

HOUSE No. 4769

The Commonwealth of Massachusetts

In the Year Two Thousand Ten

An Act RELATIVE TO TAX ACCOUNTABILITY AND GOOD GOVERNMENT..

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 7: Section 1 of chapter 62C of the General Laws, as appearing in the 2008
2 Official Edition, is hereby amended by inserting before the definition of "Building contractor"
3 the following definition:-

4 "Administering agency head", the agency head responsible for administering the
5 applicable state tax credit program. For the brownfields tax credit and the film tax credit the
6 administering agency head is the department of revenue. For the medical device tax credit, the
7 administering agency head is the Massachusetts life sciences center.

8 SECTION 8 Said section 1 of chapter 62C of the General Laws, as so appearing, is
9 hereby further amended by striking out the definition of "Code".

10 SECTION 9: Said section 1 of chapter 62C, as so appearing, is hereby further amended
11 by inserting after the definition of "Promoter" the following definition:-

12 "Secretary", the secretary of administration and finance.

SECTION 10: Said section 1 of chapter 62C, as so appearing, is hereby further amended by inserting after the definition of "Show" the following definition:-

"Tax credit program", one of the following credits against the state income tax to stimulate economic development and other policy goals: the brownfields tax credit in section 38Q of chapter 63 and subsection (j) of section 6 of chapter 62; the dairy farmer tax credit in section 38Z of chapter 63 and subsection (o) of section 6 of chapter 62; the FDA user fees credit in section 31M of chapter 63 and subsection (n) of section 6 of chapter 62; the film tax credit in subsection (b) of section 38X of chapter 63 and subsection (l) of section 6 of chapter 62; the historic rehabilitation tax credit in section 38R of chapter 63 and section 6J of chapter 62; the life sciences investment tax credit in section 38U of chapter 63 and subsection (m) of section 6 of chapter 62; the low-income housing tax credit in section 31H of chapter 63 and section 6I of chapter 62; the medical device tax credit in section 31L of chapter 63 and section 6 1/2 of chapter 62; and the refundable research credit in subsection (j) of section 38M of chapter 63.

SECTION 11: Said chapter 62C is hereby further amended by adding the following section:-

Section 88. (a)(1) On or before May 15 each year, the administering agency head of each tax credit program shall submit a report to the commissioner on each tax credit program authorized for the previous calendar year only, in this section called the report, which shall be a public record.

(2) The report shall contain the following information:

(i) the identity of each taxpayer authorized by the administering agency head to receive a tax credit;

(ii) the amount of tax credit award and issued tax credit for each taxpayer and each project, if applicable;

(iii) the date of the tax credit award or issued tax credit for each taxpayer and each project; and

(iv) additional data and criteria that the secretary determines to be relevant to analyzing the effectiveness of that tax credit program.

(b)(1) On or before February 15 of every year, each taxpayer receiving an authorized tax credit from the administering agency head in the previous calendar year shall submit data and analysis reasonably determined by the Secretary to be relevant to analyzing the effectiveness of the tax credit program.

(2) On or before May 15 of each year, or by another date that the secretary determines to be practicable, the administering agency head shall submit to the commissioner, in a form prescribed by the commissioner, copies of any data and analysis required by paragraph (1), with the report required by subsection (a). The commissioner shall provide this information on a government internet website for public disclosure.

SECTION 12: Notwithstanding any general law to the contrary there shall be established a commission that shall review and evaluate all exemptions deductions, and credits and make recommendations to the general court based on effectiveness, timeliness, and the cost benefit analysis of said credits

The commission shall be comprised of a representative from administration and finance, the House and Senate chairs of the Joint Committee on Revenue or their respective

56 designee, the Senate minority leader or their respective designee, and the House minority leader
57 or their respective designee.

58 The commission shall conduct its evaluation and make recommendations every five years
59 beginning on or before January 1, 2015.