

SENATE No. 1517

The Commonwealth of Massachusetts

PRESENTED BY:

Eileen M. Donoghue

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 allowing the clawback of Massachusetts historic rehabilitation tax credits.

PETITION OF:

NAME:

Eileen M. Donoghue

DISTRICT/ADDRESS:

First Middlesex

SENATE No. 1517

By Ms. Donoghue, a petition (accompanied by bill, Senate, No. 1517) of Eileen M. Donoghue for legislation to allow the clawback of Massachusetts historic rehabilitation tax credits. Revenue.

The Commonwealth of Massachusetts

**In the One Hundred and Ninetieth General Court
(2017-2018)**

An Act allowing the clawback of Massachusetts historic rehabilitation tax credits.

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. Paragraph (1) of subsection (g) of section 6J of chapter 62 of the General
2 Laws, as appearing in the 2014 Official Edition, is hereby amended by striking out the paragraph
3 in its entirety and inserting in place thereof the following paragraph:-

4 “(1) If, before the end of the 5 year period beginning on the date on which the qualified
5 historic structure received final certification and was placed in service, the taxpayer disposes of
6 the taxpayer’s interest in the structure, the taxpayer’s tax for the taxable year in which the
7 disposition occurs shall be increased by the recapture amount. Any carry forward credit shall be
8 adjusted by reason of the disposition. If, during or after the end of the same 5 year period, the
9 taxpayer disposes of the taxpayer’s interest in the structure to an entity which is not required to
10 pay property taxes, the taxpayer’s tax for the year in which the disposition occurs shall be
11 increased by the entire recapture amount that would have been calculated for the year on which
12 the qualified historic structure received final certification and was placed in service.”

13 SECTION 2. Paragraph (1) of subsection (g) section 38R of chapter 63 of the General
14 Laws as appearing in the 2014 Official Edition, is hereby amended by striking out the paragraph
15 in its entirety and inserting in place thereof the following paragraph:-

16 “(1) If, before the end of the 5 year period beginning on the date on which the qualified
17 historic structure received final certification and was placed in service, the taxpayer disposes of
18 the taxpayer’s interest in the structure, the taxpayer’s tax for the taxable year in which the
19 disposition occurs shall be increased by the recapture amount. Any carry forward credit shall be
20 adjusted by reason of the disposition. If, during or after the end of the same 5 year period, the
21 taxpayer disposes of the taxpayer’s interest in the structure to an entity which is not required to
22 pay property taxes, the taxpayer’s tax for the year in which the disposition occurs shall be
23 increased by the entire recapture amount that would have been calculated for the year on which
24 the qualified historic structure received final certification and was placed in service.”