

**OFFERED BY COUNCILORS ED FLYNN, JULIA MEJIA, BREADON, MURPHY,  
WEBER, AND WORRELL**



**CITY OF BOSTON  
IN CITY COUNCIL**

**ORDER FOR A HEARING TO EXPLORE UTILIZING  
SURCHARGES TO PROVIDE RESIDENTIAL TAX RELIEF**

- WHEREAS:** The Convention Center Financing Act authorizes surcharges to finance the construction and renovation of convention centers in Boston, Springfield, Worcester, Chicopee, and West Springfield; *and*
- WHEREAS:** Under this, there are three types of surcharges, including the Boston sightseeing tour surcharge, Boston vehicular rental transaction surcharge, and Parking facilities surcharge in Boston, Springfield and/or Worcester; *and*
- WHEREAS:** As the City of Boston faces economically challenging times, with an expected increase of at least 3.5-9% in residential property tax, the City of Boston, with the approval of the Mayor and City Council, can consider providing residential tax relief for residents through certain surcharges through an act relative to Residential Tax Relief for Boston residents; *and*
- WHEREAS:** For example, surplus receipts from certain Boston tourism fees and surcharges currently directed to the Massachusetts Convention Center Fund could be deposited in the General Fund for the City of Boston; *and*
- WHEREAS:** A separate fund, such as “the City of Boston Residential Tax Relief Fund” can be established and set up, which will be used for Residential Tax Relief for Boston residents. This legislation will redirect Convention Center Fund revenues that are produced exclusively in the City of Boston to the Residential Tax Relief Fund; *and*
- WHEREAS:** The Boston Sightseeing Tour Surcharge is 5% of the sale price of any ticket for any water or land based sightseeing tourist venue, entertainment cruise, or trolley tour originating or located in Massachusetts and conducted partly or entirely in Boston; *and*
- WHEREAS:** The Boston Vehicular Rental Transaction Surcharge is \$10.00 for each vehicular rental contract that is signed or executed in Boston for passenger cars, trucks, vans and trailers. Currently, this is a revenue sharing arrangement between the State and the City, in which the City receives \$1 of this \$10 surcharge. According to the City’s Budget Revenue Estimates and Analysis, rental car surcharge receipts is \$1 million in FY24 and is expected to improve to \$1.3 million in FY25; *and*
- WHEREAS:** Neither of the revenue sources are directly related to Convention Center business. In recent years, these fund surcharges have been used to balance the statewide budget; *and*
- WHEREAS:** Boston residents have a strong case to make to use these funds for residential tax relief given

the abundance of tourism that take place in the City; *and*

**WHEREAS:** Last year, the Boston Vehicle Rental Surcharge totaled approximately \$14.3 million, and the Boston Sightseeing Surcharge totaled \$3.3 million. This could mean more than \$17.5 million in residential relief; *and*

**WHEREAS:** Based on the points outlined, this can be an area that the Boston City Council explore to utilize surcharges to provide residential tax relief for Bostonians; *and*

**NOW, THEREFORE BE IT ORDERED:**

That the appropriate Committee of the Boston City Council holds a hearing to discuss and explore utilizing surcharges to provide residential tax relief for our residents. Representatives from the Budget Department, and any other related Departments are invited to attend.

Filed in City Council: October 9, 2024