

1 H.224

2 Introduced by Representatives Condon of Colchester, Howard of Rutland City,

3 Johnson of S. Hero, Keenan of St. Albans City, Marcotte of

4 Coventry, Morley of Barton and Spengler of Colchester

5 Referred to Committee on

6 Date:

7 Subject: Taxation; amnesty

8 Statement of purpose: This bill proposes to create a period of amnesty so that
9 taxpayers owing taxes to this state may file returns and pay such taxes but be
10 relieved from paying penalties.

11 An act relating to tax amnesty

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

13 Sec. 1. TAX AMNESTY

14 (a) Notwithstanding any law to the contrary, the commissioner of taxes
15 shall establish a tax amnesty program during which all penalties that could be
16 assessed by the commissioner shall be waived without the need for any
17 showing by the taxpayer of reasonable cause or the absence of willful neglect,
18 if the taxpayer, prior to the expiration of the amnesty period, voluntarily files
19 proper returns for all tax types for all periods for which the taxpayer has or had
20 a filing obligation and pays, or at the commissioner's discretion provides

1 security for, the full amount of tax shown on the taxpayer's returns or the
2 commissioner's assessments, together with all interest due thereon. The
3 amnesty program shall be established for a period of two consecutive months
4 to be determined by the commissioner, such period to expire not later than
5 December 31, 2009. The commissioner shall provide amnesty under this
6 program for the failure of the taxpayer to:

7 (1) timely file any proper return for any tax types and for any tax
8 periods;

9 (2) file proper returns which report the full amount of the taxpayer's
10 liability for any tax types and for any tax periods;

11 (3) timely pay any tax liability; or

12 (4) pay the proper amount of any required estimated payment toward a
13 tax liability.

14 (b) The commissioner's authority to waive penalties during the amnesty
15 period shall not apply to any taxpayer who, before the start date of the amnesty
16 program selected by the commissioner, is or has been the subject of a
17 tax-related criminal investigation or prosecution. The amnesty program shall
18 not apply to a tax liability of any tax type for a period commencing on or after
19 January 1, 2008 and shall not authorize the waiver of any interest or amount
20 treated as interest. The commissioner may offer amnesty to those taxpayers

1 who have any unpaid tax liability, whether before or after the filing of a return,
2 which liability remains unpaid.

3 (c) Amnesty shall not apply to those penalties which the commissioner
4 would not have the sole authority to waive, including fuel taxes administered
5 under the International Fuel Tax Agreement or under the local option portions
6 of taxes.

7 (d)(1) The commissioner shall maintain records of the amnesty provided
8 under this section, including:

9 (A) the number of taxpayers provided with amnesty;

10 (B) the types of tax liability for which such amnesty was provided
11 and, for each such type of liability:

12 (i) the amount of tax liability collected by the commissioner; and

13 (ii) the amount of penalties forgone by virtue of such amnesty; and

14 (iii) the total outstanding tax liability due to the state, for the
15 period through December 31, 2008, after the collection of all funds under this
16 section.

17 (2) The commissioner shall file a report detailing such information with
18 the clerk of the house of representatives and the secretary of the senate, the
19 joint fiscal committee, the house committee on ways and means, and the senate
20 committee on finance not later than December 31, 2010; provided, however,
21 that such report shall not contain information sufficient to identify an

1 individual taxpayer or the amnesty an individual taxpayer was provided under
2 this section.

3 Sec. 2. EFFECTIVE DATE

4 This act shall take effect upon passage.