

HOUSE No. 4114

The Commonwealth of Massachusetts

INITIATIVE PETITION OF JON B. HURST AND OTHERS.

OFFICE OF THE SECRETARY.

BOSTON, JANUARY 3, 2018.

Steven T. James
Clerk of the House of Representatives
State House
Boston, Massachusetts 02133

Sir: - I herewith transmit to you, in accordance with the requirements of Article XLVIII of the Amendments to the Constitution, an Initiative Petition for a Law Relative to Reducing the Burden of Sales and Use Taxes and Requiring a Sales Tax Free Weekend, signed by ten qualified voters and filed with this department on or before December 6, 2017, together with additional signatures of qualified voters in the number of 93,698, being a sufficient number to comply with the Provisions of said Article.

Sincerely,

WILLIAM FRANCIS GALVIN,

Secretary of the Commonwealth.

AN INITIATIVE PETITION.

Pursuant to Article XLVIII of the Amendments to the Constitution of the Commonwealth, as amended, the undersigned qualified voters of the Commonwealth, ten in number at least, hereby petition for the enactment into law of the following measure:

HOUSE No. 4114

The Commonwealth of Massachusetts

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

An Act relative to reducing the burden of sales and use taxes and requiring a sales tax free weekend.

Be it enacted by the People, and by their authority, as follows:

1 SECTION 1. Section 2 of chapter 64H of the General Laws, as appearing in the 2016
2 Official Edition, is hereby amended by striking out, in line 3, the phrase “6.25 per cent” and
3 inserting in place thereof the following phrase: 5 per cent.

4 SECTION 2. Section 30A of chapter 64H of the General Laws, as appearing in the 2016
5 Official Edition, is hereby amended by striking out, in lines 5, 8, 15 and 19, the phrase “6.25 per
6 cent” and inserting in place thereof, in each instance, the following phrase: 5 per cent.

7 SECTION 3. Section 2 of chapter 64I of the General Laws, as appearing in the 2016
8 Official Edition, is hereby amended by striking out, in line 7, the phrase “6.25 per cent” and
9 inserting in place thereof the following phrase: 5 per cent.

10 SECTION 4. Section 31A of said chapter 64I, as appearing in the 2016 Official Edition,
11 is hereby amended by striking out, in lines 5, 8, 15 and 19, the phrase “6.25” and inserting in
12 place thereof, in each instance, the following phrase: 5 per cent.

13 SECTION 5. Chapter 64H of the General Laws is hereby amended by inserting the
14 following new section:

15 Section 10. The commissioner of revenue shall annually designate, by July 15 of each
16 calendar year, a two-day weekend in August of that year during which no excise shall be
17 imposed upon non-business sales at retail in the Commonwealth of tangible personal property, as
18 defined in section 1 of this chapter, but excluding telecommunications services, gas, steam,
19 electricity, motor vehicles, boats, meals, or any single item whose price is in excess of \$2,500.

20 For the weekend designated by the commissioner pursuant to the provisions of this
21 section, a vendor in the Commonwealth shall not add to the sales price or collect from any non-
22 business purchaser, and shall in turn not be required to pay to the Commonwealth, an excise
23 upon sales at retail of tangible personal property, as defined in section 1 of this chapter and
24 limited in this section. Any excise erroneously or improperly collected by a vendor during the
25 designated weekend shall be remitted to the department of revenue.

26 When designating the weekend, the commissioner shall attempt to maximize the
27 economic benefit to the Commonwealth. Reporting requirements imposed upon vendors of
28 tangible personal property, by law or by regulation, including, but not limited to, the
29 requirements for filing any returns required by chapter 62C of the General Laws, shall remain in
30 effect for sales for the weekend designated by the commissioner. The commissioner is
31 authorized to adopt rules and regulations, and authorized and directed to issue instructions or
32 forms to implement this section.

33 SECTION 6. If the reduction in rates worked by this act at any time causes a
34 governmental body to which revenues covered by this act are dedicated by law, as is the case

35 with respect to the support of transportation and education under G.L. c. 10, §§ 35T and 35BB,
36 to fail to make any principal or interest payment due or about to become due on any bond, note
37 or other debt instrument lawfully issued or assumed by that governmental body prior to the
38 effective date of this act, the chief financial officer of the body shall certify to the state treasurer
39 the amount necessary to pay the amounts due or about to become due and the treasurer shall
40 thereupon assume the obligation to make the payments in the amounts so certified; provided,
41 however, that the treasurer shall not make such payments in any amount that exceeds the amount
42 attributable to the reduction in rates worked by this act. Except as may be otherwise provided by
43 law, the state treasurer shall require the governmental body to reimburse the commonwealth
44 within a period not to exceed five years and may require a promissory note to secure such
45 reimbursement.

FIRST TEN SIGNERS

<u>NAME</u>	<u>RESIDENCE</u>	<u>CITY OR TOWN</u>
Jon B. Hurst	99 Grover Street	Beverly
Christopher R. Carlozzi	134 Salem Street, #2	Malden
Robert Allan Mellion	6 Sonja Marie Way	Easton
Harold A. Tubman	33 Roslyn Road	Newton
William C. Rennie	9 Forest Notch	Cohasset
Ryan Coleman Kearney	247 West Fifth Street, #2	Boston
Andrea K. Shea	199 B Derby Street	Salem
Lawrence E. Mulrey	23 Electric Avenue, #1	Somerville
Audrey M. Brienza	5 Essex Street, Apt. #D	Saugus
Jan S. Hurst	99 Grover Street	Beverly

CERTIFICATE OF THE ATTORNEY GENERAL.

September 6, 2017.

Honorable William Francis Galvin
Secretary of the Commonwealth
One Ashburton Place, Room 1705
Boston, Massachusetts 02108

RE: Initiative Petition No. 17-21: Initiative Petition for a Law Relative to Reducing the Burden of Sales and Use Taxes and Requiring a Sales Tax Free Weekend.

Dear Secretary Galvin:

I accordance with the provisions of Article 48 of the Amendments to the Massachusetts Constitution, I have reviewed the above-referenced initiative petition, which was submitted to me on or before the first Wednesday of August of this year.

I hereby certify that this measure is in proper form for submission to the people; that the measure is not, either affirmatively or negatively, substantially the same as any measure which has been qualified for submission or submitted to the people at either of the two preceding biennial state elections; and that it contains only subjects that are related or are mutually dependent and which are not excluded from the initiative process pursuant to Article 48, the Initiative, Part 2, Section 2.

In accordance with Article 48, I enclose a fair, concise summary of the measure.

Sincerely,

MAURA HEALEY,
Attorney General.

Summary of 17-21.

This proposed law would reduce the state sales and use taxes from their current rate of 6.25% (as of September, 2017) to 5.0%. It would make the same reduction in the rate used to determine the amount non-resident building contractors must deposit with the state Commissioner of Revenue as security for the payment of sales and use tax on goods used in carrying out their contracts.

The proposed law would also require the Commissioner of Revenue to designate a weekend in August of each year during which many items could be purchased without the payment of sales tax (but excluding meals, motor vehicles and boats, utilities, and any item costing more than \$2,500).

If the reduction in the sales tax proposed by this measure were to cause a public entity funded by the sales tax (for example, the MBTA or the School Building Authority) to be unable to make a debt payment, the proposed law would require the state treasurer to make the payment instead. The state's liability would be limited to the amount attributable to the sales tax reduction, and the public entity would be required to repay the state within 5 years.