

**SENATE . . . . . No. 1327**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

***Benjamin B. Downing***

*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 encouraging the development of new business in the Commonwealth.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Benjamin B. Downing</i>	<i>Berkshire, Hampshire, Franklin and Hampden</i>
<i>Barry R. Finegold</i>	<i>Second Essex and Middlesex</i>

**SENATE . . . . . No. 1327**

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By Mr. Downing, a petition (accompanied by bill, Senate, No. 1327) of Benjamin B. Downing and Barry R. Finegold for legislation to encourage the development of new business in the Commonwealth. Revenue.

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[SIMILAR MATTER FILED IN PREVIOUS SESSION  
SEE SENATE, NO. 1433 OF 2011-2012.]

**The Commonwealth of Massachusetts**

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**In the Year Two Thousand Thirteen**  
\_\_\_\_\_

An Act encouraging the development of new business in the Commonwealth.

*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. Subsection (b) of section 2 of chapter 63 of the General Laws, as appearing  
2 in the 2010 Official Edition, is hereby amended by inserting after the figure “456” the following  
3 words:-

4                     ; and provided, further, that qualifying corporations under section 38CC of this chapter,  
5 may receive a credit of up to \$456 against the excise imposed under this section.

6           SECTION 2. Subsection (b) of section 2B of said chapter 63, as so appearing, is hereby  
7 amended by inserting after the figure “\$456” the following words:-

8                     , provided, however, that qualifying corporations under section 38CC of this chapter, may  
9 receive a credit of up to \$456 against the excise imposed under this section.

10          SECTION 3. Said chapter 63 is hereby further amended by inserting after section 38CC  
11 the following section:-

12                    Section 38DD.(a) The purpose of this section shall be to offset the burden new businesses  
13 in the Commonwealth initially face by absolving them of the minimum corporate tax in their first  
14 three years of filing.

15 (b) A corporation formed under chapter 156D and taxable under this chapter shall be  
16 eligible for a non-transferrable credit against an excise tax imposed under subsection (b) of  
17 section 2, subsection (b) of section 2B or subsection (b) of section 39.

18 (c) A corporation shall only be eligible for a credit under subsection (a) for the first 3  
19 years in which it is required to file a return under this chapter, provided, however, that such  
20 credit shall not be allowed to any corporation with 50 per cent or more of its voting stock owned  
21 by another corporation, whether or not such owning corporation is taxable in the commonwealth.  
22 The total tax credit available pursuant to this section shall not exceed \$10,000,000 in any one tax  
23 year.

24 (d) This credit will sunset on December 31, 2024.

25 SECTION 4. Subsection (b) of Section 39 of said chapter 63, as so appearing, is hereby  
26 amended by inserting after last sentence the following sentence:

27 , provided, however, that qualifying corporations under section 38CC of this chapter, may  
28 receive a credit of up to \$456 against the excise imposed under this section.