

July 17, 2018

Chair Jeffrey Sanchez
House Ways and Means Committee
State House
24 Beacon Street
Room 243
Boston, MA 02133

Chair Karen Spilka
Senate Ways and Means Committee
State House
24 Beacon Street
Room 212
Boston, MA 02133

Re: The Governor's FY 2018 Closeout Budget – Accelerated Sales Tax Remittance By Payment Processors – Section

Dear Chairs Sanchez and Spilka:

The Electronic Transactions Association (“ETA”) urges the Ways and Means Committees to **support Section 30 of the Governor's FY 2018 closeout budget**. Your committees have taken a thoughtful approach to tax policy and have rejected the real-time sales tax proposal included in previous versions of the Governor's budget.

Section 30 of the Governor's FY 2018 closeout budget would remove outside sections 94 and 95 of Chapter 4 of the Acts of 2017. This provision eliminates the shift of \$125 million in sales tax collections from FY 2019 to FY 2018 and eliminates the need to shift funds in perpetuity to prevent an annual shortfall. Because this approach resolves both the fiscal and policy issues associated with the daily remittance proposal, we respectfully request that you adopt it.

ETA is the leading trade association for the payments industry, representing more than 500 companies that offer electronic transaction processing products and services. ETA's members include all parts of the electronic payments ecosystem including financial institutions, acquiring banks, merchant service providers and processors, and payment card networks. ETA member companies are creating innovative offerings in financial services, revolutionizing the way commerce is conducted with safe, convenient, secure, and rewarding payment solutions.

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We recognize the challenges you face in shepherding the budget through your chambers and offer you our thanks for your work resolving this important issue. Thank you for the opportunity to participate in the discussion. If you have any additional questions, you can contact me or ETA Senior Vice President, Scott Talbott at stalbott@electran.org.

Sincerely,



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Electronic Transactions Association
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Cc: Governor Charlie Baker