

1 H.143

2 Introduced by Representatives Wilson of Manchester, Cheney of Norwich,
3 Bohi of Hartford, Botzow of Pownal, Browning of Arlington,
4 Burke of Brattleboro, Clarkson of Woodstock, Deen of
5 Westminster, Gilbert of Fairfax, Hooper of Montpelier, Keenan
6 of St. Albans City, Lorber of Burlington, Macaig of Williston,
7 Marcotte of Coventry, Masland of Thetford, Munger of South
8 Burlington, Stevens of Waterbury, Stevens of Shoreham,
9 Townsend of Randolph, Waite-Simpson of Essex and Weston
10 of Burlington

11 Referred to Committee on

12 Date:

13 Subject: Taxation; sales tax; definition; vendor

14 Statement of purpose: This bill proposes to require certain businesses that sell
15 items subject to the sales and use tax via independent contractors located
16 within Vermont to collect and remit sales tax.

17 An act relating to the taxation of certain Internet sales

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

1 Sec. 1. 32 V.S.A. § 9701(9)(I) is added to read:

2 (I) For purposes of subdivision (C) of this subdivision (9), a person
3 making sales that are taxable under this chapter shall be presumed to be
4 soliciting business through an independent contractor, agent, or other
5 representative if the person enters into an agreement with a resident of this
6 state under which the resident, for a commission or other consideration,
7 directly or indirectly refers potential customers, whether by a link on an
8 Internet website or otherwise, to the person if the cumulative gross receipts
9 from sales by the person to customers in the state who are referred to the
10 person by all residents with this type of an agreement with the person are in
11 excess of \$10,000.00 during the preceding tax year. For purposes of
12 subdivision (C) of this subdivision (9), the presumption may be rebutted by
13 proof that the resident with whom the person has an agreement did not engage
14 in any solicitation in the state on behalf of the person that would satisfy the
15 nexus requirements of the United States Constitution during the tax year in
16 question.

17 Sec. 2. EFFECTIVE DATE

18 This act shall take effect on July 1, 2011, and shall apply to all sales subject
19 to the tax imposed by chapter 233 of Title 32 occurring on and after that date.