



CITY OF BOSTON • MASSACHUSETTS

OFFICE OF THE MAYOR
THOMAS M. MENINO

July 28, 2009

TO THE CITY COUNCIL

Dear Councilors:

I transmit herewith for your approval an order accepting the provisions granted in Massachusetts General Law (MGL) by Sections 60 and 156 of Chapter 27 of the Acts of 2009. The provisions are for the acceptance of MGL c. 64L § 2(a) allowing cities and towns to impose an excise tax on all meals and beverages subject to the state sales tax.

Currently, the state sales and use tax on meals (prepared food or beverages sold ready for immediate consumption), is 5%. This state tax is scheduled to increase to 6.25% on August 1, 2009. The order before you would add .75%, raising the total meals tax to 7.0% in cities and towns accepting this local option. All revenues generated from this local portion (.75%) of the tax are returned to the municipality where the sale originated.

Given the continued decline in support from the Commonwealth in the form of local aid since fiscal year 2002, and the resulting pressure on the City's revenue structure due to a higher reliance on property taxes, it is prudent to leverage other local sources of revenue. This new revenue option will help the City diversify its revenue streams which support core city services that benefit all those who live, work, and visit our City.

I urge your Honorable Body to adopt these provisions

Sincerely,

Thomas M. Menino
Mayor of Boston

**CITY OF BOSTON
IN CITY COUNCIL**

**AN ORDER RELATIVE TO GENERAL LAWS CHAPTER 64L; A LOCAL OPTIONS TAX ON
MEALS IN THE CITY OF BOSTON**

VOTED:

That the City of Boston accept G.L. c. 64L §
2(a) to impose a local meals excise.

**I HEREBY CERTIFY THAT
THE FOREGOING, IF PASSED IN
THE ABOVE FORM, WILL BE IN
ACCORDANCE WITH LAW.**



**WILLIAM F. BENNETT
CORPORATION COUNSEL**

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