

**HOUSE . . . . . No. 02527**

The Commonwealth of Massachusetts

PRESENTED BY:

*Bradley H. Jones, Jr. and*

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act Relative to Incentivizing High Wages for New Employees..

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Viriato Manuel deMacedo</i>	<i>1st Plymouth</i>
<i>Donald F. Humason, Jr.</i>	<i>4th Hampden</i>
<i>Marc Lombardo</i>	<i>22nd Middlesex</i>
<i>Geoff Diehl</i>	<i>7th Plymouth</i>
<i>Randy Hunt</i>	<i>5th Barnstable</i>
<i>F. Jay Barrows</i>	<i>1st Bristol</i>
<i>Shaunna O'Connell</i>	<i>3rd Bristol</i>
<i>Susan Williams Gifford</i>	<i>2nd Plymouth</i>
<i>Daniel K. Webster</i>	<i>6th Plymouth</i>
<i>Donald Wong</i>	<i>9th Essex</i>
<i>Todd M. Smola</i>	<i>1st Hampden</i>
<i>Kevin Kuros</i>	<i>8th Worcester</i>
<i>Ryan Fattman</i>	<i>18th Worcester</i>
<i>Sheila Harrington</i>	<i>1st Middlesex</i>
<i>Nicholas Boldyga</i>	<i>3rd Hampden</i>
<i>David Vieira,</i>	<i>3rd Barnstable</i>
<i>Bruce E. Tarr</i>	<i>First Essex and Middlesex</i>

<i>Paul K. Frost</i>	<i>7th Worcester</i>
<i>Steven Howitt</i>	<i>4th Bristol</i>
<i>George Ross</i>	<i>2nd Bristol</i>
<i>Bradford Hill</i>	<i>4th Essex</i>
<i>George N. Peterson, Jr.</i>	<i>9th Worcester</i>
<i>Elizabeth Poirier</i>	<i>14th Bristol</i>

# HOUSE . . . . . No. 02527

By Messrs. Jones of North Reading and deMacedo, a petition (accompanied by bill, House, No. 2527) of Ross and others for legislation to provide tax incentives for the creation of certain high wage jobs Joint Committee on Revenue.

[SIMILAR MATTER FILED IN PREVIOUS SESSION  
SEE  
□ HOUSE  
□ , NO. 2790 OF 2009-2010.]

## The Commonwealth of Massachusetts

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**In the Year Two Thousand Eleven**  
\_\_\_\_\_

An Act Relative to Incentivizing High Wages for New Employees..

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

- 1 SECTION 1: Section 31M of chapter 63, as appearing in the 2008 Official Edition, is hereby
- 2 amended by adding at the end thereof the following:
- 3 Section 631N: (a) For the purposes of this section, the following words shall have the following
- 4 meanings:-
- 5 “Average wage”, the mean salary for all full time employees in a qualifying small business for
- 6 the previous two calendar years.
- 7 “Commissioner”, the commissioner of revenue.

8 “Eligible job”, any new direct job created by a qualifying small business that: (a) did not exist in  
9 the previous calendar year; (b) pays a salary of at least 150 per cent of the average wage of the  
10 qualifying small business; and (c) requires the duties of the new employee to be performed in at  
11 least 1 in-state location, including jobs performed by persons that are transferred within the  
12 company to work at an in-state location from a location based outside the commonwealth.

13 “Full time employee”, a person who is employed for at least 35 hours per week and whose salary  
14 is subject to withholding as provided in chapter 62B.

15 “High wage incentive payment”, a business employment incentive payment for qualifying small  
16 businesses as provided for in this section.

17 “Qualifying small business”, a business that had total annual sales in its most recently completed  
18 fiscal year of less than five million dollars, or has less than 100 employees, and has a principal  
19 place of business in the commonwealth.

20 (b) For each taxable year from January 1, 2011 to December 31, 2013, a qualifying small  
21 business that creates a minimum of 1 and a maximum of 5 eligible jobs in the commonwealth  
22 during a single calendar year shall be entitled to a high wage incentive payment equal to a 6 per  
23 cent credit against its excise due under this chapter.

24 (c) If a taxpayer is subject to a minimum excise under this chapter, the amount of credit allowed  
25 shall not reduce the excise to an amount less than the minimum excise.

26 (d) A taxpayer entitled to a credit under this section for any taxable year may not carry over its  
27 excise for any succeeding taxable year. A qualifying small business that has previously been  
28 approved to receive a high wage incentive payment for any particular eligible job shall not be

29 eligible to receive said payment for more than one calendar year. A qualifying small business  
30 may apply to receive a high wage incentive payment that relates to a different application in the  
31 same calendar year or a different application in a different calendar year.

32 (e) A qualifying small business that seeks a high wage incentive payment shall apply to the  
33 commissioner to receive such payment on a form to be prescribed by the commissioner. This  
34 form shall reference the necessary information concerning the eligible jobs created by the  
35 company in the commonwealth during the application year and also the company's average wage  
36 for such year and the previous calendar year. The commissioner shall advise the company of his  
37 determination in writing.