

By Ms. Creem, a petition (accompanied by bill, Senate, No. 1896) of Cynthia Stone Creem, Richard T. Moore, Bruce E. Tarr and Susan C. Fargo for legislation to provide tax credits for employer-sponsored ridesharing benefits. Transportation.

The Commonwealth of Massachusetts

In the Year Two Thousand and Five.

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
5 shall, unless the context requires otherwise, have the following
6 meanings:

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

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

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

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

19 “Instrument” means a pass, token, fare card, voucher, or similar
20 item.

21 “Parking subsidy” means:

22 (1) the difference between the out-of-pocket amount paid by an
23 employer on a regular basis to secure the availability of an

24 employee parking space not owned by the employer and the price
25 charged to the employee for use of that space; or

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

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

35 (ii) by other reasonable and justifiable means.

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

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

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

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

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