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PRESS RELEASE

Massachusetts Announces Extension of Administrative Tax Relief for Local Businesses

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Office of Governor Charlie Baker and Lt. Governor Karyn Polito

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BOSTON — Governor Charlie Baker, Lt. Governor Karyn Polito, Senate President Karen Spilka and House Speaker Robert DeLeo today announced an extension of administrative tax relief measures for local businesses that have been impacted by the ongoing COVID-19 outbreak, especially in the restaurant and hospitality sectors.

This includes the extension of the deferral of regular sales tax, meals tax, and room occupancy taxes for small businesses due from March 2020 through April 2021, so that they will instead be due in May 2021. Businesses that collected less than $150,000 in regular sales plus meals taxes in the twelve month period ending February 29, 2020 will be eligible for relief for sales and meals taxes, and businesses that collected less than $150,000 in room occupancy taxes in the twelve month period ending February 29, 2020 will be eligible for relief with respect to room occupancy taxes. For these small businesses, no penalties or interest will accrue during this extension period.

"Our Administration is committed to supporting local businesses and Main Street economies recovering from the impact of COVID-19, and we're glad to work with our legislative colleagues on this additional measure to provide administrative tax relief," **said Governor Charlie Baker.** "Extending the tax relief measures we put into place earlier this year will help support companies across Massachusetts including small businesses in the restaurant and hospitality industries."

"Providing this tax relief is an important step to support local businesses throughout Massachusetts and we are glad to work with our legislative colleagues on this important issue," **said Lt. Governor Karyn Polito**. "This extension allows certain local companies to defer remitting regular sales tax, meals tax, and room occupancy taxes, an important tax relief measure for businesses that have been affected by the COVID-19 pandemic."

For businesses with meals tax and room occupancy tax obligations that do not otherwise qualify for this relief, late-file and late-pay penalties will be waived during this period.

"The Senate is committed to further assisting our restaurant and hospitality industries hit hard by COVID-19," **said Senate President Karen E. Spilka.** "As we continue to safely reopen and recover, we will work with our

partners in the Administration and the House to mitigate the economic distress felt by local businesses brought on by the unprecedented public health crisis."

"As the COVID-19 outbreak continues to affect our economy, the House is proud of its ongoing efforts to reinforce restaurants, such as its passage of a restaurant recovery package thanks to the work of Chair Michlewitz and the membership," **said House Speaker Robert A. DeLeo.** "We support the deferral of tax collections as it will provide a clear business pathway, especially to our restaurant and hospitality industries."

The Department of Revenue will issue emergency regulations and a Technical Information Release to implement these administrative relief measures.

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