

By Mr. Moore of Uxbridge, petition of Richard T. Moore, Daniel J. Foley, Marie J. Parente and others for legislation to authorize the Secretary of Environmental Affairs to establish enterprise zones within the Blackstone Valley. Taxation.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-Three.

AN ACT AUTHORIZING THE ESTABLISHMENT OF ENTERPRISE ZONES
WITHIN THE BLACKSTONE VALLEY.

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 twenty-three B of the General Laws is
2 hereby amended by inserting after section fifteen the following new
3 section: —

4 *Section 15.* A Blackstone Valley Enterprise Zone Act: —

5 (1) The secretary of economic affairs or his designee, hereinafter
6 referred to as “the secretary” shall consider applications submitted
7 from towns within the Blackstone Valley seeking enterprise
8 certification under the provisions of this section.

9 Unless a different meaning clearly appears from the context, the
10 following terms, wherever used in this section, shall have the
11 following meanings: —

12 “Blackstone Valley” means the towns of Blackstone, Douglas,
13 Grafton, Hopedale, Mendon, Millbury, Millville, Northbridge,
14 Sutton, Upton, and Uxbridge all within the county of Worcester.

15 “Domestic or foreign business corporation” means any business
16 incorporated under the provision of chapter sixty-three;

17 “Enterprise zone” means an area declared by the Secretary of
18 Economic Affairs upon application from a town for designation of
19 said area under the provisions of this section;

20 “Trade or business” means any trade or business as defined in
21 subsection L of section one of chapter sixty-one.

22 (2) A town, by vote of the board of selectmen, or in a town with
23 a town council form of charter, by vote of the town council and

24 with the approval of the town manager, may make appropriate
25 application to the Secretary of Economic Affairs to designate an
26 area within said town as an enterprise zone, provided, however,
27 that said area or, if more than one enterprise zone is established
28 with a town the sum of such areas, shall not exceed in area fifteen
29 percent of all property zoned for commercial and/or industrial use
30 in said town.

31 (3) Notwithstanding the provisions of subsection two of this
32 section the Secretary shall not approve any request from any town
33 for designation of an area within said town as an enterprise zone
34 unless the unemployment rate of said town shall be at least one
35 hundred and ten percent of the unemployment rate of the
36 commonwealth for the twelve consecutive months preceding the
37 month of application, as determined by the division of employ-
38 ment security, and the per capita gross income of said town shall
39 not be greater than eighty-five percent of the per capita gross
40 income of the commonwealth for the twelve consecutive months
41 preceding the month of application, as determined by the United
42 States bureau of the census.

43 (4) The Secretary shall review and approve or reject each
44 application within one hundred and twenty days of its receipt,
45 except that upon written notification to the applying town the
46 secretary may extend the deadline for approval or rejection for a
47 period of thirty days. If the secretary does not notify an applying
48 town of the Secretary's approval or rejection of said application
49 within one hundred and twenty days, or within one hundred and
50 fifty days if the Secretary has given proper notice of an extension,
51 the application shall be deemed approved, provided the criteria set
52 forth in subsections two, three, and four of this section have been
53 objectively satisfied. If the Secretary rejects an application, it shall
54 so notify the applying town in writing, stating therein the reasons
55 for said rejection.

56 (5) An original designation by the Secretary of an enterprise
57 zone shall be for a period of five years from the date of designation.
58 Upon application from a town in which an enterprise zone has been
59 established, the Secretary may extend the designation of said
60 enterprise zone for a period of not less than one nor more than five
61 years, provided that such application shall not be filed prior to the
62 beginning of the fifth year of original designation of said enterprise

63 zone. No area designated as an enterprise zone shall maintain such
64 designation for a period to exceed ten years.

65 (6) Any domestic or foreign business corporation whose
66 business is located within an enterprise zone may take a credit
67 against the excise imposed upon it under the provisions of sections
68 thirty through fifty-one, inclusive, of chapter sixty-three an
69 amount as hereinafter provided.

70 In determining the net income subject to tax under the
71 provisions of chapter sixty-three a domestic or foreign business
72 corporation may deduct, in addition to any other deduction
73 allowed under the provisions of said chapter sixty-three, an
74 amount equal to fifty percent of the compensation paid during the
75 current tax year to any employee whose legal residence is located
76 within the town in which the enterprise zone is located; or an
77 amount equal to twenty-five percent of the compensation paid
78 during the current tax year to any employee whose legal residence
79 is within the Blackstone Valley, whichever is greater, provided
80 however:

81 (a) It is a facility which creates or retains in the Blackstone
82 Valley Region in which it is located at least twenty percent of its
83 employees, but not less than five jobs.

84 (b) It is a facility in which the corporation operating the same
85 provides, directly or indirectly, a training or assistance program
86 which prepares residents of the Blackstone Valley Region for jobs
87 created or retained in such region, as required by paragraph (1) and
88 which assures such residents opportunities for job upgrading and
89 for entry into supervisory position; provided, however, that if a
90 corporation operating a facility shall have provided such a
91 program or programs for as long as the Secretary determines to be
92 feasible, the termination of such program or programs, if the
93 Secretary consents thereto, shall not terminate the eligibility of
94 such facility.

95 (c) The Facility, except where a corporation is displaced by a
96 public land taking or purchased, shall not be a replacement of an
97 existing place of business. The facility shall represent an expansion
98 of employment opportunities in the eligible town in which the
99 facility is located and may be either a new place of business or a
100 substantial addition to existing physical facilities.

101 (7) Any trade or business whose business is located within an

102 enterprise zone may take a credit, in addition to any other credits
103 and deductions allowed under the provisions of chapter sixty-two,
104 in an amount as hereinafter provided.

105 In determining the net income subject to tax under the
106 provisions of chapter sixty-two a trade or business may deduct an
107 amount equal to fifty percent of the compensation paid during the
108 current tax year to any employee whose legal residence is located
109 within the town in which the enterprise zone is located, or an
110 amount equal to twenty-five percent of the compensation paid
111 during the current tax year to any employee whose legal residence
112 is within the Blackstone Valley, whichever is greater, provided
113 however:

114 (A) It is a facility which creates or retains in the Blackstone
115 Valley Region in which it is located at least twenty percent of its
116 employees, but not less than five jobs.

117 (B) It is a facility in which the corporation operating the same
118 provides, directly or indirectly, a training or assistance program
119 which prepares residents of the Blackstone Valley Region for jobs
120 created or retained in such region, as required by paragraph (1) and
121 which assures such residents opportunities for job upgrading and
122 for entry into supervisory position; provided, however, that if a
123 corporation operating a facility shall have provided such a
124 program or programs for as long as the Secretary determines to be
125 feasible, the termination of such program or programs, if the
126 Secretary consents thereto, shall not terminate the eligibility of
127 such facility.

128 (C) The Facility, except where a corporation is displaced by a
129 public land taking or purchased, shall not be a replacement of an
130 existing place of business. The facility shall represent an expansion
131 of employment opportunities in the eligible town in which the
132 facility is located and may be either a new place of business or a
133 substantial addition to existing physical facilities.

134 (8) Any town which applies to the Secretary for an enterprise
135 zone designation shall agree to negotiate in good faith with any
136 business corporation, trade or business located within the
137 proposed enterprise zone any property tax exemption and/or
138 payments in lieu of betterments or special assessments upon such
139 business corporation, trade, or business under the provision of
140 section ten of chapter one hundred and twenty-one A.

1 SECTION 2. The Secretary may promulgate rules and regula-
2 tions, not inconsistent with the provision of section one of this act,
3 in order to implement the intent of this act.

1 SECTION 3. Section 6 of Chapter 64H of the General Laws is
2 hereby amended by striking out subsection (f) and inserting in
3 place thereof the following new subsection: —

4 (f) Sales of building materials and supplies to be used in the
5 construction, reconstruction, alteration, remodeling or repair of
6 (1) any building structure, public highway, bridge or other public
7 works owned by or held in trust for the benefit of any governmental
8 body or agency mentioned in paragraph (d) and used exclusively
9 for public purposes, (2) any building or structure owned by or held
10 in trust for the benefit of any corporation, foundation, organization
11 or institution described in paragraph (e) and used exclusively in the
12 conduct of its religious, scientific, charitable or educational
13 purposes; provided, however, that such governmental body or
14 agency or such corporation, foundation, organization or institu-
15 tion shall have first obtained a certificate from the commissioner
16 stating that it is entitled to such exemption and the vendor keeps a
17 record of the sales price of each such separate sale, the name of the
18 purchaser, the date of each such separate sale and the number of
19 such certificate, and (3) any building or structure owned or held in
20 trust by a corporation subject to the excise imposed under sections
21 thirty to fifty-one, inclusive of chapter sixty-three or a place of
22 business located in a commercial area revitalization district, which
23 place of business is located within an enterprise zone established
24 under the provisions of this section. In this paragraph the words
25 “building materials and supplies” shall include all materials and
26 supplies consumed, employed or expended in the construction,
27 reconstruction, alteration, remodeling or repair of any building,
28 structure, access road, parking area, landscaping, or other such
29 work as well as such materials and supplies physically incorporated
30 therein. Said term shall also include rental charges for construction
31 vehicles, equipment and machinery rented specifically for use on
32 the site of any such project or while being used exclusively for the
33 transportation of materials for any such project.

1 SECTION 4. This act shall take effect as of January the first,
2 nineteen hundred and eighty-four.

