



**MASSACHUSETTS
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
COMMUNITY INVESTMENT TAX CREDIT PROGRAM GUIDANCE**

DEPARTMENT OF UNEMPLOYMENT ASSISTANCE CERTIFICATE OF COMPLIANCE

Effective March 24, 2015, employers subject to registration with the Department of Unemployment Assistance (DUA) and establishing an unemployment insurance (UI) account who make a qualified investment in exchange for a Community Investment Tax Credit (CITC) must submit a certificate of compliance issued from DUA showing that it is current in all its DUA obligations relating to contributions, payments in lieu of contributions and the employer medical assistance contribution established in M.G.L. c. 149 §189(a).

To be valid, the certification must be dated no more than ninety (90) days prior to the date the qualified investment was made to either the Community Partner (Community Development Corporation) or to the Community Partnership Fund (United Way of Massachusetts Bay). Certification must be submitted to the Department of Housing and Community Development (DHCD) as an attachment to the timely filed Form CITC. DHCD will not certify any credit to a taxpayer that is an employer unless a certificate of compliance is on file with the agency.

Employers seeking a certificate of compliance from DUA for the purposes of applying for a CITC should go to the DUA website at <http://www.mass.gov/lwd/unemployment-insur/> to obtain a certificate and/or register their business, if necessary.

EMPLOYERS

Generally, Massachusetts Unemployment Insurance law requires employers to contribute to the UI Trust Fund if the business (1) has employees working one or more days in thirteen (13) weeks during a calendar year (weeks of employment need not be consecutive nor must the employees remain the same) and it (2) pays wages of \$1,500 or more in any one calendar quarter.¹

For CITC purposes, employers meeting the above-noted criteria must self-identify as an employer on their Form CITC and must provide a valid certificate of compliance from DUA in order for DHCD to approve a community investment tax credit. Employers that do not meet the criteria, should not indicate that they are an employer on their Form CITC and accordingly, should not register with DUA because no certificate of compliance is required.

DUA, at its discretion, may determine whether an employer is willfully using this law to avoid paying into the unemployment insurance program. Questions about whether certain businesses qualify as a subject employer, should be directed to Richard Carney at the Department of Unemployment Assistance at 617-626-5132 or Richard.Carney@state.ma.us

¹For certain types of employers, different thresholds must be met before they are required to make UI contributions. These include sole-proprietors, agricultural employers, domestic workers, and out-of-state employers. If the business falls under one of these categories, please reference *The Employers Guide to Unemployment Insurance* which may be found at: <http://www.mass.gov/lwd/docs/dua/business/employer-handbook.pdf>