

By Ms. Creem, a petition (accompanied by bill, Senate, No. 1726) of Cynthia S. Creem, Brian A. Joyce, Mark J. Carron and other members of the General Court for legislation to provide tax credits for employer-sponsored ridesharing benefits. Taxation.

**The Commonwealth of Massachusetts**

In the Year Two Thousand and Three.

AN ACT PROVIDING TAX CREDITS FOR EMPLOYER-SPONSORED RIDESHARING BENEFITS.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 Chapter 63 of the General Laws, as appearing in the 2000 Offi-  
2 cial Edition, is amended by adding after section 31H the following  
3 new section:—

4 Section 31I. (a) As used in this section the following words shall,  
5 unless the context requires otherwise, have the following meanings:

6 “cash in lieu of parking program” mean an employer-funded pro-  
7 gram under which an employer offers to provide a cash allowance  
8 to an employee in an amount equal to the parking subsidy that the  
9 employer would otherwise pay or incur to provide the employee a  
10 parking space.

11 “guaranteed ride home” means immediate transportation pro-  
12 vided by an employer for an employee who:

13 (1) receives any of the commuter benefits described herein or  
14 commutes by way of a nonmotorized method of transportation; and

15 (2) is required to leave work early for illness or other verifiable  
16 reason.

17 “instrument” means a pass, token, fare card, voucher, or similar  
18 item.

19 “parking subsidy” means:

20 (1) the difference between the out-of-pocket amount paid by an  
21 employer on a regular basis to secure the availability of an  
22 employee parking space not owned by the employer and the price  
23 charged to the employee for use of that space; or

24 (2) for parking owned or leased by the employer as an integral  
25 part of a larger facility, the fair market value of a parking space  
26 provided by the employer for parking commuter vehicles, as  
27 determined:

28 (i) by considering typical costs paid or incurred by users of  
29 nearby equivalent paid parking spaces, by evaluating the annual  
30 amortized cost of constructing and operating the parking space  
31 divided by the number of work days per year the space is ordi-  
32 narily used; or

33 (ii) by other reasonable and justifiable means.

34 (b) An employer shall be allowed a credit against its excise due  
35 under this chapter equal to thirty per cent of the cost incurred  
36 during the taxable year for the cost of providing an employer-  
37 sponsored ride sharing incentive program or an instrument to its  
38 employees including cash in lieu of parking program, guaranteed  
39 ride home, ridesharing, third-party vanpool, or vanpool, as defined  
40 in section thirty-one D of chapter sixty-three.

41 (c) The credit allowed hereunder shall apply for the purpose of  
42 travel between the employee's residence and place of employment  
43 to or from a location in the commonwealth in a vehicle or an  
44 instrument that is used to offset any portion of the cost of trans-  
45 portation to or from a location in the commonwealth.

46 (d) The credit allowed by this section shall apply to an instru-  
47 ment that entitles an individual, at no additional cost or at a  
48 reduced fare, to transportation to or from a location in the com-  
49 monwealth on a publicly or privately owned mass transit system  
50 other than a taxis service or is redeemable at a transit pass outlet  
51 for the purpose stated herein.

52 (e) The credit allowed under this section may not exceed \$25  
53 per individual employee per month.

54 (f) The credit allowed hereunder for any taxable year shall not  
55 reduce the excise to less than the amount due under section thirty-  
56 two (b), thirty-nine (b) or sixty-seven. The limitation provided under  
57 section thirty-two C shall apply to any credit allowed hereunder.