

Legislative Alert

MASSACHUSETTS JOB CREATION TAX CREDIT

Atlas Insight assists companies from all industry sectors and geographies to negotiate and secure tax credits and incentives for business investment and job creation/retention.

The professionals at Atlas Insight are industry leaders in the field of corporate site selection and incentive procurement.

We help to choose locations for all types of business facilities that meet the long-term needs of those operations, while helping to achieve overall corporate goals.

Our team has extensive experience in all corporate sectors and has consulted on many sensitive projects for some of the world's largest corporations. We strive for excellence with every client.

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Target Audience: Massachusetts Employers Hiring at Least 100 New Jobs

On August 13, 2014, Governor Deval Patrick signed the Act to Promote Economic Growth in the Commonwealth. This law creates a new tax credit for targeted employers creating new jobs. In addition, the new law also modified the current R&D tax credit and formed a middle skills training grant fund.

Enhanced EDIP Credit:

The Act offers a tax credit for up to \$1,000 per new job created in any community in Massachusetts, or \$5,000 per job created in a designated Gateway City with an above average unemployment rate. The maximum award per project is \$1 million. The terms of the credit are discretionary, and it is possible to negotiate for credit carry-forward or even for refundable credits. Jobs must be maintained for at least five years following project completion.

Application Rounds:

Initial Funding Round: The Massachusetts Office of Business Development (MOBD) is targeting companies in the technology sector for this initial round of applications, with the first part of the filing process due on October 24th. Awards are expected to be made at the December 2014 meeting. Technology-related is defined as companies focused on the research, development or distribution of technologically-based goods and services. The technology sector includes (but is not limited to) companies involved in the manufacturing of electronics; creation of software, computers or related products and services; information technology; e-commerce; big data and cloud computing; robotics; and technical support call centers.

Subsequent Rounds: It is expected that future application rounds will be opened to companies in other sectors, however we expect that MOBD may place a priority on projects within certain targeted industries.

Program Features:

- \$1,000 or \$5,000 per new job
- A minimum of 100 net new jobs must be created
- Jobs must be created within a two year period and maintained for five years
- Available only to technology related companies during this initial round
- Refundable credits are available at the discretion of the Board

Recommended Action:

Please contact us if your company plans to create at least 100 new positions in Massachusetts over the next two years. The experts at Atlas Insight have the experience and resources to help you determine whether your company could potentially benefit from this program. Our staff is ready to help you navigate through the application, approval and compliance phases while ensuring that you receive and monetize the maximum benefit possible.

