SENATE DOCKET, NO. 320 FILED ON: 1/15/2013

SENATE . . . . . No. 1327

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:
Benjamin B. Downing	*Berkshire, Hampshire, Franklin and Hampden*
Barry R. Finegold	*Second Essex and Middlesex*

SENATE DOCKET, NO. 320 FILED ON: 1/15/2013

SENATE . . . . . No. 1327

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.

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

The Commonwealth of Massachusetts

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:

SECTION 1. Subsection (b) of section 2 of chapter 63 of the General Laws, as appearing in the 2010 Official Edition, is hereby amended by inserting after the figure "456" the following words:-

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

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

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

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

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

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

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

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

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

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