HOUSE DOCKET, NO. 6239 FILED ON: 6/22/2026

HOUSE . . . . . No. 5537

The Commonwealth of Massachusetts

PRESENTED BY:

Manny Cruz

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act authorizing an increase in the limit of a local excise tax that the city of Salem may impose for the purpose of funding school and municipal facilities.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
Manny Cruz	*7th Essex*	*6/22/2026*

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HOUSE . . . . . No. 5537

By Representative Cruz of Salem, a petition (accompanied by bill, House, No. 5537) of Manny Cruz (with the approval of the mayor and city council) that the city of Salem be authorized to increase the limit of a local excise tax for the purpose of funding school and municipal facilities. Revenue. [Local Approval Received.]

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Fourth General Court
(2025-2026)

An Act authorizing an increase in the limit of a local excise tax that the city of Salem may impose for the purpose of funding school and municipal facilities.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Notwithstanding the six per cent limit on the amount of local excise tax that a municipality other than the City of Boston may impose on the transfer of occupancy of any room in a bed and breakfast establishment, hotel, lodging house, or motel contained in chapter 64G, section 3A of the General Laws, or any other general or special law to the contrary, the City of Salem is hereby authorized to impose a local excise tax upon such transactions at a rate not to exceed 8.75 per cent.

SECTION 2. The additional revenue attributable to the 2.75 percentage point increase authorized by section 1, representing the difference between a local excise tax imposed at the rate of 6 per cent and a local excise tax imposed at a rate up to 8.75 per cent, shall be deposited into a separate special revenue fund to be established by the City of Salem.

Amounts deposited into said fund shall be used solely for the planning, design, acquisition, construction, reconstruction, renovation, repair, improvement, furnishing, equipping, maintenance, and extraordinary maintenance of school or municipal buildings and facilities of the City of Salem, including, but not limited to, the payment of debt service on bonds or notes issued for such purposes.

Nothing in this act shall be construed to limit, impair, or otherwise affect the eligibility or authority of the City of Salem to apply for, receive, or expend grants, reimbursements, or other financial assistance from the Massachusetts School Building Authority or any other federal, state, or local source for the purposes described in this section.

Any balance remaining in the fund at the end of a fiscal year shall not revert to the general fund and shall remain available for expenditure for the purposes set forth in this section.

SECTION 3. This act shall take effect upon its passage