

## Massachusetts Appendix

### Key Subsidy Programs

| Program   | Annual Cost            | Monitoring, Enforcement & Penalty Score* |
|---|------------------------|--|
| Economic Development Incentive Program - credits against corporate excise taxes plus tax increment financing or property tax abatements for companies in target areas | \$19,600,000<br>(2012) | 50/100                                   |
| Film Tax Credit - credits against corporate excise tax issued to film productions for payroll and non-payroll production expenditures                                 | \$10,100,000<br>(2012) | 38/100                                   |
| Investment Tax Credit - a 3% investment tax credit that can be applied to corporate excise tax liability  | \$44,500,000<br>(2012) | 40/100                                   |
| Life Sciences Investment Tax Credit - refundable 10% investment tax credits for growing biotechnology businesses that are Certified Life Science Companies            | \$25,000,000<br>(2012) | 53/100                                   |
| Research Tax Credit - corporate excise tax credits based on increases in R&D expenditures   | \$80,300,000<br>(2012) | 38/100                                   |
| <b>Average Monitoring, Enforcement &amp; Penalty Score for All Programs*</b>  |                        | <b>44/100</b>                            |

\*Adjusted to reflect the program's performance standards score in *Money for Something*. See next page for unweighted scoring details.

| <b>Money-Back Guarantees for Taxpayers<br/>Scoring Details for Massachusetts Programs</b>                      |  | <i>Maximum possible score for category</i> | <i>Economic Development Incentive Program</i> | <i>Film Tax Credit</i> | <i>Investment Tax Credit (Manufacturing)</i> | <i>Life Sciences Investment Tax Credit</i> | <i>Research Tax Credit</i> |
|--|--|--|---|------------------------|--|--|----------------------------|
| Reporting  | Has a requirement that recipients report to agency on performance outcomes (20 pts)  | 20   | 20  | 20                     | 20   | 20   | 20                         |
| Verification   | Agency awarding subsidy verifies performance outcomes reported by recipient (20 pts)   | 20   | 20  | 20                     | 20   | 20   | 20                         |
| Type of Penalties  | Penalty takes the form of recapture (10 pts)   | 10   | 10  | 0                      | 10   | 10   | 0                          |
|  | Penalty takes the form of rescission or program is performance based (5 pts)   | 5  | 5   | 5                      | 0  | 5  | 5                          |
|  | Penalty takes the form of recalibration (5 pts)  | 5  | 0   | 0                      | 0  | 0  | 0                          |
| Scope of Penalties   | Mandatory penalties for failure to meet performance requirements with no exceptions* (20 pts)<br>Mandatory penalties for failure to meet performance requirements with some exceptions (15 pts)<br>Discretionary penalties for failure to meet performance requirements (10 pts) | 20   | 10  | 20                     | 20   | 10   | 20                         |
| Online Disclosure of Enforcement Practices   | Online publication of statistics on use of penalties (10 pts)  | 10   | 0   | 0                      | 0  | 0  | 0                          |
|  | Online publication of names of companies found to be non-compliant (5 pts)   | 5  | 0   | 0                      | 0  | 5  | 0                          |
|  | Online publication of names of companies penalized and dollar amounts (5 pts)  | 5  | 0   | 0                      | 0  | 0  | 0                          |
| Total unweighted score   |  | 100  | 65  | 65                     | 70   | 70   | 65                         |
| <b>TOTAL SCORE adjusted to reflect the program's performance standards score in <i>Money for Something</i></b> |  | <b>100</b>                                 | <b>50</b>                                     | <b>38</b>              | <b>40</b>                                    | <b>53</b>                                  | <b>38</b>                  |

\*Programs deemed performance based automatically receive points in this category.  
For details on the programs see Appendix 4 in [www.goodjobsfirst.org/moneyback](http://www.goodjobsfirst.org/moneyback).