

Example scenario under H.719

VT

Taxpayer 1 lives here

6% annually: \$3,000

Over 30 years this is \$90,000

Untaxed in VT

Two pals

Salary: \$50,000 / year

Years worked: 30 years

Each contribute 6% to their pensions

MA

Taxpayer 2 lives in MA

6% annually: \$3,000

Over 30 years this is \$90,000

Taxed in MA

RETIREMENT

VT

Taxpayer 1 lives here

Each receive distribution of \$30,000/year
(60% of annual salary)

MA → VT

Taxpayer 2 retires to VT

Taxpayer 1 has now received
\$300,000 in total distributions

Taxed in VT

10 years into retirement

VT resident has paid state
taxes on \$300,000 of income
(\$210,000 more than his pal)

Taxpayer 2 has now received
\$300,000 in total distributions

Untaxed in VT under H. 719

Former MA resident has only
paid state taxes (to MA)
on \$90,000 of income