

Adopting Local Option Excise on the sale of restaurant meals GL Chapter 64L

How does a municipality adopt the local option meals excise?

Acceptance is by a majority vote of the municipal legislative body, subject to local charter. To adopt this local option excise the following or similar language may be used:

VOTED: That the city/town of _____ accept G.L. c. 64L, § 2(a) to impose a local meals excise.

My community voted to adopt the local meals excise. What's the next step?

Within 48 hours of the acceptance the city or town clerk must notify DLS by submitting the form [Notification of Acceptance/Rescission – Meals Excise](#). Email the Notification of Acceptance to databank@dor.state.ma.us.

Why do I need to include contact information for our Local Licensing Authority?

Once your notification of acceptance is received, a list of establishments serving food in your community will be sent to the local licensing authority to verify they have all [registered in DOR MassTax Connect](#). This is an important step in the process as it impacts the amount of revenue a community receives.

Is there a limitation on the rate we can adopt?

A municipality can choose to impose a maximum rate of 0.75%.

Can the adopted rate be amended?

Yes. A municipality accepting an excise rate can choose to amend that rate or even revoke it, but changes to the adopted rate can only happen once a year.

How will the excise be collected from a local establishment?

DOR will collect the additional tax at the same time it collects the state tax on the sale of restaurant meals.

When will DOR start collecting the excise?

The effective date is dependent on two things:

1. The wording of the article approved by the legislative body
2. The date DLS is notified of the adoption

Notification deadlines:

FY Quarter	Quarter Start Date	Notify DLS by:
Quarter 1	July 1 st	May 31 st
Quarter 2	October 1 st	August 31 st
Quarter 3	January 1 st	December 1 st
Quarter 4	April 1 st	March 1 st

For example, if a municipality votes on May 24th to adopt the local option excise effective July 1st the notification of acceptance must be received by DLS no later than May 31st. Delays in notifying DLS timely will push the effective date to the next quarter. Using the same example: if a municipality votes on May 24th to adopt the local option excise effective July 1st but DLS is notified on June 5th, the effective date would be October 1st.

When will we receive the local option excise collected?

DOF issues these payments quarterly. Quarterly payments are based on the taxes collected by DOF in the previous three months. For example, the September 30th local option excise distribution will be based on excise revenues received by DOF in June, July and August.

Can I request a list of all establishments in my community that are registered with DOF as subject to the meals excise?

Yes. DLS can provide local officials with a list of registrations in their municipality. Email your request to databank@dor.state.ma.us.

Can we request the amount of tax collected from a specific establishment?

Unfortunately, we can't provide that detail due to DOF policy on taxpayer confidentiality.

For additional guidance consult [Bulletin 2009-15B](#) Local Option Excise.