



THOMAS G. SHACK III, ESQ.  
COMPTROLLER

# Commonwealth of Massachusetts

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July 25, 2017

Secretary Kristen Lepore  
Executive Office of Administration and Finance

The Honorable Karen Spilka, Chairwoman  
Senate Committee on Ways and Means

The Honorable Jeffrey Sánchez, Chairman  
House Committee on Ways and Means

RE: Capital Gains Tax Revenue for FY2017

Dear Secretary Lepore, Chairwoman Spilka and Chairman Sánchez:

On July 21, 2017, the Department of Revenue certified to the State Comptroller's Office for fiscal year 2017 that capital gains tax revenue totaled \$1,189,900,000. Section 5G of Chapter 29 of the Massachusetts General Laws, as amended, requires capital gains in excess of the fiscal year capital gains tax threshold be transferred to the Stabilization Fund, which for FY2017 is \$1,127,520,641. However, Section 162 of Chapter 133 of the Acts of 2016 (the FY2017 General Appropriation Act) revised the FY2017 threshold to \$1,278,000,000. Since the total capital gains revenue has not exceeded the revised threshold, no capital gains transfer will be made.

If you have any questions regarding this letter, please contact Howard Merkowitz, Deputy Comptroller, at (617) 973-2602.

Sincerely,

Thomas G. Shack III  
Comptroller of the Commonwealth

Enc. Attachment #1: Section 162 of Chapter 133 of the Acts of 2016  
Attachment #2: FY 2017 Stabilization Fund Balance Spreadsheet

Cc: Catharine Hornby, Assistant Secretary for the Budget, ANF  
Heath Fahle, Finance Director, ANF  
Justin Sterritt, Budget Director, HWM  
Adriana Campos, Budget Director, SWM

Judy Zeprun Kalman, General Counsel, AGO  
Michael Heffernan, Commissioner, DOR  
Kazim Ozyurt, Director, Office of Tax Policy Analysis, DOR  
James MacDonald, First Deputy Treasurer, TRE  
Howard Merkowitz, Deputy Comptroller, CTR  
Michael Rodino, FRAB Director, CTR  
Tim O'Neill, Acting GAB Director, CTR

## Attachment #1

### Chapter 133 of the Acts of 2016

SECTION 162 - Notwithstanding any general or special law to the contrary, the threshold above with the comptroller shall make any transfers attributable to capital gains tax collections under section 5G of chapter 29 of the General Laws shall be \$1,278,000,000 during fiscal year 2017.