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April 5, 2021

Secretary Michael Heffernan
Executive Office for Administration and Finance
State House, Room 373
Boston, MA 02133

Acting Secretary Jamey Tesler
Massachusetts Department of Transportation
10 Park Plaza, Room 3170
Boston, Massachusetts, 02116

RE: April 2021 Certification of MBTA Dedicated Sales Tax Revenues
for the Fiscal Year Ending June 30, 2021

Dear Secretary Heffernan and Acting Secretary Tesler:

Pursuant to M.G.L. c. 10, § 35T(b), this letter certifies the estimated MBTA dedicated sales tax revenue projected to be credited to the State and Local Contribution Fund. The MBTA is to receive the greater of either the base revenue or the dedicated sales tax revenue. This certification is made in consultation with the Department of Revenue (DOR) and is based on the Fiscal Year 2021 sales tax revenue estimate from DOR.

I certify that based on DOR's January 2021 sales tax revenue estimate for Fiscal Year 2021, the projected dedicated sales tax revenue amount for Fiscal Year 2021 is \$1,175,416,895, which includes an additional \$160,000,000 as a result of Section 4 of Chapter 359 of the Acts of 2014.

As certified on March 6, 2021, the base revenue amount for Fiscal Year 2021 is \$1,083,333,443.

The projected dedicated sales tax revenue amount represents the amount of, "all monies received by the commonwealth equal to 1 per cent of the gross receipts of a sale as defined in chapter 64H and 1 per cent of the sales price of a purchase as defined by chapter 64I from that portion of the taxes imposed under said chapters 64H and 64I as excises upon the sale and use at retail of tangible property or services, and upon the storage, use or other consumption of tangible property or services, including interest thereon and penalties plus the amount of \$160,000,000 but not including any portion of the taxes imposed on the sale of meals as defined in paragraph (h) of section 6 of said chapter 64H." See Section 4 of Chapter 359 of the Acts of 2014. 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:

	FY2021 March 6, 2020 Certification	FY2021 November 17, 2020 Certification	FY2021 April 1, 2021 Certification	Change from November 17, 2020 Certification
Projected sales and use tax collections, exclusive of meals tax.....	\$ 6,100,000,000	\$ 5,884,729,466	\$ 6,346,355,591	\$ 461,626,125
Percentage due to the MBTA	16.00% (1)	16.00% (1)	16.00% (1)	-
Projected dedicated sales tax revenue for FY2021.....	976,000,000	941,556,715	1,015,416,895	73,860,180
Additional sales tax revenue dedicated per Sec. 4 of Ch. 359 of the Acts of 2014.....	160,000,000	160,000,000	160,000,000	-
Total projected dedicated sales tax revenue for FY2021.....	<u>\$ 1,136,000,000</u>	<u>\$ 1,101,556,715</u>	<u>\$ 1,175,416,895</u>	<u>\$ 73,860,180</u>
FY2020 base revenue as certified on March 6, 2020.....	<u>\$ 1,083,333,443</u>	<u>\$ 1,083,333,443</u>	<u>\$ 1,083,333,443</u>	<u>\$ -</u>

(1) - 1 cent of the 6.25 cents per dollar sales tax is dedicated to the MBTA.

As the dedicated sales tax revenue is projected to exceed the base revenue, no quarterly transfers will be necessary from the General Fund pursuant to M.G.L. c. 10, § 35T(b) and the Memorandum of Understanding between the MBTA, the Office of the State Treasurer, the Executive Office of Administration and Finance, the Office of the Comptroller and the Department of Revenue.

Should you have any questions on the calculation of these amounts, please feel free to contact Deputy Comptroller Howard Merkowitz at Howard.Merkowitz@mass.gov or (617) 973-2602 or myself at William.McNamara@mass.gov or (617) 973-2315.

Sincerely yours,



William McNamara
Comptroller of the Commonwealth

Cc: Senator Michael Rodrigues, Chair, Senate Ways and Means Committee
Representative Aaron Michlewitz, Chair, House Ways and Means, Committee
Deborah B. Goldberg, Treasurer and Receiver General, Office of the Treasurer
Geoffrey Snyder, Commissioner, Department of Revenue
David Bunker, Budget Director, House Ways and Means Committee

Christopher Marino Budget Director, Senate Ways and Means Committee

Catharine Hornby, Undersecretary, Executive Office for Administration and Finance

Mary Ann O'Hara, Chief Fiscal Officer, MBTA

Joseph Connolly, Controller, MBTA

Jeffrey Shapiro, Esq., First Deputy Comptroller, Office of the Comptroller

Howard Merkowitz, Deputy Comptroller, Office of the Comptroller

Amy Nable, General Counsel, Office of the Comptroller