SENATE DOCKET, NO. 1097 FILED ON: 1/20/2011

SENATE . . . . . No. 1021

The Commonwealth of Massachusetts

PRESENTED BY:

James B. Eldridge

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying:

An Act to authorize special revenue funds by local option.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
James B. Eldridge	☐ *[District]* ☐
Steven L. Levy	*4th Middlesex*

SENATE DOCKET, NO. 1097 FILED ON: 1/20/2011

SENATE . . . . . No. 1021

By Mr. Eldridge, petition (accompanied by bill, Senate, No. 1021) of Levy and Eldridge for legislation to authorize special revenue funds by local option [Joint Committee on Municipalities and Regional Government].

The Commonwealth of Massachusetts

An Act to authorize special revenue funds by local option.

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

SECTION 1. Notwithstanding section fifty three of chapter forty four of the General Laws or any other general or special law to the contrary, a city or town which accepts this section may establish a special revenue account into which shall be deposited certain receipts comprising a portion of the total local room occupancy tax received annually by the city or town under section three A of chapter sixty four G of the General Laws, or certain receipts from the local meals excise tax received annually by the city or town under section two A of chapter sixty four L of the General Laws, or both.

The purpose of said fund shall be to promote and to sustain the development of business and the local economy or to invest in water, sewer, or storm water infrastructure for the community, or both.

The amount deposited shall be all or a portion of revenues in excess of 4% collected under section three A of chapter sixty four G of the General Laws, or all or a portion of the excise collected under section two A of chapter sixty four L of the General Laws, or both. Such revenues shall be credited to the Fund without further appropriation.

Any interest shall be added to and become part of the revenue fund so established. The treasurer shall be the custodian of all such funds and may deposit and invest the proceeds under the laws of the commonwealth.

This section shall take effect in a city or town accepting the provisions of this section by a majority vote of the city council with the approval of the mayor, in the case of a city with a Plan A, Plan B, or Plan F charter; by a majority vote of the city council, in the case of a city with a Plan C, Plan D, or Plan E charter; by a majority vote of the annual town meeting or a special meeting called for the purpose, in the case of a municipality with a town meeting form of

23 government; or by a majority vote of the town council, in the case of a municipality with a town
24 council form of government.

25 The vote shall specify whether the room occupancy tax, the local meals tax, or both shall
26 be deposited, and what portion thereof shall be deposited in the fund, and shall specify the
27 purpose of the special fund.

28 The provisions of this section shall take effect on the first day of the calendar quarter
29 following thirty days after such acceptance, or on the first day of such later calendar quarter as
30 the city or town may designate.

31 A city or town may vote by the same process to revoke acceptance of this section and the
32 special revenue fund shall thereupon cease to exist and all unexpended and uncommitted
33 amounts on deposit in the Fund, as of the date of the vote to revoke, shall be credited to the
34 General Fund of the city or town on the first day of the calendar quarter following 30 days after
35 the date of the revocatory vote.

36 If the city or town shall vote to revoke its acceptance of the room occupancy excise rate
37 in excess of 4% under section three A of chapter sixty-four G of the General Laws or shall vote
38 to revoke its acceptance of the local meals excise tax under section two A of chapter sixty-four L
39 of the General Laws, then all unexpended and uncommitted amounts on deposit in the Fund, as
40 of the date of the vote to revoke, shall be credited to the General Fund of the city or town on the
41 first day of the calendar quarter following 30 days after the date of the revocatory vote.