

June 5, 2025

Representative Carole Fiola, House Chair
Joint Committee on Economic Development
& Emerging Technologies
State House, Room 236
Boston, MA 02133

Senator Barry Finegold, Senate Chair
Joint Committee on Economic Development
& Emerging Technologies
State House, Room 109-D
Boston, MA 02133

Dear Chair Fiola and Chair Finegold,

On behalf of the Greater Boston Chamber of Commerce and our 1,200 members, I write to support S.307, "*An Act relative to LLC filing fees*" filed by Senator Patrick O'Connor. For the past few years our local business community has navigated a challenging fiscal environment due to the rapid rise of inflation and the implementation of wide-reaching tariffs, which has made starting, maintaining, and expanding a business increasingly difficult due to rising costs. As the Legislature continues to embrace policies that mitigate these issues and keep Massachusetts competitive, we would ask that you consider proposals to lower costs for opening and operating Limited Liability Corporations (LLCs).

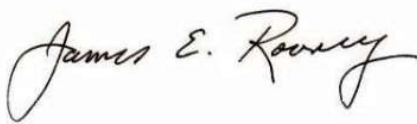
S.307 would reduce both the initial filing fee and the annual reporting fee for LLCs with six or less employees from \$500 to \$250, providing immediate relief for small and microbusinesses in the Commonwealth. Massachusetts currently has the highest LLC filing fee and the second highest annual LLC reporting fee in the country and has significantly higher fees than our bordering states of New York, New Hampshire, Vermont, Connecticut and Rhode Island.¹

Lowering costs for emerging and existing small and microbusinesses can lead to an increase in entrepreneurship and would provide support for a critical segment of the business community that plays a vital role in innovation, job creation, and community growth. Massachusetts has lagged on new business creation compared to other states, and according to U.S. Census Data in 2023 the Commonwealth ranked 47 out of 50 states for the number of business applications per capita, which was a drop from 46 in 2022.² Reducing both the filing and annual fees would have a positive effect on businesses who operate on small margins and would be a helpful tool to encourage new growth, new ideas, and new employment opportunities for our residents.

In past sessions we have supported a variety of different proposals to lower LLC filing fees and strongly believe that S.307 is one of several ways that the Legislature can support residents by lowering the cost of starting and maintaining a business in the Commonwealth. We believe that the Legislature could go further by lowering both the filing fee and annual reporting fee to \$250 for all LLCs, putting our state in line with our neighbors. We urge the Committee to advance this proposal by reporting it our favorably with amendments.

Please do not hesitate to reach out with any questions or concerns.

Sincerely,



James E. Rooney
President and CEO

¹ <https://www.llcuniversity.com/llc-annual-fees-by-state/>

² <https://www.uschamber.com/small-business/new-business-applications-a-state-by-state-view?state=ma>