

HOUSE No. 3978

The Commonwealth of Massachusetts



CHARLES D. BAKER
GOVERNOR

OFFICE OF THE GOVERNOR
COMMONWEALTH OF MASSACHUSETTS
STATE HOUSE · BOSTON, MA 02133

KARYN POLITO
LIEUTENANT GOVERNOR

January 27, 2016.

To the Honorable Senate and House of Representatives,

The Baker-Polito Administration is pleased to submit our budget recommendations for Fiscal Year 2017. This year’s proposal builds upon the successful efforts of the administration and the Legislature in Fiscal Year 2016 to bring state spending in line with revenue growth, reduce our reliance upon one-time budget solutions, avoid tax increases or withdrawals from the Stabilization Fund, provide tax relief to over 400,000 low-income working families by increasing the Earned Income Tax Credit, and invest in important priorities such as local aid, education, transportation, substance misuse, and the Department of Children and Families.

Our budget proposal makes significant progress towards eliminating the long-term structural imbalance we identified last year by reducing the identified gap from \$1.8 billion in FY16 to \$635 million in FY17. We have reduced the use of one-time budget solutions by nearly \$1 billion over the past two years, from \$1.2 billion in FY15 to \$253 million in FY17. And our budget assumes a sizeable deposit, ranging from \$206 million to \$282.5 million, into the state’s Stabilization Fund to ensure we are saving money to protect us from future economic downturns.

Our proposal also keeps spending growth around 3.5% above the FY16 General Appropriations Act and continues our effort to keep MassHealth spending, which accounts for over one-third of the state budget, to 5% gross growth over the FY16 GAA.

Bringing the Commonwealth’s budget back towards structural balance allows us to continue investments in many important areas.

Keeping our promise to invest in our communities, we propose increasing unrestricted local aid by 4.3%, equal to 100% of the consensus revenue growth rate for state tax revenue. We will also continue our successful Community Compact program, which has already provided technical assistance to over 100 communities for best practices in financial planning, economic development, regionalization and other areas.

We are increasing Chapter 70 education funding by \$72.1 million, supporting \$18.6 million for a redesigned quality kindergarten grant program to assist communities in achieving tuition-free, full-day kindergarten, adding over \$20 million to a revised charter school reimbursement formula and boosting support for developing a next generation MCAS by \$5.6 million.

Our proposal builds upon the investments we have made in reforming the Department of Children and Families by supporting an increase in staffing that will result in 600 new employees at the agency since we took office.

We continue to address the Commonwealth's substance misuse epidemic by adding 150 adult residential treatment beds and for programs to cover prevention, intervention, treatment and recovery services.

Finally, we are able to continue our commitments to expanded workforce training, early education, public safety, environmental, and transportation programs.

We are also filing for your consideration "An Act to Promote Sustainable Economic Development in Massachusetts." This legislation would essentially restore the film tax credit to the structure when the credit was introduced in 2005 and use the revenue generated to increase the annual cap on the low-income housing tax credit by \$5 million, and to phase-in over four years the use of single-factor apportionment for all corporate taxpayers who do business in more than one state.

Since taking office a year ago, our administration has worked successfully with the Legislature to address the budget and a range of other critical issues. Our strong working relationship has produced positive improvements for the citizens of the Commonwealth. We look forward to our continued partnership in the year ahead.

Sincerely,

Charles D. Baker
Governor

Karyn E. Polito
Lieutenant Governor

The Commonwealth of Massachusetts

**In the One Hundred and Eighty-Ninth General Court
(2015-2016)**

An Act to promote sustainable economic development in Massachusetts.

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. Section 6 of chapter 62 of the General Laws, as appearing in the 2014
2 Official Edition, is hereby amended by striking out, in line 594, the figure “25” and inserting in
3 place thereof the following figure:- 20.

4 SECTION 2. Subsection (l) of said section 6 of said chapter 62 of the General Laws, as
5 so appearing, is hereby amended by striking out, in paragraph (4), the words “and shall, at the
6 election of the taxpayer, be refundable to the extent allowed for in section 6L.”

7 SECTION 3. Said subsection (l) of said section 6 of said chapter 62, as so appearing, is
8 hereby further amended by inserting after paragraph (5) the following paragraph:- (6) The total
9 amount of tax credits provided under this subsection and section 38X of chapter 63 in connection
10 with any one motion picture production shall not exceed \$7,000,000.

11 SECTION 4. Said subsection (l) of said section 6 of said chapter 62, as so appearing, is
12 hereby further amended by striking out paragraph (8).

13 SECTION 5. Section 6I of said chapter 62, as so appearing, is hereby amended by
14 striking out, in line 57, the figure “\$20,000,000” and inserting in place thereof the following
15 figure:- \$25,000,000.

16 SECTION 6. Said section 6I of said chapter 62, as so appearing, is hereby further
17 amended by striking out, in line 64, the figure “\$10,000,000” and inserting in place thereof the
18 following figure:- \$15,000,000.

19 SECTION 7. Section 6L of said chapter 62 is hereby repealed.

20 SECTION 8. Section 2A of chapter 63 of the General Laws, as so appearing, is hereby
21 amended by striking out subsection (b) and by inserting in place thereof the following
22 subsection:-

23 (b) If a financial institution has income from business activity which is taxable both
24 within and without this commonwealth, its net income shall be apportioned to the
25 commonwealth by multiplying its net income by the apportionment percentage. The
26 apportionment percentage is determined by adding 25 percent of the property factor plus 25
27 percent of the payroll factor plus 50 percent of the receipts factor. If 1 of the factors is missing
28 the percentages set forth in the preceding sentence shall be increased proportionately such that
29 the sum of the percentages by which the 2 remaining factors are multiplied under this subsection
30 is one. If 2 factors are missing, the remaining factor is the apportionment percentage. If all 3
31 factors are missing, the whole of the financial institution’s net income shall be taxable under
32 section 2. A factor is missing if both its numerator and denominator are 0, but it is not missing
33 merely because its numerator is 0.

34 SECTION 9. Said subsection (b) of said section 2A of said chapter 63, as so appearing, is
35 hereby further amended by striking out the words “25 percent of the property factor plus 25
36 percent of the payroll factor plus 50,” inserted by section 8, and inserting in place thereof the
37 following words:- 16.5 percent of the property factor plus 16.5 percent of the payroll factor plus
38 67.

39 SECTION 10. Said subsection (b) of said section 2A of said chapter 63, as so appearing,
40 is hereby further amended by striking out the words, “16.5 percent of the property factor plus
41 16.5 percent of the payroll factor plus 67,” inserted by section 9, and inserting in place thereof
42 the following words:- 8.25 percent of the property factor plus 8.25 percent of the payroll factor
43 plus 83.5.

44 SECTION 11. Said section 2A of said chapter 63, as so appearing, is hereby amended by
45 striking out subsections (b) and (c) and inserting in place thereof the following 2 subsections:-

46 (b) If the financial institution has income from business activity which is taxable both
47 within and without this commonwealth, its net income shall be apportioned to this
48 commonwealth by multiplying its net income by its receipts factor. If the receipts factor is
49 missing, the whole of the financial institution’s net income shall be taxable under section 2. The
50 receipts factor is missing if both its numerator and denominator are 0, but it is not missing
51 merely because its numerator is 0.

52 (c) The receipts shall be computed according to the method of accounting, cash or accrual
53 basis, used by the taxpayer for federal income tax purposes for the taxable year.

54 SECTION 12. Said section 2A of said chapter 63, as so appearing, is hereby further
55 amended by striking out subsections (e), (f) and (g) and inserting in place thereof the following
56 subsection:-

57 (e) If the provisions of subsections (a) to (d), inclusive, are not reasonably adapted to
58 approximate the net income derived from business carried on within the commonwealth, a
59 financial institution may apply to the commissioner, or the commissioner may require the
60 financial institution, to have its income derived from business carried on within this
61 commonwealth determined by a method other than that set forth in subsections (a) to (d),
62 inclusive. Such application shall be made by attaching to its duly-filed return a statement of the
63 reasons why the financial institution believes that the provisions of this section are not
64 reasonably adapted to approximate its net income derived from business carried on within this
65 commonwealth and a description of the method sought by it. A financial institution which so
66 applies shall, upon receipt of a request therefor from the commissioner, file with the
67 commissioner, under oath of its treasurer, a statement of such additional information as the
68 commissioner may require.

69 If, after such application by the financial institution, or after the commissioner's own
70 review, the commissioner determines that the provisions of subsections (a) to (d), inclusive, are
71 not reasonably adapted to approximate the financial institution's net income derived from
72 business carried on within the commonwealth, the commissioner shall by reasonable methods
73 determine the amount of net income derived from business activity carried on within the
74 commonwealth. The amount thus determined shall be the net income taxable under section two
75 and the foregoing determination shall be in lieu of the determination required by subsections (a)
76 to (d), inclusive. If an alternative method is used by the commissioner hereunder, the

77 commissioner, in his discretion, with respect to the two next succeeding taxable years, may
78 require similar information from such financial institution if it shall appear that the provisions of
79 subsections (a) to (d), inclusive, are not reasonably adapted to approximate for the applicable
80 year the financial institution's net income derived from business carried on within this
81 commonwealth and may again by reasonable methods determine such income.

82 SECTION 13. Section 31H of chapter 63, as so appearing, is hereby amended by striking
83 out in line 58 the figure "\$20,000,000" and inserting in place thereof the following figure:-
84 \$25,000,000.

85 SECTION 14. Said section 31H of said chapter 63, as so appearing, is hereby further
86 amended by striking out in line 65 the figure "\$10,000,000" and inserting in place thereof the
87 following figure:- \$15,000,000.

88 SECTION 15. Section 32E of said chapter 63 is hereby repealed.

89 SECTION 16. Subsection (c) of section 38 of said chapter 63, as so appearing, is hereby
90 amended by striking out in lines 46-48, inclusive, the words "a fraction, the numerator of which
91 is the property factor plus the payroll factor plus twice times the sales factor, and the
92 denominator of which is four," and inserting in place thereof the following words:- a fraction
93 which is the sum of: 18.75 per cent multiplied by the payroll factor, plus 18.75 per cent
94 multiplied by the property factor, plus 62.5 per cent multiplied by the sales factor."

95 SECTION 17. Said subsection (c) of said section 38 of said chapter 63, as so appearing,
96 is hereby further amended by striking out the words, "18.75 per cent multiplied by the payroll
97 factor, plus 18.75 per cent multiplied by the property factor, plus 62.5," inserted by section 16,

98 and inserting in place thereof the following words:- 12.5 per cent multiplied by the payroll
99 factor, plus 12.5 per cent multiplied by the property factor, plus 75.

100 SECTION 18. Said subsection (c) of said section 38 of said chapter 63, as so appearing,
101 is hereby further amended by striking out the words, “12.5 per cent multiplied by the payroll
102 factor, plus 12.5 per cent multiplied by the property factor, plus 75,” inserted by section 17, and
103 inserting in place thereof the following words:- 6.25 per cent multiplied by the payroll factor,
104 plus 6.25 per cent multiplied by the property factor, plus 87.5.

105 SECTION 19. Said section 38 of said chapter 63, as so appearing, is hereby further
106 amended by striking out subsection (g) and inserting in place thereof the following paragraph:-

107 (g) If one of the factors is missing, the percentages set forth in subsection (c) shall be
108 increased proportionately such that the sum of the percentages by which the 2 remaining factors
109 are multiplied under this subsection is 1. If 2 factors are missing, the remaining factor is the
110 apportionment percentage. If all 3 factors are missing, the whole of the taxpayer’s net income
111 shall be its taxable net income. A factor is missing if both its numerator and denominator are 0,
112 or if it is otherwise determined to be insignificant in producing income.

113 SECTION 20. Said chapter 63, as so appearing, is hereby further amended by striking out
114 section 38 and inserting in place thereof the following section:-

115 Section 38. The commissioner shall determine the part of the net income of a business
116 corporation derived from business carried on within the commonwealth as follows:

117 (a) Net income as defined in section 30 adjusted as follows shall constitute taxable net
118 income:

119 (1) 95 per cent of dividends, exclusive of distributions in liquidation, included therein
120 shall be deducted other than dividends from or on account of the ownership of:

121 (i) shares in a corporate trust, as defined in section 1 of chapter 62, to the extent such
122 dividends represent tax-free earnings and profits, as defined in section 8 of chapter 62, as in
123 effect on December 31, 2008,

124 (ii) deemed distributions and actual distributions, except actual distributions out of
125 previously taxed income, from a DISC which is not a wholly owned DISC, or

126 (iii) any class of stock, if the corporation owns less than 15 per cent of the voting stock of
127 the corporation paying such dividend.

128 (2) Long-term capital gains realized and long-term capital losses sustained from the sale
129 or exchange of intangible property affected under the provisions of the Federal Internal Revenue
130 Code, as amended, and in effect for taxable years ended on or before December 31, 1962, shall
131 not be included in any part therein.

132 (b) If the corporation does not have income from business activity which is taxable in
133 another state, the whole of its taxable net income, determined under the provisions of subsection
134 (a), shall be allocated to this commonwealth. For purposes of this section, a corporation is
135 taxable in another state if (1) in that state such corporation is subject to a net income tax, a
136 franchise tax measured by net income, a franchise tax for the privilege of doing business, or a
137 corporate stock tax, or (2) that state has jurisdiction to subject such corporation to a net income
138 tax regardless of whether, in fact, the state does or does not. Notwithstanding any other provision
139 of this section, the portion of the taxable net income of a corporation that a non-domiciliary state

140 is prohibited from taxing under the Constitution of the United States shall be allocated in full to
141 the commonwealth if the commercial domicile of the corporation is in the commonwealth.

142 (c) If a corporation has income from business activity which is taxable both within and
143 without this commonwealth, its taxable net income, as determined under the provisions of
144 subsection (a), shall be apportioned to this commonwealth by multiplying such taxable net
145 income by the sales factor.

146 (d) The sales factor is a fraction, the numerator of which is the total sales of the
147 corporation in the commonwealth during the taxable year, and the denominator of which is the
148 total sales of the corporation everywhere during the taxable year.

149 As used in this subsection, unless specifically stated otherwise, “sales” shall mean all
150 gross receipts of the corporation, including deemed receipts from transactions treated as sales or
151 exchanges under the Code, except interest, dividends and gross receipts from the maturity,
152 redemption, sale, exchange or other disposition of securities; provided, however, that “sales”
153 shall not include gross receipts from transactions or activities to the extent that a non-domiciliary
154 state would be prohibited from taxing the income from such transactions or activities under the
155 Constitution of the United States.

156 (e) Sales of tangible personal property are in the commonwealth for purposes of this
157 section if:

158 (1) the property is delivered or shipped to a purchaser within the commonwealth
159 regardless of the f.o.b. point or other conditions of the sale; or

160 (2) the corporation is not taxable in the state of the purchaser and the property was not
161 sold by an agent or agencies chiefly situated at, connected with or sent out from premises for the
162 transaction of business owned or rented by the corporation outside the commonwealth.
163 “Purchaser”, as used in clauses (1) and (2) shall include the United States government.

164 (f) Sales, other than sales of tangible personal property, are in the commonwealth for
165 purposes of this section if the corporation’s market for the sale is in the commonwealth. The
166 corporation’s market for a sale is in the commonwealth and the sale is thus assigned to the
167 commonwealth for the purpose of this section:

168 (1) in the case of sale, rental, lease or license of real property, if and to the extent the
169 property is located in the commonwealth;

170 (2) in the case of rental, lease or license of tangible personal property, if and to the extent
171 the property is located in the commonwealth;

172 (3) in the case of sale of a service, if and to the extent the service is delivered to a
173 location in the commonwealth;

174 (4) in the case of lease or license of intangible property, including a sale or exchange of
175 such property where the receipts from the sale or exchange derive from payments that are
176 contingent on the productivity, use or disposition of the property, if and to the extent the
177 intangible property is used in the commonwealth; and

178 (5) in the case of the sale of intangible property, other than as provided in clause (4),
179 where the property sold is a contract right, government license or similar intangible property that
180 authorizes the holder to conduct a business activity in a specific geographic area, if and to the

181 extent that the intangible property is used in or otherwise associated with the commonwealth;
182 provided, however, that any sale of intangible property, not otherwise described in this clause or
183 clause (4), shall be excluded from the numerator and the denominator of the sales factor.

184 (g) If the numerator and denominator of the sales factor are zero or if the sales factor is
185 otherwise determined to be insignificant in producing income, the taxpayer shall determine its
186 sales factor by:

187 (1) adding to its sales any interest, dividends and gross receipts from the maturity,
188 redemption, sale, exchange or other disposition of securities, and applying the sourcing
189 provisions for receipts under section 2A to the total adjusted sales amount, as if the taxpayer
190 were a financial institution for purposes of that section; or

191 (2) if, notwithstanding the adjustments in subsection (g)(1), the numerator and
192 denominator of the sales factor remains zero or if the factor is otherwise determined to be
193 insignificant in producing income, the whole of the taxpayer's net income shall be taxable net
194 income allocated to the commonwealth, provided that the alternative apportionment provisions
195 of subsection (e) of section 2A shall be applicable, as if the taxpayer were a financial institution
196 for purposes of that section.

197 (h) For the purposes of this section: (1) in the case of sales, other than sales of tangible
198 personal property, if the state or states to which sales should be assigned cannot be determined, it
199 shall be reasonably approximated; (2) in the case of sales other than sales of tangible personal
200 property if the taxpayer is not taxable in a state to which a sale is assigned, or if the state or states
201 to which such sales should be assigned cannot be determined or reasonably approximated, such
202 sale shall be excluded from the numerator and denominator of the sales factor; (3) the

203 corporation shall be considered to be taxable in the state of the purchaser if tangible personal
204 property is delivered or shipped to a purchaser in a foreign country; (4) sales of tangible personal
205 property to the United States government or any agency or instrumentality thereof for purposes
206 of resale to a foreign government or any agency or instrumentality thereof are not sales made in
207 the commonwealth; (5) in the case of sale, exchange or other disposition of a capital asset, as
208 defined in paragraph (m) of section 1 of chapter 62, used in a taxpayer's trade or business,
209 including a deemed sale or exchange of such asset, "sales" shall be measured by the gain from
210 the transaction; (6) "security" shall mean any interest or instrument commonly treated as a
211 security as well as other instruments which are customarily sold in the open market or on a
212 recognized exchange, including, but not limited to, transferable shares of a beneficial interest in
213 any corporation or other entity, bonds, debentures, notes and other evidences of indebtedness,
214 accounts receivable and notes receivable, cash and cash equivalents including foreign currencies
215 and repurchase and futures contracts; (7) in the case of a sale or deemed sale of a business, the
216 term "sales" shall not include receipts from the sale of the business "goodwill" or similar
217 intangible value, including, without limitation, "going concern value" and "workforce in
218 place"; and (8) in the case of a business deriving receipts from operating a gaming establishment
219 or otherwise deriving receipts from conducting a wagering business or activity, income-
220 producing activity shall be considered to be performed in the commonwealth to the extent that
221 the location of wagering transactions or activities that generated the receipts is in the
222 commonwealth.

223 (i) (1) As used in this subsection, the following words shall, unless the context requires
224 otherwise, have the following meaning:

225 “Administration services”, include, but are not limited to, clerical, fund or shareholder
226 accounting, participant record keeping, transfer agency, bookkeeping, data processing, custodial,
227 internal auditing, legal and tax services performed for a regulated investment company, but only
228 if the provider of such service or services during the taxable year in which such service or
229 services are provided also provides or is affiliated with a person that provides management or
230 distribution services to any regulated investment company.

231 “Affiliate”, the meaning as set forth in 15 USC section a-2(a)(3)(C), as may be amended
232 from time to time.

233 “Distribution services”, include, but are not limited to, the services of advertising,
234 servicing, marketing or selling shares of a regulated investment company, but, in the case of
235 advertising, servicing or marketing shares, only where such service is performed by a person
236 who is, or in the case of a close end company, was, either engaged in the services of selling
237 regulated investment company shares or affiliated with a person that is engaged in the service of
238 selling regulated investment company shares. In the case of an open end company, such service
239 of selling shares must be performed pursuant to a contract entered into pursuant to 15 USC
240 section a-15(b), as from time to time amended.

241 “Domicile”, presumptively the shareholder’s mailing address on the records of the
242 regulated investment company. If, however, the regulated investment company or the mutual
243 fund service corporation has actual knowledge that the shareholder’s primary residence or
244 principal place of business is different than the shareholder’s mailing address said presumption
245 shall not control. If the shareholder of record is a company which holds the shares of the
246 regulated investment company as depositor for the benefit of a separate account, then the

247 shareholder shall be the contract owners or policyholders of the contracts or policies supported
248 by the separate account, and it shall be presumed that the domicile of said shareholder is the
249 contract owner's or policyholder's mailing address to the extent that the company maintains such
250 mailing addresses in the regular course of business. If the regulated investment company or the
251 mutual fund service corporation has actual knowledge that the shareholder's principal place of
252 business is different than the shareholder's mailing address said presumption shall not control.

253 "Management services", include, but are not necessarily limited to, the rendering of
254 investment advice directly or indirectly to a regulated investment company, making
255 determinations as to when sales and purchases of securities are to be made on behalf of the
256 regulated investment company, or the selling or purchasing of securities constituting assets of a
257 regulated investment company, and related activities, but only where such activity or activities
258 are performed: (i) pursuant to a contract with the regulated investment company entered into
259 pursuant to 15 USC section a-15(a), as from time to time amended; (ii) for a person that has
260 entered into such contract with the regulated investment company; or (iii) for a person that is
261 affiliated with a person that has entered into such contract with a regulated investment company.

262 "Mutual fund sales", taxable net income derived within the taxable year directly or
263 indirectly from the rendering of management, distribution or administration services to a
264 regulated investment company, including net income received directly or indirectly from
265 trustees, sponsors and participants of employee benefit plans which have accounts in a regulated
266 investment company.

267 "Regulated investment company", the meaning as set forth in section 851 of the Internal
268 Revenue Code as amended and in effect for the taxable year.

269 (2) Notwithstanding the foregoing, mutual fund sales, other than the sale of tangible
270 personal property, shall be assigned to the commonwealth to the extent that shareholders of the
271 regulated investment company are domiciled in the commonwealth as follows:

272 (a) by multiplying the taxpayer's total dollar amount of sales of such services on behalf
273 of each regulated investment company by a fraction, the numerator of which shall be the average
274 of the number of shares owned by the regulated investment company's shareholders domiciled in
275 the commonwealth at the beginning of and at the end of the regulated investment company's
276 taxable year that ends with or within the taxpayer's taxable year and the denominator of which
277 shall be the average of the number of shares owned by the regulated investment company
278 shareholders everywhere at the beginning of and at the end of the regulated investment
279 company's taxable year that ends with or within the taxpayer's taxable year.

280 (b) A separate computation shall be made to determine the sale for each regulated
281 investment company, the sum of which shall equal the total sales assigned to the commonwealth.

282 The commissioner shall adopt regulations to implement subsections (d) to (i), inclusive.
283 Nothing in this subsection shall limit the commissioner's authority under subsection (k).

284 (j) If a corporation maintains an office, warehouse or other place of business in a state
285 other than this commonwealth for the purpose of reducing its tax under this chapter, the
286 commissioner shall, in determining the amount of taxable net income apportionable to this
287 commonwealth, adjust any factor to properly reflect the amount which the factor ought
288 reasonably to assign to this commonwealth.

289 (k) If the apportionment provisions of this section are not reasonably adapted to
290 approximate the net income derived from business carried on within this commonwealth by any

291 type of industry group, the commissioner may, by regulation, adopt alternative apportionment
292 provisions to be applied to such an industry group in lieu of the foregoing provisions.

293 (l) In any case in which a purchasing corporation makes an election under section 338 of
294 the Code, the target corporation shall be treated as having sold its assets for purposes of this
295 section.

296 SECTION 21. Section 38X of chapter 63, as so appearing, is hereby amended by striking
297 out, in line 50, the figure “25” and inserting in place thereof the following figure:- 20.

298 SECTION 22. Subsection (d) of section 38X of said chapter 63, as so appearing, is
299 hereby amended by striking out the words, “and shall, at the election of the taxpayer, be
300 refundable to the extent provided for in section 32E.”

301 SECTION 23. Said section 38X of said chapter 63, as so appearing, is hereby further
302 amended by striking out subsection (g) and inserting in place thereof the following subsection:-
303 (g) The total amount of tax credits provided under this subsection and section 6(l) of chapter 62
304 in connection with any one motion picture production shall not exceed \$7,000,000.

305 SECTION 24. Section 14 of chapter 129 of the acts of 2013 is hereby amended by
306 striking out the figure “2020” and inserting in place thereof the following figure:- 2022.

307 SECTION 25. Sections 1 to 4, 7, 15 and 21 to 23, inclusive, shall take effect on July 1,
308 2016 and shall be effective for any applications for exemptions from the sales tax from a motion
309 picture production company under subsection (ww) of section 6 of chapter 64H on or after July
310 1, 2016.

311 SECTION 26. Sections 8 and 16 shall take effect for the tax year beginning on January 1,
312 2018 and ending on December 31, 2018.

313 SECTION 27. Sections 9 and 17 shall take effect for the tax year beginning on January 1,
314 2019 and ending on December 31, 2019.

315 SECTION 28. Sections 10 and 18 shall take effect on January 1, 2020 and shall be
316 effective for all tax years beginning on or after January 1, 2020.

317 SECTION 29. Sections 11, 12 and 20 shall take effect on January 1, 2021 and shall be
318 effective for all tax years beginning on or after January 1, 2021.

319 SECTION 30. Except as otherwise provided, this act shall take effect on January 1, 2017
320 and shall be effective for all tax years beginning on or after January 1, 2017.