



## **BULLETIN #141/2020 DECEMBER 16, 2020**

### **CORONAVIRUS UPDATE**

**GOV. BAKER, IN NEW GUIDANCE, PUSHES FOR HOUSEHOLD-ONLY  
HOLIDAYS AFTER THANKSGIVING SPIKE**

**ACCELERATED SALES TAX REMITTANCE SIGNED INTO LAW**

**NHTSA ODOMETER DISCLOSURE RULE REVISIONS TAKE EFFECT  
JANUARY 1**

#### **Gov. Baker Appeals for Household-Only Holidays after Thanksgiving Spike**

[Courtesy *State House News Service*]

Have yourself a merry little Christmas, emphasis on little.

That was the message Tuesday from Gov. Charlie Baker as he urged people to take COVID-19 safety precautions more seriously during the December holiday season than they seem to have for Thanksgiving and to look for new guidance coming from the Department of Public Health on how to safely celebrate Hanukkah, Christmas, Kwanzaa, and New Year's in the midst of a global pandemic.

"It's pretty simple," Baker said of the new DPH guidance. "The safest way to celebrate this year is with members of your own household and to postpone or cancel any travel plans and to avoid gatherings with people you don't live with. Any type of celebration beyond that has real potential, as we saw with Thanksgiving, to spread the virus and hurt the ones we love the most."

The governor made a similar plea to the public ahead of Thanksgiving, but based on his comments Tuesday and the data he presented, it appears that not enough people heeded the governor's warnings last month. He said he hopes more people will alter their traditional holiday plans because "we just saw this movie" and are now seeing the dramatic impacts it had.

"Public health officials and our administration have warned folks for weeks to avoid large holiday gatherings heading into Thanksgiving because when folks are at home with family or friends, they do tend to let their guard down. That's where the virus thrives and over Thanksgiving in Massachusetts, it clearly did," Baker said. "More people are sick, our hospital system is feeling the strain, more people need hospital-level care, and health care workers are being pushed, once again, to their limits to take care of those with COVID and others."

[New [holiday guidance](#) published Tuesday by the Department of Public Health echoes the



[New [holiday guidance](#) published Tuesday by the Department of Public Health echoes the messages put out over Thanksgiving, telling Massachusetts residents that gathering with others increases risk of spreading the virus and that their best move is to celebrate in-person with only members of their own household. "On behalf of all of our nurses and health care colleagues, I do want to join with the governor in asking, even begging, each of you to follow the state guidelines, to refrain from gathering for the Christmas holidays," Massachusetts General Hospital nursing director Melissa Jocelyn said.]

On December 1, five days after Thanksgiving, the state was averaging about 2,400 new COVID-19 cases each day. A week later, squarely within the 10- to 14-day incubation period for COVID-19 transmission on Thanksgiving, the average number of daily new cases had nearly doubled to almost 4,800, Baker said.

"That's a 96 percent increase in a little over a week. Similarly, prior to Thanksgiving, our positive test rate was pretty stable and had consistently been somewhere in the two-three percent range, under four percent. The current test rate, as most people know, is around 5.7 percent," Baker said.

In the last three weeks, hospitalizations for COVID-19 are up 93 percent, the number of patients being treated in an intensive care unit for COVID-19 is up 73 percent and the number of patients who need a ventilator to breathe has gone up by 104 percent, Baker said. Deaths have increased by 84 percent since Thanksgiving and the virus has claimed the lives of 689 people in Massachusetts since Thanksgiving.

The governor said Massachusetts and its health care system cannot afford to have the December holidays be "the kind of consequential event that Thanksgiving has been here in Massachusetts."

"If our hospitals can't keep up, we have few options left other than more restrictions," Baker said Tuesday.

Jocelyn said she and others in the health care world understand that everyone is tired and exhausted of having to comply with COVID-19 safety guidelines, but fears that "the tendency is to simply give up and return to a sense of premature normalcy" as the pandemic drags on and with the vaccinated end of the pandemic within sight.

"In the hospital setting, we are also tired and exhausted. We are tired of seeing people dying on breathing machines. More sadly, even dying alone, where we use an iPad to connect a dying patient to their loved ones," she said.

Jocelyn added, "There is light at the end of the tunnel. But remember, we are still in the tunnel. The sooner all of us adhere to the basics -- not gathering in big crowds, keeping our bubble small, continuing to wear a mask, wash your hands, practice social distancing - the sooner we will be able to hug our loved ones, celebrate the holidays, and return to our traditions."

Health and Human Services Secretary Marylou Sudders asked residents to take "the long view" and sacrifice traditional gatherings this year to help ensure that next year's holidays



will be joyful and will include loved ones whose health could be jeopardized by large assemblies during the pandemic. Baker also tried to emphasize the temporary nature of the change he is asking people to make.

"I can't emphasize enough that this is not forever. This is once. One time. One month. One year. Christmas, Hanukkah, Kwanzaa, New Year's Eve, really do, and should be different," he said. "Next year we'll probably be able to celebrate those holidays just like we used to. But not this year."

### **Gov. Baker Signs FY21 Budget with Accelerated Sales Tax Remittance**

[Information provided courtesy of our accounting partner, O'Connor & Drew]

Massachusetts Gov. Charlie Baker has approved a fiscal 2021 budget that includes accelerated sales tax remittance.

The \$46 billion budget, signed by the governor on December 11, will modernize sales tax collection by taking "advantage of widely available technologies and capabilities," according a release from the governor's office.

Retailers that collected more than \$150,000 in sales tax or room occupancy and meals tax in the previous calendar year will need to remit their first three weeks' sales taxes each month in the final week of that month. "These reforms will not impact consumers or nearly 95 percent of Massachusetts businesses, and are focused on the largest companies in the Commonwealth, many of which have benefited from the changing economic landscape and new consumer patterns," the release says.

The state budget document also imposes a 5 percent penalty on the amount of tax underpayment barring a reasonable cause. However, it states that "such penalty shall not be imposed if the payment made on or before the date prescribed in this section is not less than 70 percent of the total tax collected during the filing period."

The legislation also directs the Department of Revenue to study the "administrative and revenue impacts" of implementing an entity-level tax on non-corporate businesses coupled with a refundable tax credit, so business owners and entity members can avoid the state and local tax deduction limitation under the federal Tax Cuts and Job Act.

According to the release, the budget relies on an "upgraded" tax revenue projection of \$28.44 billion. This projection is \$459 million more than the previously revised revenue forecast released in October.

A November 10 position paper by the Massachusetts Taxpayers Foundation said the accelerated remittance plan would act as a sales tax prepayment and would generate about \$267 million in additional revenue in the year it is implemented.

According to the release, the Baker administration has also filed a \$107.4 million supplemental budget bill (House 5190). The bill would allocate \$49.4 million to the "economic recovery and small business relief plan included in the Administration's



revised FY21 budget proposal and support the unique needs of small and minority- and women-owned businesses across the Commonwealth."

### **NHTSA Odometer Disclosure Rule Revisions Effective January 1**

*As of Jan. 1, dealers in every state must provide odometer disclosures for MY 2011 vehicles*

The primary focus of a [rule](#) the National Highway Traffic Safety Administration (NHTSA) announced in 2019 was how to electronically make the odometer disclosures federal law requires in conjunction with most used-vehicle transfers (sales, leases, auctions, etc.). The rule set out minimum e-odometer security and authentication criteria consistent with state-issued paper odometer disclosure documents. To date, only a few titling jurisdictions have conformed with NHTSA's e-odometer requirements.

The rule also amended the "older vehicle" odometer disclosure exemption. In 2020, used motor vehicles 10 model years (MYs) and older are exempt from the federal odometer disclosure mandates. Starting January 1, 2021, an additional MY will become subject to the disclosure mandates each year until a full 20 MYs are covered. In other words, starting on January 1, 2021, MY 2011 motor vehicles are no longer exempt and, in 2031, only motor vehicles 20 years old or older will be exempt.

Unfortunately, not every jurisdiction has changed its laws, documents, and procedures to meet the January 1, 2021, deadline. NADA understands that Alaska, Delaware, Oregon, Missouri, Montana, Vermont, and Washington state will not conform to the revised older-motor-vehicle exemption on January 1 (all intend to do so by January 1, 2022). Nonetheless, it is important for dealers in every state to obtain and provide odometer disclosures for MY 2011 motor vehicles starting on January 1, 2021.

Of concern is whether odometer readings will be recorded on the face of new titles issued by the above seven states for MY 2011 motor vehicles; and if not, and if those MY 2011 motor vehicles are subsequently transferred out of state, what their new titles will reflect on their face. For example, will new titles to be issued with "true mileage unknown (TMU)" in lieu of actual odometer readings?

Detailed information regarding the federal odometer law is found in a newly issued revision to NADA's [Dealer Guide to the Federal Odometer Law](#). Questions on the federal odometer law and NHTSA's rules can be directed to [regulatoryaffairs@nada.org](mailto:regulatoryaffairs@nada.org).

### **MSADA - YOUR DEALER ANSWER PLACE**

If you have any questions regarding this bulletin, please contact Robert O'Koniewski, Esq., MSADA Executive Vice President, by e-mail at [rokoniewski@msada.org](mailto:rokoniewski@msada.org), or Peter Brennan, Esq., MSADA staff attorney, by e-mail at [pbrennan@msada.org](mailto:pbrennan@msada.org), or either by phone at (617) 451-1051.