

HOUSE No. 3075

The Commonwealth of Massachusetts

PRESENTED BY:

William M. Straus

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 cranberry bog improvement tax credit.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>William M. Straus</i>	<i>10th Bristol</i>	<i>2/19/2021</i>
<i>Angelo L. D'Emilia</i>	<i>8th Plymouth</i>	<i>3/11/2021</i>
<i>Steven G. Xiarhos</i>	<i>5th Barnstable</i>	<i>3/11/2021</i>
<i>Antonio F. D. Cabral</i>	<i>13th Bristol</i>	<i>3/11/2021</i>
<i>Sarah K. Peake</i>	<i>4th Barnstable</i>	<i>3/11/2021</i>
<i>Timothy R. Whelan</i>	<i>1st Barnstable</i>	<i>3/11/2021</i>
<i>Paul A. Schmid, III</i>	<i>8th Bristol</i>	<i>3/11/2021</i>
<i>Josh S. Cutler</i>	<i>6th Plymouth</i>	<i>3/11/2021</i>
<i>F. Jay Barrows</i>	<i>1st Bristol</i>	<i>3/11/2021</i>
<i>Steven S. Howitt</i>	<i>4th Bristol</i>	<i>3/12/2021</i>
<i>Susan Williams Gifford</i>	<i>2nd Plymouth</i>	<i>3/12/2021</i>
<i>Patrick Joseph Kearney</i>	<i>4th Plymouth</i>	<i>3/12/2021</i>
<i>Kip A. Diggs</i>	<i>2nd Barnstable</i>	<i>3/12/2021</i>
<i>Mathew J. Muratore</i>	<i>1st Plymouth</i>	<i>3/30/2021</i>

HOUSE No. 3075

By Mr. Straus of Mattapoisett, a petition (accompanied by bill, House, No. 3075) of William M. Straus and others relative to a cranberry bog improvement tax credit. Revenue.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Second General Court
(2021-2022)**

An Act relative to a cranberry bog improvement tax credit.

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. Chapter 63 of the General Laws, as appearing in the 2018 Official Edition,
2 is hereby amended by inserting after section 38HH the following section:-

3 Section 38II. (a) As used in this section, the following words shall have the following
4 meanings unless the context clearly requires otherwise:

5 "Commissioner", the commissioner of revenue.

6 "Cranberry bog", an area actively cultivated for the harvesting or production of
7 cranberries.

8 "Qualified renovation", the renovation, repair, replacement, regrading or restoration of a
9 cranberry bog for the cultivation, harvesting or production of cranberries or any other activity or
10 action associated with the renovation of an abandoned cranberry bog; provided, however, that
11 "qualified renovation" shall not include the construction of facilities or structures for the
12 processing of cranberries.

13 "Qualified renovation expenditure", an expenditure or a cost directly incurred in
14 connection with the qualified renovation of a cranberry bog; provided, however, that "qualified
15 renovation expenditure" shall not include costs incurred in acquiring or purchasing property for
16 the construction of facilities or structures for the cultivation, harvesting or production of
17 cranberries.

18 "Secretary", the secretary of energy and environmental affairs.

19 "Taxpayer", a taxpayer subject to taxation under this chapter.

20 (b)(1) A taxpayer primarily engaged in cranberry production shall be allowed a credit
21 against the taxes imposed by this chapter equal to 25 per cent of the total qualified renovation
22 expenditures incurred in connection with the qualified renovation of a cranberry bog during the
23 taxable year; provided, however, the amount of the credit that may be claimed by a taxpayer
24 under this section shall not exceed \$100,000.

25 (2) The credit under this section shall be taken against the taxes imposed under this
26 chapter and shall be refundable. The commissioner shall apply the credit against the liability of
27 the taxpayer as determined on its return, as first reduced by any other available credits, and shall
28 then refund to the taxpayer the balance of the credits. If the amount of the credit allowed under
29 this section exceeds the taxpayer's tax liability, the commissioner shall treat the excess as an
30 overpayment and shall pay the taxpayer the entire amount of the excess. Any amount of the tax
31 credit that exceeds the tax due for a taxable year may be carried forward by the taxpayer to any
32 of the 5 subsequent taxable years.

33 (3) The secretary, in consultation with the commissioner of agricultural resources, shall
34 authorize annually, for the period beginning January 1, 2020 and ending December 31, 2024, tax

35 credits under this subsection together with subsection (w) of section 6 of chapter 62 in an amount
36 not to exceed \$2,000,000 per taxable year. No credits shall be allowed under this section except
37 to the extent authorized in this section.

38 (c) For a taxpayer to qualify for the credit provided for under this section, the taxpayer
39 shall file with the secretary a summary of qualified renovation expenditures in connection with
40 the qualified renovation. The secretary shall approve the summary of qualified renovation
41 expenditures and provide notice to the commissioner. Any qualified renovation expenditures
42 applicable to this credit shall be treated for purposes of this section as made on the date that the
43 secretary provides notice of the certification to the commissioner.

44 (d) Any portion of tax credits not awarded by the secretary in a calendar year shall not be
45 applied to awards in a subsequent calendar year. The secretary shall provide any documentation
46 that the commissioner may deem necessary to confirm compliance with paragraph (3) of
47 subsection (b) and the commissioner shall provide a report confirming compliance to the
48 secretary of administration and finance.

49 (e) The secretary shall annually, not later than September 1, file a report with the house
50 and senate committees on ways and means, the joint committee on environment, natural
51 resources and agriculture and the joint committee on revenue identifying the total amount of tax
52 credits claimed and the total amount of tax credits refunded pursuant to this section in the
53 preceding fiscal year.

54 (f) The secretary, in consultation with the commissioner of agricultural resources and the
55 commissioner of revenue, shall promulgate regulations or other guidelines necessary for the
56 administration and implementation of this section.