

SENATE No. 2964

The Commonwealth of Massachusetts

—
In the One Hundred and Ninety-First General Court
(2019-2020)
—

SENATE, November 30, 2020.

The committee on Revenue, to whom was referred the petition (accompanied by bill, Senate, No. 2913) (subject to Joint Rule 12) of Joan B. Lovely, Bradford Hill, Michelle L. Ciccolo, Thomas P. Walsh and others for legislation relative to real estate tax abatements to help businesses impacted by the Phase IV reopening plan, reports the accompanying bill (Senate, No. 2964).

For the committee,
Adam G. Hinds

SENATE No. 2964

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**In the One Hundred and Ninety-First General Court
(2019-2020)**

An Act relative to real estate tax abatements to help businesses impacted by the Phase IV reopening plan.

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. (a) As used in sections 1-2, “eligible business,” shall include all business
2 entities designated as “Phase IV” by COVID-19 Order No. 35, or business entities that are
3 designated as “Phase III” by COVID-10 Order No. 51 and that are not permitted to open due to
4 their locations outside a “Lower Risk Community” as defined by this order, or that are not able
5 to sustain business under the attendance limitations executed by the same order, and as further
6 determined by Secretary of Housing and Economic Development.

7 (b) An eligible business may apply for a real estate tax abatement during any quarter of
8 the fiscal year.

9 (c) The commonwealth shall remain liable for the difference in all payments resulting
10 from the real estate tax abatements under this section between a municipality and an eligible
11 business. Said payments shall be expended from the federal COVID-19 business property tax
12 relief trust fund.

13 (d) “Phase III” eligible businesses that qualify for such abatement shall be eligible for
14 said abatement for the duration of their forced shutdown, or until after the next quarterly tax
15 payment following their reopening.

16 SECTION 2. (a) There shall be established and set upon the books of the commonwealth
17 a separate fund to be known as the federal COVID-19 business property tax relief trust fund to
18 retain certain federal funds received by the commonwealth to assist the commonwealth in
19 providing economic relief and recovery for eligible businesses impacted by the state of
20 emergency concerning the novel coronavirus disease outbreak declared by the governor on
21 March 10, 2020. The fund shall be administered by the Secretary of Housing and Economic
22 Development.

23 (b) The fund shall be credited with: (i) revenue from federal funds, appropriations or
24 other money authorized by the general court and specifically designated to be credited to the
25 fund; (ii) interest earned on such revenues; and (iii) funds from public and private sources
26 including, but not limited to, gifts, grants and donations. Amounts credited to the fund shall be
27 subject to appropriation, and any money remaining in the fund at the end of each a fiscal year
28 shall not revert to the general fund and shall be available for expenditure in the subsequent fiscal
29 year.

30 (c) Amounts credited to the fund shall be expended in the form of tax abatements to
31 municipalities to cover the balance owed on real estate taxes by eligible businesses in the
32 commonwealth, as provided in Section 1, that are unable to pay their property taxes due to the
33 economic impacts of the state of emergency. Eligible businesses shall be discharged of further
34 obligations to pay real estate taxes owed equal to the tax abatement paid for through the fund.

35 (d) Annually, not later than November 1, the secretary shall report an accounting of
36 expenditures made through the fund and amounts remaining in the fund to the clerks of the senate
37 and house of representatives, the senate and house committees on ways and means, and the joint
38 committee on revenue.

39 SECTION 3. Sections 1 and 2 shall expire within 90 days after the termination of the
40 Governor's March 10, 2020 declaration of a state of emergency.