

**SENATE . . . . . No. 1547**

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**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>Angelo J. Puppolo, Jr.</i>	<i>12th Hampden</i>	<i>1/25/2017</i>
<i>Thomas M. McGee</i>	<i>Third Essex</i>	<i>1/30/2017</i>
<i>Brian M. Ashe</i>	<i>2nd Hampden</i>	<i>1/31/2017</i>
<i>Antonio F. D. Cabral</i>	<i>13th Bristol</i>	<i>1/31/2017</i>
<i>Thomas A. Golden, Jr.</i>	<i>16th Middlesex</i>	<i>2/3/2017</i>

**SENATE . . . . . No. 1547**

By Mr. Lesser, a petition (accompanied by bill, Senate, No. 1547) of Eric P. Lesser, Angelo J. Puppolo, Jr., Thomas M. McGee, Brian M. Ashe and other members of the General Court for legislation to promote high-tech job growth in gateway cities. Revenue.

[SIMILAR MATTER FILED IN PREVIOUS SESSION  
SEE SENATE, NO. 1507 OF 2015-2016.]

**The Commonwealth of Massachusetts**

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

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, 2018  
35 and ending December 31, 2022, 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.