

**SALES TAX DEDUCTION**

**Mr. Tarr moves to amend the bill (Senate, No. 2015), in Section 16, by striking subsection 59 in its entirety and inserting in place thereof the following:-**

“Section 59. There shall be established and set up on the books of the commonwealth a Gaming Revenue Fund, hereinafter the fund, which shall receive revenues collected from the tax on gross gaming revenue received from gaming licensees. The commission shall be the trustee of the fund and shall transfer monies in the fund as follows:

(1) 100 per cent of the revenue received from a category 2 licensee shall be transferred to the Gaming Local Aid Fund; and

(2) 100 per cent of the revenue received from a category 1 licensee shall be transferred as follows:

(a) 2 per cent of revenues to the Massachusetts cultural council of which one-quarter of the revenues received shall be dedicated to the organization support program of the Massachusetts cultural council and three-quarters of revenues shall be dedicated to support not-for-profit or municipally-owned performing arts centers impacted as a result of the operation of gaming facilities; provided, however, that funds dedicated to such performing arts centers shall be to subsidize fees paid to touring shows or artists; provided further, that funding shall be appropriated through a competitive grant process to be developed and administered by the Massachusetts cultural council;

(b) 1/2 per cent to the Massachusetts Tourism Fund to fund tourist promotion agencies under clause (c) of section 35J of chapter 10.

(c) 6.5 per cent to the Community Mitigation Fund established in section 61;

(d) 25 per cent to the Gaming Local Aid Fund, established in section 63;

(e) 10 per cent to the Commonwealth Stabilization Fund established in section 2H of chapter 29; provided, however, that in any fiscal year in which the amount appropriated in item 7061-0008 of the general appropriation act, paid from the General Fund, or the amount of unrestricted general government aid paid from the General Fund, including lottery aid distribution to cities and towns as paid from the General Fund under clause (c) of the second paragraph of section 35 of said chapter 10 and the amount of additional funds distributed to cities and towns as additional assistance paid from the General Fund, is less than that of the previous fiscal year, up to 1/2 of the funds otherwise directed to the Commonwealth Stabilization Fund under this section, up to an amount equal to the deficiency between said appropriations for the current and previous fiscal years, shall be transferred to the Gaming Local Aid Fund in addition to the 25 per cent under clause (e);

(f) 14 per cent to the Education Fund, established in section 64;

(g) 10 per cent shall be used for debt reduction through a program of debt defeasance and accelerated debt payments; provided, however, that this program shall be developed jointly by the state treasurer and the secretary of administration and finance and shall be implemented in compliance with state finance law; provided further, that this program shall prioritize the reduction of risk in the commonwealth's debt portfolio; and provided further, that the state secretary and state treasurer shall provide a written description of the program to the finance advisory board established in section 97 of chapter 6 for the board's review and comment before the program is implemented and shall file a copy of that description with the house and senate committees on ways and means and the house and senate committees on bonding, capital expenditures and state assets when it is submitted to the finance advisory board;

(h) 15 per cent shall be transferred to the Transportation Infrastructure and Development Fund, established in section 62;

(i) 5 per cent to the Public Health Trust Fund; and

(j) 12 percent to the General Fund to offset the loss of revenues associated with the sales tax reduction provided for in Section\_ and Section\_ of this act.”

and moves to further amend the bill by striking Section 18 in its entirety and inserting in place thereof the following:-

“SECTION 18. Chapter 29 of the General Laws is hereby amended by inserting after section 2BBBB the following section:

Section 2CCCC. There shall be established and set up on the books of the commonwealth a separate fund to be known as the Local Aid Stabilization Fund. The fund shall consist of monies transferred to it from the Gaming Revenue Fund established in section 59 of chapter 23K, all other monies credited or transferred to it from any other fund or source and proceeds from the investment of such funds. Subject to appropriation, the fund shall be distributed to cities and towns as a supplement to other sources of local aid distributions, but shall not be subject to section 5C.”

and moves to further amend the bill by inserting, after Section\_, the following new

Sections:-

“SECTION\_\_\_. Section 2 of Chapter 64H of the General Laws, as appearing in the 2008 Official Edition, is hereby amended by striking “6.25 per cent” and replacing it with “5 per cent”.

SECTION \_\_\_. Section 2 of Chapter 64I of the General Laws, as appearing in the 2008

Official Edition, is hereby amended by striking “6.25 per cent” and replacing it with “5 per cent”.