



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>

November 15, 2013

Secretary Glen Shor  
Executive Office for Administration and Finance  
State House, Room 373  
Boston, MA 02133

Secretary Richard A. Davey  
Massachusetts Department of Transportation  
10 Park Plaza, Room 3170  
Boston, Massachusetts, 02116

RE: November 15, 2013 Certification of MBTA Dedicated Sales Tax Revenues for the  
Fiscal Year Ending June 30, 2014

Dear Secretary Shor and Secretary Davey:

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 2014 is \$728,316,638.

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 2014 March 1, 2013 <u>Certification</u>	Fiscal Year 2014 November 15, 2013 <u>Certification</u>	<u>Change</u>
Projected Sales and Use Tax Collections, Exclusive of Meals Tax	\$4,397,468,989	\$4,551,978,989	\$154,510,000
Percentage due to the MBTA	<u>× 16.0% (*)</u>	<u>× 16.0% (*)</u>	
<b>Projected Dedicated Sales Tax Revenue for FY 2013</b>	<b><u>\$703,595,038</u></b>	<b><u>\$728,316,638</u></b>	<b><u>\$24,721,600</u></b>
<b>Base Revenue as Certified on March 1, 2012</b>	<b><u>\$799,295,175</u></b>	<b><u>\$799,295,175</u></b>	<b><u>\$0</u></b>

(\*) As of August 1, 2009, the sales tax rate was increased from 5% to 6.25% for both regular sales and motor vehicle sales. Based on this new sales tax rate, the MBTA dedication percentage is now 16.00% (1 cent of 6.25 cents per dollar) as compared to the prior dedication percentage of 20% (1 cent of 5 cents per dollar).

Any shortfall in dedicated sales tax revenue from the base revenue certified on March 1, 2013 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, at (617) 727-5000.

Sincerely yours,

Martin J. Benison  
Comptroller

Cc: Senator Stephen Brewer, Chairman Senate Ways and Means  
Representative Brian Dempsey, Chairman House Ways and Means  
Steven Grossman, Treasurer and Receiver – General, TRE  
Amy Pitter, Commissioner of Revenue  
Douglas Howgate, Senate Ways and Means Budget Director  
Samuel Goldhar, House Ways and Means Budget Director