

Tax Credit Programs That Are Subject to Reporting Requirements of Chapter 131 of the Acts of 2010

(See <http://www.malegislature.gov/Laws/SessionLaws/Acts/2010/Chapter131>, sections 37-39, 47, & 196)

(Revenue impact estimates for corporations and individuals are included in Tax Expenditure Budget, TEB)

		FY10	FY11	FY12	FY13
1 Film tax credit		-\$90.8	-\$45.4	-\$80.0	-\$80.0
M.G.L. c. 62, ss. 6(f) and M.G.L. c. 63, ss. 38X	<i>Insurance Companies</i>	-\$55.5	-\$27.7	-\$48.9	-\$48.9
http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleIX/Chapter62/Section6	<i>Financial Institutions</i>	-\$18.3	-\$9.1	-\$16.1	-\$16.1
http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleIX/Chapter63/Section38X	<i>Corporations</i>	-\$14.1	-\$7.1	-\$12.4	-\$12.4
	<i>Individuals</i>	-\$3.0	-\$1.5	-\$2.6	-\$2.6
2 Historic rehabilitation tax credit		-\$50.0	-\$50.0	-\$50.0	-\$50.0
M.G.L. c. 62, ss. 6J and M.G.L. c. 63, ss. 38R	<i>Insurance Companies</i>	-\$5.0	-\$5.0	-\$5.0	-\$5.0
http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleIX/Chapter62/Section6J	<i>Financial Institutions</i>	-\$21.3	-\$21.3	-\$21.3	-\$21.3
http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleIX/Chapter63/Section38R	<i>Corporations</i>	-\$21.3	-\$21.3	-\$21.3	-\$21.3
	<i>Individuals</i>	-\$2.5	-\$2.5	-\$2.5	-\$2.5
3 Low-income housing tax credit		-\$20.5	-\$24.4	-\$39.0	-\$40.6
M.G.L. c. 62, ss. 4 and M.G.L. c. 63, ss. 31H	<i>Insurance Companies</i>	-\$9.8	-\$11.7	-\$18.6	-\$19.4
http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleIX/Chapter62/Section6J	<i>Financial Institutions</i>	-\$7.4	-\$8.9	-\$14.1	-\$14.7
http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleIX/Chapter63/Section31H	<i>Corporations</i>	-\$2.3	-\$2.7	-\$4.3	-\$4.5
	<i>Individuals</i>	-\$1.0	-\$1.2	-\$1.9	-\$2.0
4 Brownfields tax credit		-\$13.6	-\$23.9	-\$27.8	-\$27.8
M.G.L. c. 62, ss. 6(f) and M.G.L. c. 63, ss. 38Q	<i>Insurance Companies</i>	-\$7.6	-\$13.4	-\$15.5	-\$15.5
http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleIX/Chapter62/Section6	<i>Financial Institutions</i>	-\$2.2	-\$3.9	-\$4.5	-\$4.5
http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleIX/Chapter63/Section38Q	<i>Corporations</i>	-\$2.2	-\$3.9	-\$4.6	-\$4.6
	<i>Individuals</i>	-\$1.6	-\$2.7	-\$3.2	-\$3.2
5 Medical device tax credit		-\$3.6	-\$3.8	-\$4.0	-\$4.0
M.G.L. c. 62, ss. 6 1/2 and M.G.L. c. 63, ss. 31L	<i>Insurance Companies</i>	\$0.0	\$0.0	\$0.0	\$0.0
http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleIX/Chapter62/Section61-2	<i>Financial Institutions</i>	\$0.0	\$0.0	\$0.0	\$0.0
http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleIX/Chapter63/Section31L	<i>Corporations</i>	-\$3.2	-\$3.4	-\$3.6	-\$3.6
	<i>Individuals</i>	-\$0.4	-\$0.4	-\$0.4	-\$0.4
6 Dairy farm tax credit ⁽³⁾		-\$3.6	\$0.0	-\$7.0	-\$4.0
M.G.L. c. 62, ss. 6(o) and M.G.L. c. 63, ss. 38Z	<i>Corporations</i>	-\$1.8	\$0.0	-\$6.3	-\$3.6
http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleIX/Chapter62/Section6	<i>Individuals</i>	-\$1.8	\$0.0	-\$0.7	-\$0.4
http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleIX/Chapter63/Section38Z					

⁽³⁾ Given that the Department of Agricultural Resources (DAR) has recently recalculated the threshold or trigger prices for 2010 as authorized by St. 2011, c. 68, ss. 64, 69 and determined that \$3 million in credits should have been awarded in FY11, DOR assumes that the FY11 and FY12 claim total will both be realized in FY12

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7 Life sciences - investment tax credit M.G.L. c. 62, ss. 6(m) and M.G.L. c. 63, ss. 38U http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleX/Chapter62/Section6 http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleX/Chapter63/Section38U	Under the \$25 Million Cap	Assumed amounts in TEB are for the entire Life Science Tax Incentive Program	-\$5.0	-\$20.0	-\$20.0	-\$25.0
8 Life Sciences - user fees credit M.G.L. c. 62, ss. 6(n) and M.G.L. c. 63, ss. 31M http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleX/Chapter62/Section6 http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleX/Chapter63/Section31M						
9 Life Sciences - research credit M.G.L. c. 63, ss. 38M (j) http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleX/Chapter63/Section38M						
10 Life Sciences - jobs credit (after July 1, 2010) http://www.malegislature.gov/Laws/SessionLaws/Acts/2011/Chapter68 (sections 36, and 65)						
11 Economic development incentive program (EDIP) (The impacts are for all EOAC claims) M.G.L. c. 62, ss. 6(g) and M.G.L. c. 63, ss. 38N http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleX/Chapter62/Section6 http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleX/Chapter63/Section38N	Insurance Companies	-\$1.9	-\$2.0	-\$2.0	-\$2.0	
	Financial Institutions	-\$0.1	-\$0.1	-\$0.1	-\$0.1	
	Utilities	\$0.0	-\$0.1	-\$0.1	-\$0.1	
	Corporations	-\$19.1	-\$19.6	-\$19.6	-\$19.6	
	Individuals	-\$3.8	-\$3.3	-\$3.3	-\$3.3	
12 Housing development credit (Passed after July 1, 2010) ⁽⁴⁾ M.G.L. c. 62, ss. 6(q) and M.G.L. c. 63, ss. 38BB http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleX/Chapter62/Section6 http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleX/Chapter63/Section38BB	⁽⁴⁾ The credit is capped at \$5 million, which is a component of the overall \$25 million EDIP cap. See Item 11 above)					
13 Conservation Land Tax Credit (Passed after July 1, 2010) ⁽⁵⁾ M.G.L. c. 62, ss. 6(p) and M.G.L. c. 63, ss. 38AA: Capped at \$2 million per year http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleX/Chapter62/Section6 http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleX/Chapter63/Section38AA http://www.mass.gov/Eoeea/docs/eea/land/conservation-credit-regs.pdf	Corporations	\$0.0	\$0.0	-\$0.5	-\$0.5	
	Individuals	\$0.0	\$0.0	-\$1.5	-\$1.5	

-\$5.0 -\$20.0 -\$20.0 -\$25.0

Assumed amounts in TEB
are for the entire Life Science
Tax Incentive Program

-\$25.0 -\$25.0 -\$25.0 -\$25.0

<i>Insurance Companies</i>	-\$1.9	-\$2.0	-\$2.0	-\$2.0
<i>Financial Institutions</i>	-\$0.1	-\$0.1	-\$0.1	-\$0.1
<i>Utilities</i>	\$0.0	-\$0.1	-\$0.1	-\$0.1
<i>Corporations</i>	-\$19.1	-\$19.6	-\$19.6	-\$19.6
<i>Individuals</i>	-\$3.8	-\$3.3	-\$3.3	-\$3.3

⁽⁴⁾ The credit is capped at \$5 million, which is a component of the over-
all \$25 million EDIP cap. See Item 11 above)

\$0.0 \$0.0 -\$2.0 -\$2.0

<i>Corporations</i>	\$0.0	\$0.0	-\$0.5	-\$0.5
<i>Individuals</i>	\$0.0	\$0.0	-\$1.5	-\$1.5

⁽⁵⁾ Established by St. 2008, c. 509, §§1 through 4, amended by St. 2010, c. 409, §§ 4-13, and codified at M.G.L. c. 62, § 6(p) and M.G.L. c. 63, § 38AA. Regulations issued by the Executive Office of Energy and Environmental Affairs setting forth criteria for authorizing and certifying the credit may be found at 301 CMR 14.00: Conservation Land Tax Credit.

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	Transferable?	Refundable?	Clawback/recapture	Sunset Date	Caps?
1 Film Credit (Payroll and Non-wage production)	Yes	Yes-90%	No(1)	01/01/2023	No
2 Historic Buildings Rehabilitation Credit	Yes	No	Yes	12/31/2017	Yes, \$50 million per year
3 Low Income Housing Credit(2)	Yes	No	Yes	No	Currently \$50 million per year. Temporarily increased to \$100 million per year for tax years 2013 and 2014
4 Brownfields Credit	Yes	No	Yes	01/01/2014	No
5 Medical Device-User Fee Credit (Medical device company tax cre	Yes	No	No	No	No
6 Dairy Farmer Tax Credit	No	Yes-100%	No	No	Yes, \$4 million per year
7-10 <u>Life Sciences Tax Incentive Program</u>				12/31/2018	Yes, \$25 million each year for 10 years
Life sciences - investment tax credit	No	Yes-90%	Yes		
Life Sciences - user fees credit	No	Yes-90%	Yes		
Life Sciences - research credit	No	No, if under MGL. C.63. 38W; Yes, if under MGL. C.63. 38M(j)	Yes		
Life Sciences - jobs credit (after July 1, 2010)	No	Yes-90%	Yes		
11 EDIP/Economic Opportunity Area Credit	No	Yes-100%, for specified project types	Yes	No	Yes, \$25 million per year
13 Conservation Land Tax Credit	No	Yes-100%	No	No	Yes, capped at \$2 million per year

(1) Recapture may be sought against transferees but is limited to credits that were obtained by fraud and did not contain an independent audit to verify the expenses on the original credit application. See TIR 07-15.

(2) The \$10 million annual credit allocation cap awarded to projects is claimed each year by the projects for five tax years

(3) For tax years commencing on or after 1/1/10, the EDIP Credit for manufacturing retention projects is refundable "at the option of the taxpayer and to the extent authorized by the economic assistance coordinating council." If the credit balance is refunded to the taxpayer, the carryover provisions shall not apply.