

1 H.757

2 Introduced by Representatives Young of Glover and Scheuermann of Stowe

3 Referred to Committee on

4 Date:

5 Subject: Taxation; sales and use tax; software services

6 Statement of purpose: This bill proposes to impose a temporary moratorium  
7 on the enforcement of the sales tax on prewritten software that is accessed  
8 remotely.

9 An act relating to a temporary moratorium on the enforcement of the sales  
10 tax on prewritten software that is accessed remotely

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

12 Sec. 1. TEMPORARY MORATORIUM ON ENFORCEMENT OF SALES

13 TAX ON PREWRITTEN SOFTWARE ACCESSED REMOTELY

14 Notwithstanding the imposition of sales and use tax on prewritten computer  
15 software by 32 V.S.A. chapter 233, the department of taxes shall not assess tax  
16 on charges for remotely accessed software made after December 31, 2006.

17 Taxes paid on such charges shall be refunded upon request if within the statute  
18 of limitations and documented to the satisfaction of the commissioner.

19 “Charges for remotely accessed software” means charges for the right to access  
20 and use prewritten software run on underlying infrastructure that is not

1 managed or controlled by the consumer or a related company. Enforcement of  
2 the sales and use tax imposed on the purchase of specified digital products  
3 pursuant to 32 V.S.A. § 9771(8) is not affected by this section.

4 Sec. 2. EFFECTIVE DATE

5 This act shall take effect on passage.