

SENATE NO. 128



AN ACT ESTABLISHING PILOT ARTIST ENTERPRISE ZONES

*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. As used in this section, the following words shall, unless the context clearly requires
2 otherwise, have the following meanings:-

3 “Art dealer”, a person engaged in the business of selling works of art, other than a person
4 exclusively engaged in the business of selling goods at public auction.

5 “Artist”, the person who creates a work of art.

6 “Artist Enterprise Zone”, an economic development zone in a city or town, to be designated by the
7 mayor and the city council in the case of a city, or by the board of selectmen in the case of a town,
8 for the economic stimulus of works of arts.

9 “Department”, the department of revenue.

10 “On-location sale”, a sale transacted in-person, not by telephonic or other electronic means, within
11 an Artist Enterprise Zone.

12 “Work of art”, an original and creative work, whether written, composed or executed for ‘one-of-a-
13 kind limited’ production and which falls into 1 of the following categories: a painting; sculpture;
14 drawing; work of graphic art, including an etching, lithograph, offset print, silk screen, or work of
15 graphic art of like nature; a work of calligraphy; or a work in mixed media including a collage,
16 assemblage, or any combination of the foregoing art media; a book or other writing; a play or the
17 performance of said play; a musical composition or the performance of said composition; traditional
18 and fine crafts; the creation of a film or the acting within said film; the creation of a dance or the
19 performance of said dance; any product generated as a result of any of the above categories;
20 provided that a “work of art” shall not apply to any piece or performance created or executed for
21 industry oriented or related production.

22 SECTION 2. There are hereby established a Pilot Artist Enterprise Zone in the city of Pittsfield and
23 a Pilot Artist Enterprise Zone in the city of Fitchburg. No later than July 1, 2008, the mayor and
24 city council for the city of Pittsfield are authorized to designate a specific area located in the
25 “downtown” of Pittsfield as the Artist Enterprise Zone. No later than July 1, 2008, the mayor and
26 city council for the city of Fitchburg are authorized to designate a specific area located in the
27 “downtown” of Fitchburg as the Artist Enterprise Zone.

28 SECTION 3. Notwithstanding section 2 of chapter 64H or any other provision of General or special
29 law to the contrary, in tax years 2007 and 2008 no excise shall be imposed upon on-location sales of
30 works of art. The department shall establish guidelines regarding the implementation of this section
31 and shall require the submission of evidence relating to the publication, production or creation of

32 the works as may be deemed necessary by the department for the purposes of the exemption. The
33 department may also require an annual submission of an accounting of the numbers of works sold,
34 the type of work sold and the date of the sale. Failure to file this report may terminate an
35 individual's eligibility for the exemption.

36 SECTION 4. Notwithstanding sections 3 and 4 of chapter 62 or any other provision of General or
37 special law to the contrary, in tax years 2007 and 2008 an artist to whom this section applies and
38 who duly makes a claim to the department in that behalf shall, subject to paragraph (2) below, be
39 entitled to have the profits or gains arising to him or her from the publication, production or sale of
40 a work of art or works of art be taken as a modification reducing Massachusetts taxable income.

41 (2) The modification authorized by this section shall apply to the year in which the profit or gain
42 from the publication, production or sale of a work of art is realized. The total modifications
43 allowed in any taxable year shall not exceed \$100,000 for any artist.

44 (3) This section shall only apply to an artist who is a resident of an Artist Enterprise Zone.

45 (4) The department shall establish guidelines regarding the implementation of this section and shall
46 require the submission of evidence relating to the publication, production or creation of the works
47 as may be deemed necessary by the department for the purposes of the exemption. The department
48 may also require an annual submission of an accounting of the numbers of works sold, the type of
49 work sold and the date of the sale. Failure to file this report may terminate an artist's eligibility for
50 the exemption.