



The Commonwealth of Massachusetts
Office of the Comptroller
One Ashburton Place, Room 901
Boston, Massachusetts 02108

MARTIN J. BENISON
COMPTROLLER

PHONE (617) 727-5000
FAX (617) 727-2163
INTERNET <http://www.mass.gov/osc>

April 1, 2015

Secretary Kristen Lepore
Executive Office for Administration and Finance
State House, Room 373
Boston, MA 02133

Secretary Stephanie Pollack
Massachusetts Department of Transportation
10 Park Plaza, Room 3170
Boston, MA 02116

RE: April 2015 Certification of MBTA Dedicated Sales Tax Revenues for the Fiscal
Year Ending June 30, 2015

Dear Secretary Lepore and Secretary Pollack:

Pursuant to Massachusetts General Laws (MGL) Chapter 10, Section 35T, I certify, after consultation with the Commissioner of Revenue, that the projected dedicated sales tax revenue amount for fiscal 2015 is \$932,119,767, including an additional \$160,000,000 as a result of Section 4 of Chapter 359 of the Acts of 2014 which also resets the base revenue amount for fiscal year 2015 at an amount of \$970,637,174.

The projected dedicated sales tax revenue amount is the amount of "monies received by the Commonwealth equal to one percent of the gross receipts of a sale as defined by the provisions of MGL chapter 64H and one percent of the sales price of a purchase as defined by the provisions of chapter 64I from that portion of the taxes imposed under the provisions of said chapters 64H and 64I as excises upon the sale and use at retail of tangible property or of services, and upon the storage, use or other consumption of tangible property or of services, including interest thereon or penalties but not including any portion of such taxes imposed on the sale of meals as defined in paragraph (h) of section 6 of chapter 64H." The calculation of sales and meals taxes dedicated to the MBTA is net of refunds, abatements, and amounts set aside under paragraph (b) of section 10 of chapter 152 of the acts of 1997 (the "Convention Center Portion").

The projected dedicated sales tax amount was calculated as follows:

	Fiscal Year 2015 February 28, 2014 <u>Certification</u>	Fiscal Year 2015 November 15, 2014 <u>Certification</u>	Fiscal Year 2015 April 1, 2015 <u>Certification</u>	Change from November 15, 2014 <u>Certification</u>
Projected Sales and Use Tax Collections, Exclusive of Meals Tax	\$4,822,170,803	\$4,827,841,400	\$4,825,748,543	-\$2,092,857
Percentage due to the MBTA(*)	<u>×16.0%*</u>	<u>×16.0%*</u>	<u>×16.0%*</u>	<u>×16.0%*</u>
Projected Dedicated Sales Tax Revenue for FY 2015	<u>\$771,547,328</u>	<u>\$772,454,624</u>	<u>\$772,119,767</u>	<u>-\$334,857</u>
Additional Sales Tax Revenue Dedicated per Sec. 4 of Ch. 359 of the Acts of 2014	<u>N/A</u>	<u>160,000,000</u>	<u>160,000,000</u>	
FY 2015 Base Revenue as Certified on February 28, 2014 and November 15, 2014	<u>\$799,295,175</u>	<u>\$932,454,624</u>	<u>\$932,119,767</u>	<u>-\$334,857</u>

(*) 1 cent of 6.25 cents per dollar sales tax rate = 16.0%

Any shortfall in dedicated sales tax revenue from the base revenue certified on February 28, 2014, and further amended by Section 4 of Chapter 359 of the Acts of 2014, will be made up by quarterly transfers from the General Fund, pursuant to Chapter 10, Section 35T(b) and the Memorandum of Understanding between the MBTA, the Treasurer's Office, the Executive Office of Administration and Finance, the Comptroller's Office and DOR. Should you have any questions about the calculation of the dedicated sales tax revenue, please feel free to call me or Howard Merkowitz, Deputy Comptroller.

Sincerely yours,

Martin J. Benison
Comptroller

Cc: Senator Karen E. Spilka, Chair, SWM
Representative Brian S. Dempsey, Chair, HWM
Deborah B. Goldberg, Treasurer and Receiver – General, TRE

Mark Nunnely, Commissioner of Revenue, DOR
Rachel Madden, Undersecretary, ANF
Adriana Campos, Senate Ways and Means Budget Director, SWM
Kathryn Kendall, House Ways and Means Budget Director, HWM
James MacDonald, First Deputy Treasurer, TRE
Howard Merkowitz, Deputy Comptroller, CTR
BJ Trivedi, FRAB Director, CTR
Julia Burns, GAB Director, CTR
John Lewis, Manager of Finance, MBTA