

Did you Know?

The average age of vehicles in the Highway Department fleet is 17 years old?

Except the FY 17 lease, the Police Department has not purchased a cruiser with local tax levy since 2011?

There is already a way to help pay for such needs without raising the tax bill for your home?

What is it?

The local option meals tax adds $\frac{3}{4}$ of a penny to every dollar spent on meals. This rate is set by the state.

How much money would Templeton receive?

The Department of Revenue estimates Templeton would receive roughly \$42,000 annually from the meals tax.

Who has Adopted the tax?

About two-thirds Massachusetts communities have adopted the meals tax.

Eight out of ten neighboring communities have adopted the meals tax and receive \$40,000 to \$127,000 annually.

How it Works?

There is no local effort involved in collecting the tax.

Vendors collect and remit the state and local tax to the state, DOR calculates the shares owed to the community, and then distributes the local share to the community quarterly.

Looking for more information on the Town Meeting?

Got to: www.templeton1.org (Click on Town Meeting and then 2019 Town Meeting Packet)

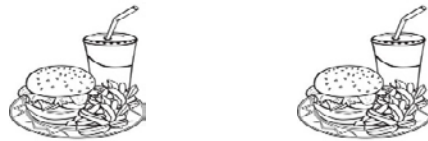
What does this Mean for you?

Everyday meals will see a modest increase.

A 99 cent coffee costs \$1.05 with state tax now, and will only see an increase of one penny (\$1.06).



A meal for two at \$19.98 with state tax is now \$21.18. This meal will increase only 15 cents with the meals tax.



A \$50 meal for a family of four will only see an additional 38 cents added to their bill.



How would the Town use the funds this year and going forward in future years?

This new steady stream of additional revenue provides an opportunity to address the Town's vehicle needs.

We propose to use funds by creating a capital rolling stock program for police and highway vehicles. Voters will act upon how the meals tax funds will be used at Town Meeting.

Would this be enough to cover our equipment needs?

No but it's a start. Meals tax revenues would be used to pay for three-year leases on a one-ton and cruiser.

One-Ton Dump Truck With Plow & Wing



Police Cruiser



What would the effect be on businesses?

Affected businesses would need to adjust their registers, credit card readers, and menus. This is a one-time adjustment. The business sends the total tax to the state which then distributes the Town's share to it on a quarterly basis. No further paperwork is required on the part of the local business.

To date, business owners have not expressed concerns over losing business over this small increase. They have indicated their understanding of the need for the monies for capital equipment.

Why would this tax appeal to me?

Large employers in Templeton such as the Town and School District employ people who are not residents.

These employees come to Templeton to purchase meals and help contribute to meals tax revenue, helping offset the tax burden for residents.

What public outreach efforts were made?

We first started with a mailing to the 3,300 households as part of the annual census informing them of future informational sessions.

For the first informational session, thirty + business owners directly impacted by the tax were personally invited to start the public conversation.

The second and third public informational sessions for the public at-large were held on January 24th and February 5th.

Both meetings had public notifications posted on the Town's website 5 business days before.

How does a community adopt the tax, and when would the Town begin receiving meals tax revenue?

The local option meals tax needs to be adopted at Town Meeting. If adopted at May's Town Meeting, collections would begin July 1st, 2018. The Town's would start to receive its payments in October of 2018.

What if we want to repeal it?

To our knowledge, no community has ever repealed the tax once adopted. The tax must be in place for at least three years before a repeal can happen, and the vote must be approved at Town Meeting.

Looking for more information on the Town Meeting?

Got to: www.templeton1.org (Click on Town Meeting and then 2019 Town Meeting Packet)

ARTICLE 27: ADOPTION OF MGL RE: LOCAL OPTION MEALS TAX

To see if the Town will vote to adopt Section 2 of Chapter 64L of the Massachusetts General Laws, providing for the imposition of a "...local sales tax upon the sale of restaurant meals originating within the city or town by a vendor at a rate of .75 per cent of the gross receipts of the vendor from the sale of restaurant meals." with an effective date of July 1, 2018,

ARTICLE 28: AUTHORIZE LEASE OF CAPITAL ITEMS – POLICE & DPW

To see if the Town, contingent up the adoption of the Local Option Meals Tax, so called, will vote to (a) raise and appropriate the sum of Forty Two Thousand Dollars and No Cents (\$42,000.00) to pay for the first year of a three year lease for a fully equipped police cruiser and a one-ton pick-up with dump body, wing and plow with said lease not to exceed One Hundred and Twenty Six Thousand Dollars and No Cents (\$126,000.00) in total, and have a so called escape clause for lack of appropriation in addition to provisions for an early pay-off, without penalty, and a One Dollar (\$1.00) buy-out upon the conclusion of all regularly schedule lease payments and (b) appropriate the sum of Twelve Thousand Five Hundred Dollars (\$12,500.00) to write down the purchase price of said items such that they may be leased within the foregoing limits set in this article and to meet said appropriation by a transfer of said sum from certified free cash.

What if I still have questions, comments, or concerns?

If you have comments or questions, please send them to the Town's Municipal Management Fellow Eric Pollitt by email epollitt@templeton1.org or 978-984-2778

Town of Templeton

Frequently Asked Questions

2018 Town Meeting

Proposed Articles

Local Option Meals Tax

