# The Commonwealth of Massachusetts
Office of the Comptroller
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December 30, 2010

Jay Gonzalez, Secretary for Administration and Finance
Commonwealth of Massachusetts
State House, Room 373
Boston, MA 02133

Representative Charles A. Murphy, Chairman
House Ways and Means Committee
State House, Room 243
Boston, MA 02133

Senator Steven C. Panagiotakos, Chairman
Senate Ways and Means Committee
State House, Room 212
Boston, MA 02133

Re: Temporary Holding Fund Transfer

Dear Secretary Gonzalez, Chairman Murphy, and Chairman Panagiotakos:

Pursuant to certification received from the Commissioner of Revenue in accordance with Massachusetts General Laws, Chapter 62F, Section 6A, the "Cumulative Net State Tax Revenues in Excess of Permissible Limit" is $333,042,115 for the first quarter of Fiscal Year 2011; therefore, a transfer of $333,042,115 will be made to the Temporary Holding Fund.

Should you have any questions, please feel free to contact me.

Sincerely,

Martin J. Benison
Comptroller

cc: Michael Esmond, Budget Director
Navjeet Bal, Commissioner of Revenue
Eileen Glovsky, Deputy Treasurer
James MacDonald, Deputy Treasurer
Howard Merkowitz, Deputy Comptroller

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Attachment A

**PART I. ADMINISTRATION OF THE GOVERNMENT**

**TITLE IX. TAXATION**

**CHAPTER 62F. LIMITATION ON THE GROWTH OF STATE TAX REVENUES**

**Chapter 62F: Section 6A. Temporary holding fund; excess state tax revenues; transfer and allocation of funds**

Section 6A. For any quarter of a fiscal year in which cumulative net state tax revenues exceed cumulative permissible tax revenues as defined in this chapter, the comptroller shall transfer such amounts as necessary from the General Fund to the temporary holding fund established by the comptroller to ensure that for the end of each quarter of the fiscal year, the balance of the temporary holding fund shall reflect the year-to-date difference between cumulative net state tax revenues and cumulative permissible state tax revenues. If the balance in the temporary holding fund exceeds the year-to-date difference between cumulative net state tax revenues and cumulative permissible state tax revenues, the comptroller shall transfer the amount of the difference to the General Fund. The secretary of administration and finance may promulgate rules, regulations and guidelines to effectuate the purposes of this section.

For any fiscal year when expenditure from the Commonwealth Stabilization Fund is required to pay expenses of the commonwealth, the comptroller shall reimburse the commonwealth Stabilization Fund at the end of the fiscal year from the temporary holding fund the amount of all such appropriations from the Commonwealth Stabilization Fund, provided that said reimbursement shall not exceed the balance in the temporary holding fund. Any funds remaining in the temporary holding fund at the end of the fiscal year shall be transferred to the General Fund and shall be part of the consolidated net surplus certified by the comptroller pursuant to section 5C of chapter 29.