

HOUSE No. 3871

The Commonwealth of Massachusetts



CHARLES D. BAKER
GOVERNOR

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COMMONWEALTH OF MASSACHUSETTS
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KARYN POLITO
LIEUTENANT GOVERNOR

August 2, 2017

To the Honorable Senate and House of Representatives,

I am filing for your consideration a bill entitled “An Act Establishing a Sales Tax Holiday in 2017.” This legislation would suspend retail sales tax for the days of August 19 and 20, 2017 on consumer purchases of goods costing \$2,500 or less, subject to certain exceptions.

The Commonwealth has enacted August sales tax holidays in many prior years, and this bill replicates the terms adopted in earlier authorizations. A weekend sales tax holiday provides a welcome retail discount for working families, particularly as they shop for back to school items, and also provides a targeted incentive for increased sales for Massachusetts merchants, especially for those in our border communities.

I urge your prompt enactment of this legislation.

Sincerely,

Charles D. Baker,
Governor

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Message from His Excellency the Governor recommending legislation relative to establishing a sales tax holiday in 2017.

The Commonwealth of Massachusetts

In the One Hundred and Ninetieth General Court
(2017-2018)

An Act establishing a sales tax holiday in 2017.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to provide forthwith for a certain exemption from the sales tax, therefore, it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

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

1 SECTION 1. Notwithstanding any general or special law to the contrary, for the days of
2 August 19 and August 20, 2017, an excise shall not be imposed upon nonbusiness sales at retail
3 of tangible personal property, as defined in section 1 of chapter 64H of the General Laws. For
4 the purposes of this act, tangible personal property shall not include telecommunications
5 services, tobacco products subject to the excise imposed by chapter 64C of the General Laws,
6 gas, steam, electricity, motor vehicles, motorboats, meals or a single item the price of which is in
7 excess of \$2,500.

8 SECTION 2. Notwithstanding any general or special law to the contrary, for the days of
9 August 19, 2017 and August 20, 2017, a vendor shall not add to the sales price or collect from a
10 nonbusiness purchaser an excise upon sales at retail of tangible personal property, as defined in
11 section 1 of chapter 64H of the General Laws. The commissioner of revenue shall not require a

12 vendor to collect and pay excise upon sales at retail of tangible personal property purchased on
13 August 19, 2017 and August 20, 2017. An excise erroneously or improperly collected during the
14 days of August 19, 2017 and August 20, 2017, shall be remitted to the department of revenue.
15 This section shall not apply to the sale of telecommunications services, tobacco products subject
16 to the excise imposed by chapter 64C of the General Laws, gas, steam, electricity, motor
17 vehicles, motorboats, meals or a single item the price of which is in excess of \$2,500.

18 SECTION 3. Reporting requirements imposed upon vendors of tangible personal
19 property, by law or by regulation, including, but not limited to, the requirements for filing returns
20 required by chapter 62C of the General Laws, shall remain in effect for sales for the days of
21 August 19, 2017 and August 20, 2017.

22 SECTION 4. On or before December 31, 2017, the commissioner of revenue shall
23 certify to the comptroller the amount of sales tax forgone, as well as new revenue raised from
24 personal and corporate income taxes and other sources, pursuant to this act. The commissioner
25 shall file a report with the joint committee on revenue and the house and senate committees on
26 ways and means detailing by fund the amounts under general and special laws governing the
27 distribution of revenues under chapter 64H of the General Laws which would have been
28 deposited in each fund, without this act.

29 SECTION 5. The commissioner of revenue shall issue instructions or forms, or
30 promulgate rules or regulations, necessary for the implementation of this act.

31 SECTION 6. Eligible sales at retail of tangible personal property under sections 1 and 2
32 are restricted to those transactions occurring on August 19, 2017 and August 20, 2017. Transfer

- 33 of possession of or payment in full for the property shall occur on 1 of those days, and prior sales
- 34 or layaway sales shall be ineligible.