



Governor Patrick, Massachusetts Life Sciences Center Announce Tax Incentives Targeted At Twenty-Eight Companies

Center Awards \$25 million to foster job growth in the Massachusetts Life Sciences Supercluster

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Waltham, MA – Governor Deval Patrick and the Massachusetts Life Sciences Center announced today that the Center’s Board of Directors has awarded \$25 million in Tax Incentives to twenty-eight life sciences companies. The companies receiving tax incentive awards have committed to creating a combined 918 new jobs in the Commonwealth over the coming year.

The Life Sciences Tax Incentive Program, established in 2008 as part of the state’s ten-year, \$1 billion Life Sciences Initiative, authorizes up to \$25 million in tax incentives each year for companies engaged in life sciences research and development, commercialization, and manufacturing. The primary goal of the program is to incentivize life sciences companies to create new long-term jobs in Massachusetts.

The Life Sciences Act provides for nine different incentives, which address the significant capital expenditures associated with the life sciences R&D cycle and the high costs of translating research into commercially viable products. Eighty-five companies applied for tax incentives in this first year of the program.

“The Life Sciences Initiative was designed to bring jobs to the Commonwealth and support vital research, and these incentives help us do exactly that,” said Governor Patrick. “By supporting this growth in the life sciences, we are building upon a foundation that will benefit our economy for years to come.”

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“These tax incentives will provide a solid return on our state’s investment in both the short and long term, including the creation of more than 900 jobs during the coming year,” said Dr. Susan Windham-Bannister, President & CEO of the Massachusetts Life Sciences Center. “In keeping with the Initiative’s mandate, we are utilizing these incentives to encourage the creation of jobs in an industry where Massachusetts is a global leader, and where jobs pay more than the average salary in Massachusetts. This tax incentive program will stimulate our economy, while holding the companies involved accountable for their job creation commitments.”

“The companies that will receive these incentives are adding jobs in a cutting-edge industry that is a strength for Massachusetts,” said Massachusetts Administration and Finance Secretary Jay Gonzalez. “The Governor’s Life Sciences initiative not only offers hope to those waiting for cures for diseases, but to the Commonwealth as a whole as we look to grow our economy and lay the foundation for long-term economic competitiveness and success.”

The Tax Incentive Program is jointly administered by the Center and the Massachusetts Department of Revenue (DOR), which will oversee the technical administration of the incentives. Jobs that are created must be maintained for at least five years. The Tax Incentive Program mandates that awarded companies submit reports and respond to inquiries by the Center and DOR regarding employment figures, revenue generation, amount of private capital leveraged, and information as to the recipient’s operations and business affairs. If a company receiving a tax incentive under the program does not meet and maintain their job creation commitment, the credit can be “clawed back” by DOR, requiring that the company pay back all or a portion of the tax incentives they’ve received.

“Recent reforms to the state’s existing Economic Development Incentive Program, including clawback provisions to ensure accountability and greater protection of taxpayer dollars, have been modeled after the Life Sciences Center’s tax incentive program,” said Gregory Bielecki, Massachusetts Secretary of Housing & Economic Development. “This program is becoming the gold standard for tax incentive programs in the Commonwealth due to its balance between incentives for job creation and corporate accountability.”

"The Center was diligent about getting experts in economic development to advise on their approach for reviewing the tax incentive applications," said leading economist Karl Seidman, President of Seidman Consulting Services and Senior Lecturer in Urban Studies and Planning at the Massachusetts Institute of Technology. "The approach that they are using is transparent, replicable and based on sound principles. I believe that the importance of job creation to their decision making process is a model for other tax incentives programs to follow."

The twenty-eight life sciences companies that will receive tax incentives, the city or town in which they are located, and the amount awarded are as follows:

Alnylam Pharmaceuticals, Inc. (Cambridge) — \$300,000

Biogen Idec MA, Inc. (Cambridge) — \$1,500,000

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Constellation Pharmaceuticals, Inc. (Cambridge) — \$513,252

Cubist Pharmaceuticals, Inc. (Lexington) — \$1,740,000

Dyax Corporation (Cambridge) — \$100,000

Facet Solutions (Hopkinton) — \$300,000

FoldRx Pharmaceuticals, Inc. (Cambridge) — \$510,000

Genzyme Corporation (Cambridge/Framingham) — \$6,000,000

GTC Biotherapeutics, Inc. (Framingham) — \$300,000

Hologic, Inc. (Bedford) — \$220,000

Infinity Pharmaceuticals, Inc. (Cambridge) — \$540,000

InfraReDx, Inc. (Burlington) — \$630,000

Interlace Medical, Inc. (Framingham) — \$300,000

Lightlab Imaging, Inc. (Westford) — \$188,951

Merrimack Pharmaceuticals, Inc. (Cambridge) — \$1,500,000

Morgan Advanced Ceramics, Inc. (New Bedford) — \$570,000

NeuroMetrix, Inc. (Waltham) — \$300,000

Nova Biomedical Corporation (Waltham) — \$300,000

OmniGuide, Inc. (Cambridge) — \$540,000

Organogenesis (Canton) — \$245,240

Pharmasphere, LLC (Worcester) — \$360,000

Sepracor, Inc. (Marlboro) — \$750,000

Shire Human Genetic Therapies, Inc. (Lexington) — \$6,277,057

STD Med, Inc. (Stoughton) — \$121,000

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Still River Systems, Inc. (Littleton) — \$300,000

TEI Biosciences, Inc. (South Boston) — \$27,000

Tolerx, Inc. (Cambridge) — \$300,000

Zoll Medical Corporation (Chelmsford) — \$267,500

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