

SENATE No. 1471

The Commonwealth of Massachusetts

PRESENTED BY:

Eileen M. Donoghue

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 relative to a tax credit for hiring recent graduates.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Eileen M. Donoghue</i>	<i>First Middlesex</i>
<i>Leonard Mirra</i>	<i>2nd Essex</i>
<i>Anne M. Gobi</i>	<i>Worcester, Hampden, Hampshire and Middlesex</i>
<i>Stephen L. DiNatale</i>	<i>3rd Worcester</i>
<i>Brian M. Ashe</i>	<i>2nd Hampden</i>

SENATE No. 1471

By Ms. Donoghue, a petition (accompanied by bill, Senate, No. 1471) of Eileen M. Donoghue, Leonard Mirra, Anne M. Gobi, Stephen L. DiNatale and others for legislation relative to a tax credit for hiring recent graduates. Revenue.

The Commonwealth of Massachusetts

**In the One Hundred and Eighty-Ninth General Court
(2015-2016)**

An Act relative to a tax credit for hiring recent graduates.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Chapter 63 of the General Laws is hereby amended by inserting after section 31N the
2 following section: -

3 Section 31O. (a) As used in this section, the following words shall, unless the context
4 otherwise requires, have the following meanings:

5 "Qualified graduate", a Massachusetts resident who (i) was awarded an associate's or
6 bachelor's degree from an institution of higher education in the Commonwealth within the three
7 years immediately preceding the date the person was hired into a full-time job, and (ii) was not
8 an independent contractor of the small business within such three-year period.

9 "Sustained employment", a period of employment that is at least 185 days during a
10 taxable year.

11 (b) For each taxable year on or after January 1, 2015, each taxpayer is entitled to a credit
12 against the excise due under this chapter in an amount equal to 5%, but in no event to exceed
13 \$600, of the gross wages paid by the taxpayer to a qualified graduate in the course of that
14 graduate's sustained employment during the taxable year.

15 (c) If a taxpayer is subject to a minimum excise under this chapter, the amount of credit
16 allowed shall not reduce the excise to an amount less than the minimum excise.

17 (d) A taxpayer entitled to a credit under this section for any taxable year may carry over
18 and apply to its excise for any 1 or more of the next succeeding 5 taxable years, the portion, as
19 reduced from year to year, of those credits which exceed the excise for the taxable year. The tax
20 credit shall be applied to the earliest year for which there is a tax liability. If there are credits for
21 more than one year that are available to offset a liability, the earlier credit shall be applied first.

22 (e) A taxpayer that has previously been approved to receive a credit under this section
23 shall not be eligible to receive said payment for more than one calendar year. A taxpayer may
24 apply to receive a credit under this section that relates to a different application in the same
25 calendar year or a different application in a different calendar year.