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H.482

Introduced by Representatives Buxton of Tunbridge, Bouchard of Colchester,
Burditt of West Rutland, French of Randolph, Ralston of
Middlebury, Strong of Albany, and Trieber of Rockingham

Referred to Committee on

Date:

Subject: Commerce; housing; economic development

Statement of purpose of bill as introduced: This bill proposes to create an
employer-assisted housing fund within the Agency of Commerce and
Community Development.

An act relating to creating an employer-assisted housing fund

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

* * * Creation of Employer-Assisted Housing Fund * * *

Sec. 1. 10 V.S.A. chapter 2 is added to read:

CHAPTER 2. EMPLOYER-ASSISTED HOUSING FUND

§ 17. DEFINITIONS

As used in this section:

(1) “Vermont employer” means a business located in the State of

Vermont.

1 (2) “Vermont employee” means a full-time employee of a Vermont
2 business.

3 § 18. CREATION OF THE EMPLOYER-ASSISTED HOUSING

4 INITIATIVE

5 There is created within the Agency of Commerce and Community
6 Development the Vermont employer-assisted housing program. The purpose
7 of the program shall be to provide matching state funds to a Vermont employer
8 who contributes up to \$5,000.00 to a Vermont employee’s home-buying
9 expenses. In order to receive matching state funds:

10 (1) the Vermont employee must be purchasing his or her first home; and

11 (2) the Vermont employee must be purchasing a home within the State
12 of Vermont.

13 § 19. EMPLOYER-ASSISTED HOUSING FUND

14 (a) The Vermont Agency of Commerce and Community Development shall
15 create an employer-assisted housing fund and administer the disbursement of
16 housing grants to applicants who meet the standards set forth in section 18 of
17 this chapter.

18 (b) The fund shall be administered by the Secretary of Commerce and
19 Community Development and shall not be subject to the provisions of
20 32 V.S.A. chapter 7, subchapter 5.

1 * * * Exclusion of Employer-Assisted Housing Payments from
2 Corporate Income at State Level * * *

3 Sec. 2. 32 V.S.A. § 5811(18) is amended to read:

4 (18) “Vermont net income” means, for any taxable year and for any
5 corporate taxpayer:

6 (A) the taxable income of the taxpayer for that taxable year under the
7 laws of the United States, without regard to Section 168(k) of the Internal
8 Revenue Code, and excluding income which under the laws of the United
9 States is exempt from taxation by the states:

10 (i) increased by:

11 (I) the amount of any deduction for state and local taxes on or
12 measured by income, franchise taxes measured by net income, franchise taxes
13 for the privilege of doing business and capital stock taxes; and

14 (II) to the extent such income is exempted from taxation under
15 the laws of the United States by the amount received by the taxpayer on and
16 after January 1, 1986 as interest income from state and local obligations, other
17 than obligations of Vermont and its political subdivisions, and any dividends
18 or other distributions from any fund to the extent such dividend or distribution
19 is attributable to such Vermont state or local obligations; and

1 (ii) decreased by:

2 (I) the “gross-up of dividends” required by the federal Internal
3 Revenue Code to be taken into taxable income in connection with the
4 taxpayer’s election of the foreign tax credit; ~~and~~

5 (II) the amount of income which results from the required
6 reduction in salaries and wages expense for corporations claiming the Targeted
7 Job or WIN credits; and

8 (III) employer-assisted housing payments made pursuant to
9 10 V.S.A. chapter 2.

10 * * *

11 * * * Exclusion of Employer-Assisted Housing Payments Made by a
12 Pass-Through Entity, Including an LLC, Partnership, S Corp.,
13 or Sole Proprietorship, from Income at State Level * * *

14 Sec. 3. 32 V.S.A. § 5811(21)(B) is amended to read:

15 (B) Decreased by the following items of income (to the extent such
16 income is included in federal adjusted gross income):

17 (i) income from United States government obligations;

18 (ii) with respect to adjusted net capital gain income as defined in
19 Section 1(h) of the Internal Revenue Code: either the first \$5,000.00 of
20 adjusted net capital gain income; or 40 percent of adjusted net capital gain

1 income from the sale of assets held by the taxpayer for more than three years,
2 except not adjusted net capital gain income from:

3 (I) the sale of any real estate or portion of real estate used by
4 the taxpayer as a primary or nonprimary residence; or

5 (II) the sale of depreciable personal property other than farm
6 property and standing timber; or stocks or bonds publicly traded or traded on
7 an exchange, or any other financial instruments; regardless of whether sold by
8 an individual or business;

9 and provided that the total amount of decrease under this subdivision

10 (21)(B)(ii) shall not exceed 40 percent of federal taxable income; ~~and~~

11 (iii) recapture of state and local income tax deductions not taken
12 against Vermont income tax; and

13 (iv) employer-assisted housing payments made pursuant to
14 10 V.S.A. chapter 2.

15 * * * Exclusion of Housing Payments Received by an Individual from

16 State Income Taxes * * *

17 Sec. 4. 32 V.S.A. § 5823(a)(9) is added to read:

18 (9) employer-assisted housing payments or matching funds received
19 pursuant to 10 V.S.A. chapter 2.

20 Sec. 5. EFFECTIVE DATE

21 This act shall take effect on July 1, 2013.