

MassCEC Launches New Climatetech Tax Incentives Program

Overview

Massachusetts has introduced the Climatetech Tax Incentives Program (CTIP), a new initiative under the Mass Leads Act (2024) created to support the expansion of climatetech research, development, innovation, and deployment across the Commonwealth. Administered by the Massachusetts Clean Energy Center (MassCEC), the program authorizes up to \$30 million per calendar year in refundable and partially refundable tax incentives for certified climatetech companies.

Climatetech Tax Incentives Program Summary

CTIP provides performance-based tax incentives that support job creation, capital investment, and the long-term establishment of climatetech operations in Massachusetts. Incentives are awarded for a period ranging from one to five years, depending on the category of benefit.

Job Creation Credit:

- A one-year partially refundable credit for companies that create at least five new permanent full-time employees in Massachusetts. Jobs must be new, permanent, and based within the Commonwealth.

Capital Investment Credit for Facility Owners:

- A five-year refundable credit of up to 50% of qualified total capital investment for owners of climatetech facilities that invest at least \$5 million in the facility and create at least 50 new full-time employees within 5 years.

Capital Investment Credit for Facility Tenants:

- A five-year refundable tax credit available to tenants of climate technology facilities operating within properties where the owner has invested a minimum of \$5 million in qualified capital improvements, provided the tenant occupies at least 25% of the total leasable square footage and creates a minimum of 13 full-time positions within 5 years.

Eligibility

To qualify as a Certified Climatetech Company, a taxpayer or entity must be actively increasing climatetech research, development, innovation, manufacturing, commercialization or deployment within Massachusetts and must be creating new employment in the state.

Recommended Action

The application period opened December 17, 2025 and will close in February 18, 2026. MassCEC will release required templates and instructions once the application window opens. Applications must be submitted during this defined period to be considered for certification and incentive authorization.

Due to the \$30 million annual cap and anticipated strong demand, early evaluation is important. Companies planning job creation, facility expansion or significant capital investment should assess eligibility as soon as possible. Atlas Insight can assist with program evaluation, application preparation and compliance to help companies maximize the value of this new incentive program.

Please contact **Brian Corde** at (732) 410-4568 / bcorde@atlasinsight.com for help securing every incentive dollar for your project! Learn more about our dedicated Site Selection and Incentives specialties at www.atlasinsight.com.