

COMMISSIONER

The Commonwealth of Massachusetts Department of Revenue Office of the Commissioner PO Box 7091 Boston, MA 02204-7091

October 20, 2025

William J. McNamara, Comptroller Office of the Comptroller Commonwealth of Massachusetts One Ashburton Place, Room 901 Boston, MA 02108

Dear Comptroller McNamara:

Pursuant to Section 20 of Chapter 28 of the 2023 Acts¹, the Department of Revenue (DOR) is required to certify to the State Comptroller, after each quarterly period during the fiscal year, the amount of tax revenues estimated to have been collected during the quarterly period due to the additional 4% income tax levied pursuant to Article XLIV of the Amendments of the Constitution of the Commonwealth².

The annual quarterly periods are as follows:

Period 1 (July 1 through September 30)

Period 2 (October 1 through January 31)

Period 3 (February 1 through April 30)

Period 4 (May 1 through June 30)

Based on currently available data, DOR hereby certifies that tax revenues estimated to have been collected from the additional 4% income tax was \$477,304,970.46 during Period 1 of FY2026 (July 1, 2025 through September 30, 2025). Please note that this amount is subject to revision in the Period 2 certification as DOR further analyzes tax data.

¹ FY2024 Final Budget (https://malegislature.gov/Budget/FinalBudget)

² Pursuant to FY2024 Final Budget (https://malegislature.gov/Budget/FinalBudget), section 28, the \$1,000,000 taxable income threshold shall annually be subject to the cost-of-living adjustment. For tax year 2023, which was the first year the additional 4% income tax was in effect, the taxable income threshold was \$1,000,000.00. On December 14, 2023, DOR certified that the taxable income threshold for tax year 2024 would be \$1,053,750.00. On November 12, 2024, DOR certified that the taxable income threshold for tax year 2025 would be \$1,083,150.00. The taxable income threshold for tax year 2026 will be determined and certified by DOR some time in November or December 2025.

If you have any questions concerning this letter, please contact Kazim P. Ozyurt, Director of the Office of Tax Analysis (<u>ozyurtk@dor.state.ma.us</u>).

Sincerely,

Geoffrey E. Snyder Commissioner

cc: Secretary Matthew J. Gorzkowicz, Executive Office for Administration and Finance The Honorable Michael J. Rodrigues, Chair, Senate Committee on Ways and Means The Honorable Aaron Michlewitz, Chair, House Committee on Ways and Means