

# Job Creation Tax Incentive Program

MASSACHUSETTS  
LIFE SCIENCES CENTER



Investing in the State of Innovation

## Previous Awardees



## Program Overview

The Massachusetts Life Sciences Center's (MLSC) Tax Incentive Program encourages companies to create new, long-term jobs in Massachusetts. The MLSC recognizes that many companies struggle to address the significant investment associated with the long life sciences R&D cycle and the high cost of translating research into a commercially viable product. The program is designed to stimulate growth, job creation, innovation, and ensure that the Commonwealth stays competitive in the cost of doing business.

## Program at a Glance

- Companies are awarded tax incentives in exchange for a hiring commitment in Massachusetts
- Jobs created under the program must be maintained for a period of five years
- Ten different incentives, four of which are refundable for non tax-paying companies
- Applicant must be a life sciences company, including but not limited to: pharmaceuticals, biotechnology, medical devices, diagnostics and bioinformatics, with a presence in Massachusetts or plans to expand within the state

## Program Snapshots

- As of June 30, 2016, the Tax Incentive Program had active or completed awards totaling over \$160 million to more than 100 companies, with multiple repeat awardees
- Nearly 30% of awardees had fewer than 50 employees at the time of their first award
- Since their first award, the combined net new hire commitment or actual new hires among active and completed awardees totals more than 5,400 jobs as of June 30, 2016

For more information, please visit

[www.masslifesciences.com/programs/tax](http://www.masslifesciences.com/programs/tax)

or email [taxprogram@masslifesciences.com](mailto:taxprogram@masslifesciences.com)

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## Case Study

In June 2014, Moderna Therapeutics, a company developing messenger RNA therapeutics™, expanded to new facilities in Kendall Square in Cambridge, Massachusetts. The new site will house Moderna's Venture Incubator laboratories, non-GMP production facilities, and the relocated offices of Moderna's headquarters. The MLSC awarded Moderna nearly \$500,000 in tax incentives in 2011 and 2012, with the creation of 26 new jobs directly tied to these incentives.



## Frequently Asked Questions

### **Are applicants required to have Massachusetts operations?**

Yes. Applicants must be engaged in, or have plans to be engaged in life sciences research, development, manufacturing or commercialization in Massachusetts. Jobs committed must be created within Massachusetts.

### **If a company is relocating to Massachusetts, can they benefit from this program?**

Yes. Companies thinking of establishing operations in MA should contact the Center directly to discuss eligibility for this and other programs.

### **Will the MLSC have any rights to intellectual property developed by the applicant by virtue of any award?**

No. Awards under the program are tax incentives, and the MLSC will not have any claim to an applicant's intellectual property solely by virtue of an award under the program.

### **What are the recipients' contractual and compliance requirements?**

Jobs that are created must be maintained for five years; otherwise, the credit may be recovered or "clawed back" by DOR. Quarterly and yearly reports are required throughout this five year period.

### **When will awardees be allowed to claim their award?**

Successful applicants may claim their tax incentive(s) by filing their returns after July 1 of the following year.

### **Can a company that received a prior MLSC Tax Incentive award apply for a subsequent award?**

Yes. Prior awardees must have achieved 90 percent of their prior hiring commitments made under their existing award(s) to receive an additional award.

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1000 Winter Street  
Suite 2900  
South Entrance  
Waltham, MA 02451

T : 781.373.7777  
F : 781.622.1530