



Commonwealth of Massachusetts

OFFICE OF THE COMPTROLLER

ONE ASHBURTON PLACE, 9TH FLOOR
BOSTON, MASSACHUSETTS 02108
(617) 727-5000
MACOMPTROLLER.ORG



WILLIAM McNAMARA
COMPTROLLER

March 1, 2023

Secretary Matthew Gorzkowicz
Executive Office for Administration and Finance
State House, Room 373
Boston, MA 02133

Secretary Gina Fiandaca
Massachusetts Department of Transportation
10 Park Plaza, Room 3170
Boston, MA 02116

RE: March 2023 Certification of MBTA Base Sales Tax Revenues for Fiscal Year 2024

Dear Secretary Gorzkowicz and Secretary Fiandaca:

Pursuant to M.G.L. c. 10, § 35T, this letter certifies for Fiscal Year 2024 the MBTA Base Sales Tax Revenue. This certification was done in consultation with the Department of Revenue. The details of the calculations are shown on the accompanying attachment.

Base Sales Tax Revenue: The base revenue amount for Fiscal Year 2024 is calculated by comparing the change in the calendar year 2022 consumer price index for all urban consumers for the Boston metropolitan area as determined by the Bureau of Labor Statistics of the United States Department of Labor to the percent increase in gross sales tax revenues received pursuant to M.G.L. c. 64H and M.G.L. c. 64I for the same period. The calendar year 2022 "gross sales tax revenues" is defined as sales tax receipts by taxpayers from nonexempt sales, less amounts abated, refunded, or reimbursed. The attachment presents the calculation of the base revenue amount. The percentage increase in the base sales tax revenue is the lower of the percent increase in gross sales tax revenues or the inflation rate.

I certify to you that the base revenue amount for **Fiscal Year 2024 increased by an amount of \$33,854,275, or 3.000% compared to the Fiscal Year 2023 figure of \$1,128,475,839. The base revenue amount for Fiscal Year 2024 is \$1,162,330,114.**


Should you have any questions on the calculation of these amounts, please feel free to contact Chief Financial Reporting Officer Pauline Lieu at Pauline.Lieu@mass.gov or (617) 973-2668 or me at William.McNamara@mass.gov or (617) 973-2315.

MBTA Certification of Fiscal Year 2024 Base Sales Tax Revenue – March 2023

March 1, 2023

Page 2

Sincerely yours,

DocuSigned by:


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William McNamara
Comptroller of the Commonwealth

Attachment: Calculation of Fiscal Year 2024 Base Sales Tax Revenue

- 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
- Brian R. Donahue, 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
- Thomas Smith-Vaughan., Chief Operating Officer, Office of the Comptroller
- Amy Nable, General Counsel, Office of the Comptroller
- Tamia Buckingham, Deputy Financial Reporting Officer, Office of the Comptroller
- Mary Ann O’Hara, CFO, MBTA
- Joseph Connolly, Controller, MBTA

Fiscal Year 2024 MBTA Base Sales Tax Revenue Calculations

Calculation - Base Revenue:

| | |
|--|-------------------------|
| Change in inflation index for the Boston metropolitan area for calendar year 2022 (annualized, non-seasonally adjusted)..... | 3.000% |
| Growth in gross sales tax revenue, for calendar year 2022..... | 4.072% |
| Allowable base revenue growth (lesser of sales tax growth or inflation, but not greater than 3%)..... | 3.000% |
| Current fiscal year's base revenue (FY2023)..... | \$ 1,128,475,839 |
| Growth factor..... | <u>3.000%</u> |
| Upcoming fiscal year's base revenue (FY2024)..... | <u>\$ 1,162,330,114</u> |