

SENATE No. 1507

The Commonwealth of Massachusetts

PRESENTED BY:

Eric P. Lesser

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 to promote high-tech job growth in gateway cities.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Eric P. Lesser</i>	<i>First Hampden and Hampshire</i>
<i>Sal N. DiDomenico</i>	<i>Middlesex and Suffolk</i>
<i>Joan B. Lovely</i>	<i>Second Essex</i>
<i>Jason M. Lewis</i>	<i>Fifth Middlesex</i>
<i>Angelo J. Puppolo, Jr.</i>	<i>12th Hampden</i>
<i>Diana DiZoglio</i>	<i>14th Essex</i>
<i>Tricia Farley-Bouvier</i>	<i>3rd Berkshire</i>
<i>John C. Velis</i>	<i>4th Hampden</i>
<i>Joseph W. McGonagle, Jr.</i>	<i>28th Middlesex</i>
<i>Marcos A. Devers</i>	<i>16th Essex</i>
<i>Antonio F. D. Cabral</i>	<i>13th Bristol</i>

SENATE No. 1507

By Mr. Lesser, a petition (accompanied by bill, Senate, No. 1507) of Eric P. Lesser, Sal N. DiDomenico, Joan B. Lovely, Jason M. Lewis and other members of the General Court for legislation to promote high-tech job growth in gateway cities. Revenue.

The Commonwealth of Massachusetts

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

An Act to promote high-tech job growth in gateway cities.

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 6 of chapter 62 of the General Laws, as appearing in the 2014
2 Official Edition, is hereby amended by adding the following subsection:-

3 (s)(1) As used in this subsection, the following words shall have the following meanings:-

4 “Gateway municipality”, a gateway municipality as defined in section 3A of chapter 23A.

5 “Qualified investment”, the non-refundable investment, at risk in a small Massachusetts-
6 based high-technology business located in a gateway municipality, of cash that is transferred to
7 the small Massachusetts-based high-technology business by a taxpayer that is not in control of
8 the small Massachusetts-based high-technology business, the transfer of which is in connection
9 with a transaction in exchange for stock, interests in partnerships or joint ventures, exclusive or
10 non-exclusive licenses, rights to use technology, marketing rights, warrants, options or any
11 similar items.

12 “Small Massachusetts-based high-technology business”, a business in an industry
13 employing new or state-of-the-art technology in biotechnology, marine science technology,
14 pharmaceuticals, clean and renewable energy technology, vehicles powered by clean and
15 renewable energy, defense and homeland security-related technologies, advanced materials,
16 electronics, nanotechnology, environmental, medical device, information technology, plastics
17 and polymers, telecommunications industries involved in the research and development of state-
18 of-the-art medication delivery devices or any other technological field or industry classified as an
19 emerging technology, which maintains its principal place of business in Massachusetts and has
20 fewer than 225 employees, of whom 75 per cent are Massachusetts-based employees filling a
21 position or job in the commonwealth.

22 (2) A taxpayer shall be allowed a credit against the taxes imposed by this chapter in an
23 amount equal to 10 per cent of the qualified investment made by the taxpayer in the initial year
24 of investment or during each of the 3 subsequent taxable years.

25 (3) A taxpayer shall be allowed up to a maximum credit of \$100,000 for the taxable year
26 for all qualified investments made by the taxpayer.

27 (4) An unused credit may be carried forward for use in future years, subject to the
28 \$100,000 per year limitation.

29 (5) If the small Massachusetts-based high-technology business ceases to have its
30 principal place of business in a gateway municipality within such 3 year period, the taxpayer
31 shall not claim any further credits and shall repay the total amount of credits claimed to the
32 commonwealth.

33 (6) The commissioner of revenue in consultation with the executive office of housing and
34 economic development shall authorize annually for the 5-year period beginning January 1, 2017
35 and ending December 31, 2021, pursuant to this subsection, an amount not to exceed \$5,000,000
36 per year for the credits allowed.

37 (7) The commissioner of revenue and the executive office of housing and economic
38 development shall promulgate regulations necessary to carry out this subsection.

39 SECTION 2. Notwithstanding any general or special law to the contrary, the executive
40 office of housing and economic development shall review the Massachusetts high-technology
41 business investment tax credit established by subsection (s) of section 6 of chapter 62 of the
42 General Laws and file a report on its effectiveness and any legislative recommendations with the
43 clerks of the house and senate, the joint committee on revenue, the joint committee on economic
44 development and emerging technologies and the house and senate committees on ways and
45 means no later than 3 years after implementation of the credit.

46 SECTION 3. This act shall take effect upon its passage.