

H.489 An Act Relating to Revenue - Conference Committee

FY 2016 Revenue Change

Sec #	Brief Provision Description	GF	EF	All Other SF
<b>Fee Provisions</b>				
1 - 33	Fee Provisions	0.7		2.9
<b>Administrative Provisions</b>				
34	Semiweekly definition		N/A	
35	Eliminates report from manufacturers and distributors of malt and vinous beverages		N/A	
36 & (90)	Repeals PVR responsibility for mapping and transfers to VCGI		N/A	
37	Allows ANR to share proprietary info with Tax		N/A	
38	Raises prize limits for non-profits charitable gambling		N/A	
39	Allows director of PVR to certify additional courses for lister training		N/A	
40	Deleted		N/A	
<b>Collections</b>				
41 - 44	Wage garnishment for delinquent taxes	2.1		
12-Feb	Advocate services	(0.1)		
45 - 46	Collections Unit within Tax Department		N/A	
47	Authority to intercept Medicaid payments for delinquent taxes	0.1		
<b>Current Use</b>				
48	The LUCT is 10% of a whole parcel, and 10% of the FMV of a portion. Munis receive the lesser of 1/2 of the tax paid or \$2K. Technical correction to file lien rather than application at the land records. Technical change to clarify that the application does not need to be with lien	In out years, the LUCT would yield an estimated \$2.6 - \$3.0 million annually, approximately three times the current law amount.		
49	Beginning in FY17, LUCT 3/4 to EF and 1/4 to GF	No FY16 impact, FY17 negligible		
50 & 51	Portions of parcels are now valued at FMV, and local assessors no longer rely on sales info from PVR Director	N/A		
52	Management activity report clarification and notice period	N/A		
53	Ability for landowners to withdraw land between 7/1/15 and 10/1/15 "easy out"	FY17 \$500K GF	FY16 \$900K EF	
54	Establishes a study committee to examine reimbursements to municipalities	N/A		
55	Requires PVR to publish Guidance on how to assess land subject to a conservation easement and land subject to use value appraisal by April 15, 2016.	N/A		
56	PVR annual audits of 3 towns	N/A		
57	Ag land certification	N/A		
58	ANR Forester Report	N/A		
<b>Statewide Education Tax</b>				
59	Homestead Property must be owned on April 1 and not leased more than 183 days		- Minimal EF	
60	Extends the property tax exemption for qualified housing 10 additional years		(0.7)	
61	Deleted	N/A		
<b>Tax Increment Financing Districts</b>				
62	Technical TIF changes on reporting requirements and dates	N/A		
63	Allows TIFs to exclude special assessments from the municipal increment	N/A		
<b>Income Taxes</b>				
64-65	Income tax changes (package); eliminate deduction for state and local income taxes; 2.5 cap on itemized deductions EXCLUDING medical deductions and charitable deductions which are fully allowed, 3% minimum tax for AGI > \$150K	22.9		
66	Annual update to IRS code	N/A		
67	Employer-sponsored insurance report to Tax	N/A		
68	Mirrors federal withholding rather than a VT specific rule	N/A		
69	Requires trusts and estates to make estimated payments	N/A		
70	Publicly traded partnership rule	N/A		
<b>Downtown Tax Credits</b>				
71	Expands credit for "qualified code technology improvements"	No additional cost, these fall under the existing cap and may increase pressure/competition for credits		
72	Limits the new elevator credit to \$40,000			
<b>Cigarette Tax</b>				
73 - 86	Amends sections to conform with changes made in Act 14 of 2013 (definitional changes, redundant terms etc)	N/A		
<b>Corporation Taxes</b>				
87	Administrative provisions (interest, penalty, appeal and collection) to franchise taxes	N/A		
<b>Meals and Rooms Tax</b>				
88 - 89	Extends the meals and rooms tax to vending machine sales	1.0		
90	Interest on M&R tax refund begins from 45 days after refund request	Negligible GF		
<b>Sales and Use Tax - FY2016</b>				
91 - 92	Adds soft drinks to the sales tax	5.1	2.8	
93	Requires that Tax report and JFO analyze extending the sales tax to services			
95 - 96	Increase use tax default from 0.1% of 0.15% of AGI	0.5		
<b>Repeals and Effective Dates</b>				
97	Prohibits the sale of lottery products in bars and restaurants 7/1/16	FY2017		
98	Repeals PVR responsibility for mapping (see section 3 also)	N/A		
99	Effective Dates	N/A		
<b>Totals</b>		<b>GF</b> 32.3	<b>EF</b> 3.0	<b>SF</b> 2.9
			All Funds	38.2

## H.489 House and Senate FY16 Revenue Comparison

<b>Fee Sections (1-34)</b>	<b>House</b>	<b>Senate</b>	<b>Difference</b>	<b>Conference</b>
Secretary of State	(90,425)	(90,425)	0	(90,425)
Education	240,015	240,015	0	240,015
AHS - Food & Lodging Fees	435,555	414,289	(21,266)	412,230
AHS - Licensing Fees	99,220	99,220	0	99,220
ANR - Siting Fees	452,667	452,067	(600)	452,067
Natural Resources Board	444,356	444,356	0	444,356
ANR - DEC Fees	760,780	902,005	141,225	902,005
ANR - Fish & Wildlife	119,348	119,348	0	119,348
Labor Workers' Comp	0	0	0	0
ACCD	106,100	106,100	0	106,100
ATV Fees	140,000	140,000	0	140,000
AHS - VSNIP Surcharge	N/A	80,000	80,000	80,000
Judiciary Fees	N/A	746,194	746,194	711,194
subtotal fees	2,707,616	3,653,169	945,553	3,616,110

  

<b>Tax Sections (35 - 91)</b>	<b>House</b>	<b>Senate</b>	<b>Difference</b>	<b>Conference</b>
Current Use LUCT Easy Out	0.9	N/A	0.9	0.9
Qualified Housing Exemption	(0.7)	(0.7)	0.0	(0.7)
Income Tax Changes	33.2	22.0	(11.2)	22.9
Wage Garnishment	N/A	2.5	2.5	2.1
Advocate Services	N/A	N/A	N/A	(0.1)
Medicaid Intercept	N/A	0.1	0.1	0.1
Employer Assessment	N/A	5.1	5.1	N/A
Vending Meals Tax	N/A	1.0	1.0	1.0
Soft Drinks	N/A	7.9	7.9	7.9
Bottled Water	N/A	1.2	1.2	N/A
Satellite Gross Receipts	N/A	2.5	2.5	N/A
Use Tax Table Increase	N/A	0.5	0.5	0.5
subtotal taxes	33.4	42.1	10.5	34.6
General Fund	33.2	34.3	1.1	31.6
Education Fund	0.2	2.5	2.3	3.0
Other Special Funds	0.0	5.3	5.3	0.0
<b>Total</b>	<b>36.1</b>	<b>45.7</b>	<b>9.6</b>	<b>38.2</b>