

**HOUSE . . . . . No. 342**

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**The Commonwealth of Massachusetts**

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**In the Year Two Thousand Nine**  
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An Act Amending the Economic Development Incentive Program ..

*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 3E of Chapter 23A of the General Laws, as amended by Section 4  
2 of Chapter 19 of the acts of 1993, is hereby amended by striking out paragraph (3) and inserting  
3 in place thereof the following:-

4 (3) receipt with the municipal application of a binding written offer from the  
5 municipality, subject only to acceptance by the EACC through designation of the area proposed  
6 therefor, in the municipal application as an EOA, to provide to certified projects within the  
7 project EOA and pursuant to section fifty-nine of chapter forty either tax increment financing, a  
8 special tax assessment, or designation as a project under chapter one hundred twenty-one A as  
9 follows:

10 (a) for purposes of the provision of tax increment financing, said binding written offer  
11 shall contain a tax increment financing plan adopted in accordance with the provisions of,  
12 section fifty-nine of chapter forty; provided, however, that the tax increment financing zone  
13 proposed in such plan in addition satisfy the requirement set forth in paragraph (1) of this  
14 section;

15 (b) for purposes of the provision of a special tax assessment, said binding written offer  
16 shall set forth the following assessment schedule for each parcel of real property in and on which  
17 is located, and which is otherwise a part of, a certified project EOA:

18 (i) in the first year, an assessment of zero percent of the actual assessed valuation of the  
19 parcel; provided that such assessment shall be granted for the year designated in the binding  
20 written offer;

21 (ii) in the second year, an assessment of up to twenty-five percent of the actual assessed  
22 valuation of the parcel;

23 (iii) in the third year, an assessment of up to fifty percent of the actual assessed valuation  
24 of the parcel;

25 (iv) in the fourth year, an assessment of up to seventy-five percent of the actual assessed  
26 valuation of the parcel; and

27 (v) in subsequent years, assessment of up to one hundred percent of the actual assessed  
28 valuation of the parcel.

29 (c) for purposes of designation as a project under chapter one hundred twenty-one A,  
30 evidence of such designation by the appropriate boards, agencies or authorities of a municipality  
31 and/or the commonwealth.

32 For the purposes of this clause the term "municipality's fiscal year" shall refer to a period  
33 of three hundred sixty-five days beginning, in the first instance, with the calendar year in which  
34 the assessed property is purchased or acquired or the calendar year in which the assessed  
35 property is designated as an EOA, whichever is last to occur; provided, further,, that no such

36 written offer from a municipality shall be considered to be binding as aforesaid unless and until it  
37 is authorized.

38 SECTION 2. This act shall take effect upon its passage.