



# COME TO THE SOUTHCOAST

## FALL RIVER, MASSACHUSETTS

Financial Incentive Programs for Business Development



### MASSACHUSETTS TAX INCENTIVES

#### ONE-STOP FINANCING

The private, nonprofit Fall River Office of Economic Development (FROED), a one-stop shop for business and economic development, helps your business evaluate the many advantages of locating in Fall River.

FROED offers aggressive incentive programs including low-interest financing, tax exemptions, employee recruitment and training services, and site selection assistance. We also provide consultation and technical support in areas ranging from permitting to international trade assistance. These programs complement Fall River's low business costs and can be packaged with other private- and public-sector incentives.

As a one-stop financing center, we work closely with public-sector agencies and the banking and investment communities to identify available sources of capital. Our in-house loan programs, funded in part through a Community Development Block Grant, can be combined with private, state and federal funds. The result is a below-market financial package tailored exclusively for your business.

#### FROED PROGRAMS

- **Business Advantage Fund** ~ This unique gap financing tool complements other private and public loan programs available on a local, state and federal level.
- **FROED "50" Fund** ~ This innovative loan program provides 100% financing opportunities to startup ventures and existing small businesses.
- **FROED Microloan Fund** ~ Created for the true small business, this loan fund targets "micro enterprises" unable to secure traditional financing.

#### TAX INCENTIVES

The City of Fall River offers businesses tax incentives through its designation by the Commonwealth of Massachusetts as an Economic Target Area. Certified projects are eligible for local Tax Increment Financing (TIF) and state incentives including a 5% Investment Tax Credit (ITC) and 10% Abandoned Building Tax Deduction (ABTD).

The Fall River Office of Economic Development provides technical assistance throughout the certification process.

Businesses are discovering that the tax incentives offered by the Commonwealth of Massachusetts are among the best in the country. Here are a few examples.

- **Investment Tax Credit** ~ Massachusetts provides a standard 3% ITC to manufacturing and research & development companies for the construction of production facilities and the purchase or lease of equipment. A 5% ITC is available to all businesses, not just manufacturers, that are certified through the TIF program. This credit can be carried forward to future tax years.
- **Abandoned Building Tax Deduction** ~ Redevelopment projects in one of Fall River's several Economic Opportunity Areas may be eligible for the state's 10% ABTD. Businesses may qualify for the ABTD if the redeveloped building had a previous vacancy rate of 75% or higher for a minimum of two years. TIF certification is not required.
- **R&D Tax Credit** ~ Businesses that invest in research & development receive a 10% tax credit for in-house activity and a 15% credit for research contracted with other state industries such as hospitals and universities. These credits are the highest in the nation, and businesses also benefit from a 15-year carry-forward provision.

### OTHER MASSACHUSETTS PROGRAMS

The Commonwealth of Massachusetts offers a number of private- and public-sector financing programs that address a wide range of business needs. FROED's experienced staff works closely with several key agencies.

- **South Eastern Economic Development (SEED) Corporation** ~ As the regional lending arm of the U.S. Small Business Administration (SBA), SEED offers financing programs designed to work in conjunction with the banks in the region. The SEED Corporation runs several programs that provide small business loans ranging from \$5,000 to \$1 million.
- **Greater Fall River Development Corporation/MassDevelopment Technology Fund** ~ This unique economic development partnership has created a special \$2 million dollar fund to leverage debt and equity investment in technology-based businesses that locate in the greater Fall River area.
- **MassDevelopment** ~ MassDevelopment provides real estate development services and flexible, cost-effective loans, guarantees and tax-exempt bond financing for facilities and equipment projects.
- **Massachusetts Office of Business Development (MOBD)** ~ MOBD, with its regional office located in Fall River, works closely with MOBD staff to help businesses identify and access the state's extensive menu of financing options.

FOR ADDITIONAL INFORMATION, CONTACT KEN FIOLA AT  
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