

**HOUSE . . . . . No.**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

*Ann-Margaret Ferrante*

*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 establishing a tax credit for artist work space.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Ann-Margaret Ferrante</i>	<i>5th Essex</i>	<i>1/17/2025</i>
<i>Mindy Domb</i>	<i>3rd Hampshire</i>	<i>1/30/2025</i>

**HOUSE . . . . . No.**

[Pin Slip]

[SIMILAR MATTER FILED IN PREVIOUS SESSION  
SEE HOUSE, NO. 2789 OF 2023-2024.]

**The Commonwealth of Massachusetts**

\_\_\_\_\_  
**In the One Hundred and Ninety-Fourth General Court  
(2025-2026)**  
\_\_\_\_\_

An Act establishing a tax credit for artist work space.

*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 62 of the General Laws is hereby amended by inserting after  
2 section 6N, as appearing in the 2012 Official Edition, the following section:-

3 Section 6O. (a) For the purposes of this section, the following words shall, unless the  
4 context clearly requires otherwise, have the following meanings:-

5 “Commissioner”, the commissioner of revenue.

6 “Cultural district”, a geographical area of a city or town within the commonwealth  
7 designated as a cultural district pursuant to the provisions of section 58A of chapter 10.

8 “Department”, the department of housing and community development, or its successor  
9 agency.

10 “Eligibility statement”, a statement authorized and issued by the department certifying  
11 that a given project is a qualified project. The department shall, in consultation with the  
12 commissioner, promulgate regulations establishing criteria upon which the eligibility statements  
13 will be issued. The eligibility statement shall specify the maximum annual amount of the  
14 Massachusetts artist work shop tax credit authorized. The department shall only authorize the tax  
15 credits to qualified projects which are placed in service on or after January 1, 2016.

16 “Qualified project”, a project for the construction of a new building located in a cultural  
17 district, or renovation of an existing building located in a cultural district, providing artists with  
18 the workspace necessary to produce art, which meets the requirements of this section.

19 “Taxpayer”, a person, firm, partnership or other entity subject to the income tax imposed  
20 by the provisions of this chapter hired as a contractor, subcontractor or otherwise to perform  
21 construction on a qualified project.

22 (b)(1) There shall be a Massachusetts artist workspace tax credit. The department may  
23 authorize annually under this section together with section 38GGH of chapter 63 the total sum  
24 of: (i) \$20,000,000; (ii) unused Massachusetts artist workspace tax credits, if any, for the  
25 preceding calendar years; and (iii) Massachusetts artist workspace tax credits returned to the  
26 department by a qualified project.

27 (2) Unless otherwise provided in this section or the context clearly requires otherwise, the  
28 department shall authorize, administer, determine eligibility for the Massachusetts artist  
29 workspace tax credit.

30 (3) The department shall allocate the total available Massachusetts artist workspace tax  
31 credit among as many qualified projects as fiscally feasible, with the goal of increasing the  
32 commonwealth's stock of artist workspace.

33 (c)(1) A taxpayer may be allowed a state tax credit with respect to a qualified project,  
34 provided that the department issues an eligibility statement for that qualified project. This state  
35 tax credit shall be termed the Massachusetts artist workspace tax credit.

36 (2) The total Massachusetts artist workspace tax credit available to a qualified project  
37 shall be authorized and allocated by the department, or its successor agency, based on the  
38 qualified project's need for the credit for economic feasibility.

39 (3) The Massachusetts artist workspace tax credit shall be taken against the taxes  
40 imposed under this chapter, claimed equally for 5 years, subtracted from the amount of state tax  
41 otherwise due for each taxable period and shall not be refundable. Any amount of the artist  
42 workspace tax credit that exceeds the tax due for a taxable year may be carried forward to any of  
43 the 5 subsequent taxable years.

44 (4) All or any portion of tax credits issued in accordance with the provisions of this  
45 section may be allocated to parties who are eligible under the provisions of paragraph (1) of  
46 subsection (c). A taxpayer shall certify to the commissioner the amount of credit allocated to  
47 such taxpayer. The taxpayer shall provide to the commissioner appropriate information so that  
48 the artist workspace tax credit can be properly allocated.

49 (5) In the event that recapture of Massachusetts artist workspace tax credit is required,  
50 any statement submitted to the commissioner as provided in subsection (c) shall include the

51 proportion of the state credit required to be recaptured, the identity of each taxpayer subject to  
52 the recapture and the amount of credit previously allocated to such taxpayer.

53 (6) The director of the department, in consultation with the commissioner, shall  
54 promulgate regulations necessary to administer the provisions of this subsection.

55 (d) The taxpayer shall submit, at the time of filing the taxpayer's state tax return, a copy  
56 of the eligibility statement issued by the department with respect to such qualified project. In the  
57 case of failure to attach the eligibility statement, a credit under this section shall not be allowed  
58 with respect to such qualified project for that year until the copy is provided to the department of  
59 revenue.

60 (e) The commissioner or the department, through the promulgation of regulations, may  
61 require the filing of additional documentation necessary to determine the eligibility or accuracy  
62 of a tax credit claimed under the provisions of this section.

63 (f) The department, in consultation with the commissioner, shall monitor and oversee  
64 compliance with the Massachusetts artist workspace tax credit program and may promulgate  
65 regulations requiring the filing of additional documentation deemed necessary to determine  
66 continuing eligibility for the Massachusetts artist workspace tax credit. The department or the  
67 commissioner shall report specific occurrences of noncompliance to appropriate state, federal  
68 and local authorities.

69 (g) Except for unused credits carried forward pursuant to paragraph (3) of subsection (c)  
70 and section 38GGH of chapter 63, a qualified project shall not be eligible for any Massachusetts  
71 artist workspace tax credits for more than 7 taxable years.

72 (h) The department may provide that upon application for state tax credits issued by the  
73 department, such taxpayer may elect to receive such state tax credit in the form of a loan  
74 generated by transferring the credit to the department or its designee on terms specified by the  
75 department in accordance with its qualified allocation plan. Neither a direct tax refund nor a loan  
76 received as the result of the transfer of the credit shall be considered taxable income under this  
77 chapter.

78 (i) The department may pursue methods of enhancing the efficiency of the Massachusetts  
79 artist workspace tax credit program including but not limited to: pursuing opinions from the  
80 United States department of treasury's internal revenue service in the form of general counsel  
81 memoranda, private letter rulings and other notices, rulings or guidelines; by reviewing other  
82 state tax programs which utilize an option for taxpayers to receive such tax credit in the form of a  
83 loan generated by transferring the credit to a designated state entity; and any other such methods.

84 SECTION 2. Chapter 63 of the General Laws is hereby amended by inserting after  
85 section 38FF, as so appearing, the following section:-

86 Section 38GG. (a) For the purposes of this section, unless the context clearly requires  
87 otherwise, the following words shall have the following meanings:-

88 "Commissioner", the commissioner of the department of revenue

89 "Cultural district", a geographical area of a city or town within the commonwealth  
90 designated as a cultural district pursuant to the provisions of section 58A of chapter 10.

91 "Department", the department of housing and community development, or its successor  
92 agency.

93 “Eligibility statement”, a statement authorized and issued by the department certifying  
94 that a given project is a qualified artist workspace project. The department, in consultation with  
95 the commissioner, shall promulgate regulations establishing criteria upon which the eligibility  
96 statements shall be issued. The eligibility statement shall specify the maximum annual amount of  
97 the artist workspace tax credit authorized. The department shall only authorize the tax credits to  
98 qualified artist workspace projects which are placed in service on or after January 1, 2016.

99 “Qualified artist workspace project” or “qualified project”, a project for the construction  
100 of a new building in a cultural district, or renovation of an existing building located in a cultural  
101 district, providing artists with the workspace necessary to produce art, which meets the  
102 requirements of this section.

103 “Taxpayer”, a corporation subject to an excise imposed by the provisions of this chapter,  
104 including, without limitations, section 2, sections 20 to 23, inclusive, section 29A, section 32 and  
105 section 39, hired as a contractor, subcontractor or otherwise to perform construction on a  
106 qualified project..

107 (b)(1) There shall be a Massachusetts artist workspace tax credit. The department may  
108 authorize annually under this section together with section 60 of chapter 62 the total sum of: (i)  
109 \$20,000,000; (ii) unused artist workspace tax credits, if any, for the preceding calendar years;  
110 and (iii) any artist workspace tax credits returned to the department by a qualified artist  
111 workspace project.

112 (2) Unless otherwise provided in this section or the context clearly requires otherwise, the  
113 department shall authorize, administer, determine eligibility for the artist workspace tax credit.

114 (3) The department shall allocate the total available Massachusetts artist workspace tax  
115 credit among as many qualified artist workspace projects as fiscally feasible, with the goal of  
116 increasing the commonwealth's stock of artist workspace.

117 (c)(1) A taxpayer may be allowed a state tax credit with respect to a qualified artist  
118 workspace project, provided that the department issues an eligibility statement for that qualified  
119 project. This state tax credit shall be termed the Massachusetts artist workspace tax credit.

120 (2) The total Massachusetts artist workspace tax credit available to a qualified project  
121 shall be authorized and allocated by the department, or its successor agency, based on the  
122 qualified project's need for the credit for economic feasibility.

123 (3) The Massachusetts artist workspace tax credit shall be taken against the taxes  
124 imposed under this chapter, claimed equally for 5 years, subtracted from the amount of state tax  
125 otherwise due for each taxable period and shall not be refundable. Any amount of the tax credit  
126 that exceeds the tax due for a taxable year may be carried forward to any of the 5 subsequent  
127 taxable years.

128 (4) All or any portion of tax credits issued in accordance with the provisions of this  
129 section may be allocated to parties who are eligible under the provisions of paragraph (1) of  
130 subsection (c). A taxpayer shall certify to the commissioner the amount of credit allocated to  
131 such taxpayer. The taxpayer shall provide to the commissioner appropriate information so that  
132 the artist workspace tax credit can be properly allocated.

133 (5) In the event that recapture of Massachusetts artist workspace tax credits is required,  
134 any statement submitted to the commissioner as provided in subsection (c) shall include the



135 proportion of the state credit required to be recaptured, the identity of each taxpayer subject to  
136 the recapture and the amount of credit previously allocated to such taxpayer.

137 (6) The director of the department, in consultation with the commissioner, shall  
138 promulgate regulations necessary to administer the provisions of this subsection.

139 (d) The taxpayer shall submit, at the time of filing the taxpayer's state tax return, a copy  
140 of the eligibility statement issued by the department with respect to such qualified project. In the  
141 case of failure to attach the eligibility statement, a credit under this section shall not be allowed  
142 with respect to such qualified project for that year until the copy is provided to the department of  
143 revenue.

144 (e) The commissioner or the department may require the filing of additional  
145 documentation necessary to determine the eligibility or accuracy of a tax credit claimed under  
146 the provisions of this section through the promulgation of regulations.

147 (f) The department, in consultation with the commissioner, shall monitor and oversee  
148 compliance with the Massachusetts artist workspace tax credit program and may promulgate  
149 regulations requiring the filing of additional documentation deemed necessary to determine  
150 continuing eligibility for the Massachusetts artist workspace tax credit. The department or the  
151 commissioner shall report specific occurrences of noncompliance to appropriate state, federal  
152 and local authorities.

153 (g) Except for unused credits carried forward pursuant to section 60 of chapter 62 and  
154 paragraph (3) of subsection (c) of this section, a qualified project shall not be eligible for any  
155 Massachusetts artist workspace tax credits for more than 7 taxable years.

156 (h) The department may provide that upon application for state tax credits issued by the  
157 department, such taxpayer may elect to receive such state tax credit in the form of a loan  
158 generated by transferring the credit to the department or its designee on terms specified by the  
159 department in accordance with its qualified allocation plan. Neither a direct tax refund nor a loan  
160 received as the result of the transfer of the credit shall be considered taxable income under this  
161 chapter.

162 (i) The department may pursue methods of enhancing the efficiency of the Massachusetts  
163 artist workspace tax credit program including but not limited to; pursuing opinions from the  
164 United States department of treasury's internal revenue service in the form of general counsel  
165 memoranda, private letter rulings and other notices, rulings or guidelines and reviewing other  
166 state tax programs which utilize an option for taxpayers to receive such tax credit in the form of a  
167 loan generated by transferring the credit to a designated state entity.