures must be retrieved by petitioners from the local election officials and then filed with the Elections Division, Office of the Secretary of the Commonwealth, One Ashburton Place, Room 1705, Boston, MA, no later than **5 p.m. on Wednesday, December 3, 2025**.

FIRST TEN SIGNERS	James John Stergios	584 Washington Street	REGISTRAR USE ONLY: <i>ONLY REGISTRAR MAY WRITE IN THIS AREA</i>		
	Christopher Robert Anderson	18 Lillian Way			
	Christopher Richard Carlozzi	115 Lester Road			
	Elizabeth Karoline Mahoney	28 Mount Vernon Street			
	Paul D. Craney	80 Osgood Street			
	Pauline Ann Zywaski	62 Russett Road			
	Ellen Claire Paxton	262 Riverbend Drive			
	Kenneth Douglas Paxton	262 Riverbend Drive			
	Stephen D. Fantone	340 Summer Street			
	Richard F. Laws	5 Elderberry Road			
These names have been certified as names of registered voters in their places of residence. Original petition was filed on September 5, 2025.					
 SECRETARY OF THE COMMONWEALTH OF MASSACHUSETTS					
CIRCULATOR AND SIGNER INFORMATION	INSTRUCTIONS TO CIRCULATORS AND SIGNERS				
	<ul style="list-style-type: none"> DO NOT ALTER THIS INITIATIVE PETITION IN ANY WAY. ADDITIONAL MARKINGS ON THIS PETITION WILL DISQUALIFY ANY SIGNATURES ON THIS PETITION SHEET. For your signature to be valid, you must be a registered voter in the city or town named below and your signature should be written substantially as registered. DO NOT sign the same petition more than once. If you are prevented by physical disability from writing, you may authorize some person to write your name and residence in your presence. 				
	I. SIGNATURE to be made in person with name substantially as registered (except in case of physical disability as stated above)		II. NOW REGISTERED AT (street, number and apartment number, if any) (city or town will be the same as stated below)	WARD	PREC.
	1				
	2				
	3				
	4				
	5				
	6				
	7				

REGISTRAR USE ONLY	<i>City or Town</i>	<i>Circulator petition sheet number</i>
ONLY REGISTERED VOTERS OF	<input type="text"/>	MAY SIGN THIS SHEET.
		<input type="text"/>

(OVER)

ATTENTION VOTERS: Before signing, read signer information on other side. CITY OR TOWN:

REGISTRAR USE ONLY	I. SIGNATURE to be made in person with name substantially as registered (except in case of physical disability as stated on other side)	II. NOW REGISTERED AT (street, number and apartment number, if any) (city or town will be the same as stated above)	WARD	PREC.
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				

WARNING - criminal penalty for unlawfully signing, altering, defacing, mutilating, destroying, or suppressing this petition: fine of up to \$1,000 or imprisonment for up to one year.

REGISTRAR
INFORMATION

INSTRUCTIONS TO REGISTRARS

- You must time-stamp or write in date and time these papers are received.
- Check thus against the name of each qualified voter to be certified.
- For names not certified, use the code at the right. Draw a line through any blank spaces not containing signatures.
- Each sheet must be certified by at least three registrars. A facsimile stamp is acceptable.
- You must complete certification no later than December 1, 2025.

N - no such registered voter at that address, or address is illegible.

S - unable to identify signature as that of voter because of form of signature, or signature is illegible.

W - wrong community.

T - already signed papers for this question.

CERTIFICATION OF NAMES

At least three registrars' names must be signed or stamped below.

We certify that _____
number of names (use numbers and words)

above signatures checked thus are the names of qualified voters from this city or town.

date

Registrars of Voters or Election Commissioners of

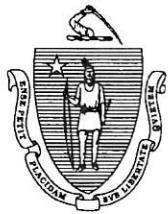
_____ city or town _____ county

City or Town

ONLY REGISTERED VOTERS OF

MAY SIGN THIS SHEET.

EXHIBIT D



The Commonwealth of Massachusetts

William Francis Galvin, Secretary of the Commonwealth
Elections Division

December 18, 2025

James John Stergios
584 Washington Street
Brookline, MA 02446

Dear Mr. Stergios:

I am writing to you as the first of the original ten signers of an "Initiative Petition for a Law Relative to Reducing the State Personal Income Tax Rate from 5% to 4%." As you are aware, 74,574 certified signatures are required to qualify an initiative petition for a law to be transmitted to the General Court. I am pleased to inform you that 86,970 certified signatures of the 88,607 received by this Office on or before December 3, 2025, have been allowed. The remaining signatures have been disallowed for not being certified, not in conformance with the interpretation of G. L. c. 53, § 22A as set forth in Walsh v. Secretary of the Commonwealth, 430 Mass. 103 (1999), and Hurst v. State Ballot Law Commission, 427 Mass. 825 (1998), or in excess in the allowed number per county. The breakdown is as follows:

County	Total Filed	ALLOWED	DISQUALIFIED ¹	UNCERTIFIED ²	COUNTY EXCESS ³
Barnstable	6,060	5,885	175	0	0
Berkshire	2,134	2,108	26	0	0
Bristol	10,889	10,638	251	0	0
Dukes	44	42	2	0	0
Essex	11,596	11,427	157	12	0
Franklin	843	831	12	0	0
Hampden	5,001	4,858	142	1	0
Hampshire	1,116	1,113	3	0	0
Middlesex	13,608	13,352	243	13	0
Nantucket	30	29	1	0	0
Norfolk	7,958	7,861	97	0	0
Plymouth	12,091	11,843	243	5	0
Suffolk	4,563	4,448	115	0	0
Worcester	12,674	12,535	127	12	0
TOTAL	88,607	86,970	1,594	43	0

James John Stergios
Page Two
December 18, 2025

Therefore, the initiative petition will be transmitted to the Clerk of the House of Representatives, as required by the Constitution.

Very truly yours,



Michelle K. Tassinari
First Deputy Secretary
Director/Legal Counsel
Elections Division

cc: Elizabeth Mahoney

¹ "Disqualified" refers to signatures on petitions that were not "exact" copies or that contained any extraneous markings such as highlighting, underlining, or other information, which do not meet the requirements of G. L. c. 53, § 22A as set forth in Walsh v. Secretary of the Commonwealth, 430 Mass. 103 (1999), and Hurst v. State Ballot Law Commission, 427 Mass. 825 (1998).

² "Uncertified" refers to signatures on petitions that are not signed by at least three registrars of voters or election commissioners as required by 950 C.M.R. § 55.02(7).

³ "County Excess" refers to the number of signatures in that county that exceed one-quarter of the total number of certified signatures required for transmission. The maximum number of allowable certified signatures per county is 18,643.