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April 1, 2019

Secretary Michael Heffernan
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, Massachusetts, 02116

RE: April 2019 Certification of MBTA Dedicated Sales Tax Revenues for the Fiscal Year
Ending June 30, 2019

Dear Secretary Heffernan 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 year 2019 is \$1,042,080,000, 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 5, 2018 the base revenue amount for fiscal year 2019 is \$1,032,067,551.

The projected dedicated sales tax revenue amount is 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." 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:

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	FY2019 March 5, 2018 Certification	FY2019 November 9, 2018 Certification	FY2019 April 1, 2019 Certification	Change from November 9, 2018 Certification
Projected sales and use tax collections, exclusive of meals tax.....	\$ 5,368,000,000	\$ 5,513,000,000	\$ 5,513,000,000	\$ -
Percentage due to the MBTA (1).....	16.00%	16.00%	16.00%	0.00%
Projected dedicated sales tax revenue for FY2019.....	858,880,000	882,080,000	882,080,000	-
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 FY2019.....	<u>\$ 1,018,880,000</u>	<u>\$ 1,042,080,000</u>	<u>\$ 1,042,080,000</u>	<u>\$ -</u>
FY2019 base revenue as certified on March 5, 2018.....	<u>\$ 1,032,067,551</u>	<u>\$ 1,032,067,551</u>	<u>\$ 1,032,067,551</u>	<u>\$ -</u>

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

Any shortfall in the dedicated sales tax revenue from the base revenue certified on March 5, 2018, 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 for Administration and Finance, the Comptroller's Office and DOR.

Should you have any questions on the calculation of this amount, please feel free to contact Howard Merkowitz, Deputy Comptroller at 617-973-2602 or me at 617-973-2315.

Sincerely yours,

Andrew W. Maylor
Comptroller of the Commonwealth

Cc: Senator Michael Rodrigues, Chair, Senate Ways and Means
Representative Aaron Michlewitz, Chair, House Ways and Means
Deborah B. Goldberg, Treasurer and Receiver General
Christopher Harding, Commissioner of Revenue
David Bunker, House Ways and Means Budget Director
Chris Marino, Senate Ways and Means Budget Director