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H.69

Introduced by Representatives Condon of Colchester, Baser of Bristol,
Bissonnette of Winooski, Canfield of Fair Haven, Gage of
Rutland City, Graham of Williamstown, Greshin of Warren,
Hubert of Milton, Poirier of Barre City, Smith of New Haven,
and Van Wyck of Ferrisburgh

Referred to Committee on

Date:

Subject: Taxation; sales tax holiday

Statement of purpose of bill as introduced: This bill proposes to declare
August 26 and 27, 2017 a State sales tax holiday.

An act relating to declaring August 26 and 27, 2017 a State sales tax
holiday

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. SALES AND USE TAX HOLIDAY

(a) Notwithstanding the provisions of 32 V.S.A. § 9771 and 24 V.S.A.
§ 138, a sales and use tax or local option sales tax shall not be imposed or
collected on sales to individuals for personal use items or tangible personal
property at a sales price of \$2,000.00 or less on August 26 and 27, 2017.

1 (b) A vendor in good standing shall be entitled to claim reimbursement for
2 its expenditures for the reprogramming of cash registers and computer
3 equipment that were in use at the place of business on and after
4 August 27, 2017, for the August 26 and 27, 2017 sales tax holiday. Claims
5 shall be filed with the Department of Taxes within 60 days of the date of the
6 sales tax holiday, with receipts or such other documentation the Department
7 may require. The amount of reimbursement to each vendor shall not exceed
8 the least of the three following amounts:

9 (1) the actual cost to the vendor of reprogramming its cash registers and
10 computer equipment;

11 (2) \$50.00; or

12 (3) \$10,000.00 divided by the number of qualified vendor applicants.

13 (c) Any municipality with a local option sales tax affected by the sales tax
14 holiday imposed by this section shall be reimbursed from the Department of
15 Taxes for the amount of local option sales tax revenues lost to the
16 municipality. The Commissioner of Taxes shall develop a methodology for
17 determining such reimbursement. The Commissioner shall also adjust the
18 deposit in the PILOT special fund, as established in 32 V.S.A. § 3709, for lost
19 deposits due to sales tax holidays. Should the amount appropriated for these
20 purposes under subsection (d) of this section be insufficient to reimburse fully

1 the municipalities and adjust the PILOT special fund, reimbursements to
2 municipalities shall take priority.

3 (d) In fiscal year 2018, \$10,000.00 in general funds is appropriated for
4 payments for the reprogramming under subsection (b) of this section, and
5 \$100,000.00 in general funds is appropriated for the reimbursement to
6 municipalities and adjustments under subsection (c) of this section.

7 Sec. 2. EFFECTIVE DATE

8 This act shall take effect on passage.