

HOUSE No. 4523

The Commonwealth of Massachusetts

PRESENTED BY:

Peter V. Kocot

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 adoption of the accompanying bill:

An Act relative to fire sprinkler installation incentives.

PETITION OF:

NAME:

Peter V. Kocot

DISTRICT/ADDRESS:

1st Hampshire

HOUSE No. 4523

By Mr. Kocot of Northampton, a petition (subject to Joint Rule 12) of Peter V. Kocot relative to fire sprinkler installation incentives. Revenue.

The Commonwealth of Massachusetts

In the One Hundred and Eighty-Ninth General Court
(2015-2016)

An Act relative to fire sprinkler installation incentives.

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. Chapter 59 of the General Laws, as appearing in the 2014 Official Edition,
2 is hereby amended by adding the following section:—

3 Section 50. (a) In any city or town which accepts the provisions of this section, the board
4 of selectmen, in the case of a town, the town council, in the case of a municipality having a town
5 council form of government, the city council, in the case of a city having a Plan D or Plan E
6 charter, or the city council with the approval of the mayor, in the case of any other city, may
7 reduce the real property tax obligations for an owner of a two-family or multifamily residential
8 premises who pays for the installation of a fire protection sprinkler system, as defined in section
9 81 of chapter 146 and meeting minimum qualifications as required by the executive office of
10 public safety and security, in the amount equal to 30 per cent of the cost of installation, provided
11 that the owner is not otherwise required to install such system pursuant to federal law or sections
12 26A½, 26G, 26G½ or 26H of chapter 148.

13 (b) Reductions under this section shall be allowed for the taxable year in which system is
14 installed; provided, however, that a reduction allowed under this section shall not reduce the tax
15 owed below zero. A taxpayer allowed a reduction under this section for a taxable year may carry
16 over and apply against such taxpayer's tax liability in any of the succeeding 5 taxable years, the
17 portion, as reduced from year to year, of those reductions which exceed the tax for the taxable
18 year.

19 (c) Municipalities may abate any increase in the value of the property resulting from the
20 installation of the fire protection sprinkler system until such time as the property is conveyed.

21 SECTION 2. Section 6 of chapter 62 of the General Laws, as so appearing, is hereby
22 amended by adding the following subsection:—

23 (t)(1) Any owner of a two-family or multifamily residential premises who pays for the
24 installation of a fire protection sprinkler system, as defined in section 81 of chapter 146 and
25 meeting minimum qualifications as required by the executive office of public safety and security,
26 shall be allowed a credit against the tax liability imposed by this chapter in the amount equal to
27 30 per cent of the cost of installation, provided that the owner is not otherwise required to install
28 such system pursuant to federal law or sections 26A½, 26G, 26G½ or 26H of chapter 148.

29 (2) Credits under this subsection shall be allowed for the taxable year in which system is
30 installed; provided, however, that a tax credit allowed under this subsection shall not reduce the
31 tax owed below zero. A taxpayer allowed a credit under this subsection for a taxable year may
32 carry over and apply against such taxpayer's tax liability in any of the succeeding 5 taxable
33 years, the portion, as reduced from year to year, of those credits which exceed the tax for the
34 taxable year.

35 SECTION 3. Chapter 63 of the General Laws, as so appearing, is hereby amended by
36 adding the following section:—

37 Section 38GG. (a) Any owner of a two-family or multifamily residential premises who
38 pays for the installation of a fire protection sprinkler system, as defined in section 81 of chapter
39 146 and meeting minimum qualifications as required by the executive office of public safety and
40 security, shall be allowed a credit against the tax liability imposed by this chapter in the amount
41 equal to 30 per cent of the cost of installation, provided that the owner is not otherwise required
42 to install such system pursuant to federal law or sections 26A½, 26G, 26G½ or 26H of chapter
43 148.

44 (b) The credit allowed in this section for any taxable year shall not reduce the excise to
45 less than the amount due under subsection (b) of section 39, section 67 or any other applicable
46 section.

47 (c) Credits under this section shall be allowed for the taxable year in which system is
48 installed. A taxpayer allowed a credit under this section for a taxable year may carry over and
49 apply against the taxpayer's tax liability in any of the succeeding 5 taxable years, the portion, as
50 reduced from year to year, of those credits which exceed the tax for the taxable year.