

1 Introduced by
2 Referred to Committee on
3 Date:
4 Subject: Statutory purposes; tax expenditures
5 Statement of purpose of bill as introduced: This bill proposes to enumerate the
6 statutory purpose of each tax expenditure codified in the Vermont Statutes
7 Annotated.

8 An act relating to the statutory purposes of Vermont’s tax expenditures

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

10 * * * Income, Bank Franchise, and Insurance Premium Taxes * * *

11 Sec. 1. 16 V.S.A. § 2820 is added to read:

12 § 2820. STATUTORY PURPOSES

13 The statutory purpose of the interest income from Vermont Student
14 Assistance Corporation bonds exemption in section 2825 of this title is to
15 encourage investment in bonds supporting Vermont projects.

16 Sec. 2. 30 V.S.A. § 8060(c) is added to read:

17 (c) The statutory purpose of the Vermont Telecommunications Authority
18 bonds and notes exemption in section 8074 of this title is to encourage
19 investment in bonds supporting Vermont projects.

1 Sec. 3. 32 V.S.A. § 5813 is added to read:

2 § 5813. STATUTORY PURPOSES

3 (a) The statutory purpose of the Vermont municipal bond income
4 exemption in subdivision 5811(21)(A)(i) of this title is to encourage
5 investment in Vermont State and local bonds and maintain the State's
6 favorable bond rating.

7 (b) The statutory purpose of the Vermont flat capital gains exclusion in
8 subdivision 5811(21)(B)(ii) of this title is to encourage savings and investment
9 while exempting a portion of the gain that may represent inflation. The
10 40-percent business capital gains exclusion mitigates the impact of one-time
11 realizations in a progressive tax structure.

12 (c) The statutory purpose of the Vermont credit for child and dependent
13 care in subsection 5822(d) of this title is to provide tax relief to working
14 taxpayers who must incur dependent care expenses to stay in the workforce.

15 (d) The statutory purpose of the Vermont credit for persons who are elderly
16 or disabled in subsection 5822(d) of this title is to provide tax relief for seniors
17 and persons who are disabled with little tax-exempt retirement or disability
18 income.

19 (e) The statutory purpose of the Vermont investment tax credit in
20 subsection 5822(d) of this title is to encourage Vermont business investments.

1 (f) The statutory purpose of the Vermont farm income averaging credit in
2 subdivision 5822(c)(2) of this title is to mitigate the adverse tax consequences
3 of fluctuating farm incomes under a progressive tax structure.

4 (g) The statutory purpose of the Vermont business solar energy credit in
5 subsection 5822(d) and section 5930z of this title is to provide a temporary,
6 enhanced incentive for business solar investments located in Vermont.

7 (h) The statutory purpose of the Vermont military pay exemption in
8 subdivisions 5823(a)(2) and (b)(3) of this title is to provide additional
9 compensation for military personnel for service to the country.

10 (i) The statutory purpose of the Vermont federal employment opportunity
11 income exemption in subdivision 5823(a)(5) of this title is to reduce the
12 taxation of people receiving federal employment opportunity income and
13 reduce the cost to government of providing this assistance.

14 (j) The statutory purpose of the Vermont charitable housing credit in
15 section 5830c of this title is to encourage investment in housing in Vermont.

16 (k) The statutory purpose of the Vermont affordable housing credit in
17 section 5930u of this title is to encourage the investment in and development of
18 affordable housing in Vermont.

19 (l) The statutory purpose of the Vermont qualified sale of a mobile home
20 park credit in section 5828 of this title is to encourage sales of mobile home
21 parks as an alternative to closure.

1 (m) The statutory purpose of the Vermont higher education investment
2 credit in section 5825a of this title is to encourage savings Vermont 529 plans
3 and lower the cost of higher education for taxpayers.

4 (n) The statutory purpose of the Vermont entrepreneurs' seed capital fund
5 credit in section 5830b of this title is to provide an incentive for investment in
6 small businesses in Vermont.

7 (o) The statutory purpose of the Vermont historical rehabilitation tax credit
8 in subsection 5930cc(a) of this title is to provide incentives to improve and
9 rehabilitate historic properties in designated downtowns and village centers.

10 (p) The statutory purpose of the Vermont facade improvement tax credit in
11 subsection 5930cc(b) and sections 5930aa–5930ff of this title is to provide
12 incentives to improve facades and rehabilitate historic properties in designated
13 downtowns and village centers.

14 (q) The statutory purpose of the Vermont code improvement tax credit in
15 subsection 5930cc(c) and sections 5930aa–5930ff of this title is to provide
16 incentives to improve and rehabilitate historic properties in designated
17 downtowns and village centers by making code improvements.

18 (r) The statutory purpose of the Vermont research and development tax
19 credit in section 5930ii of this title is to encourage business investment in
20 research and development within Vermont.

1 (s) The statutory purpose of the Vermont wood products manufacture credit
2 in section 5930y of this title is to lower income taxes for businesses in the
3 Northeast Kingdom counties of Essex and Caledonia in order to retain
4 employees in wood products manufacturing.

5 (t) The statutory purpose of the Vermont economic advancement tax
6 incentive credits in section 5930a of this title is to provide incentives to
7 businesses creating new jobs in Vermont.

8 (u) The statutory purpose of the Vermont downtown tax credits in sections
9 5930n–5930r of this title is to provide incentives to improve and rehabilitate
10 historic properties in designated downtowns and village centers.

11 (v) The statutory purpose of the Vermont low-income child and dependent
12 care credit in section 5828c of this title is to provide additional cash relief to
13 lower-income working taxpayers who incur dependent care expenses in
14 certified centers to stay in the workforce.

15 (w) The statutory purpose of the Vermont earned income tax credit in
16 section 5828b of this title is to increase the after-tax income of low-income
17 working families and individuals and to provide an incentive to work for those
18 with little earned income.

19 (x) The statutory purpose of the Vermont machinery and equipment tax
20 credit in section 5930ll of this title is to provide an incentive to make a major,

1 long-term capital investment in Vermont-based plant and property to ensure
2 the continuation of in-state employment.

3 (y) The statutory purpose of the Vermont employment growth incentive in
4 section 5930b of this title is to provide a cash incentive to businesses that
5 expand and create jobs in Vermont.

6 (z) The statutory purpose of the Vermont Downtown and Village Center
7 Program tax credits in section 5930cc of this title is to provide incentives to
8 improve and rehabilitate historic properties in designated downtowns and
9 village centers.

10 (aa) The statutory purpose of allowing federal itemized deductions and
11 other federal expenditures between federal adjusted gross income and federal
12 taxable income, as listed in the report required by 32 V.S.A. § 312, is to reflect
13 Vermont’s choice to use federal taxable income as a base for Vermont’s state
14 income tax.

15 * * * Meals and Rooms Taxes and Insurance Premium Taxes * * *

16 Sec. 4. 8 V.S.A. § 4510 is added to read:

17 § 4510. STATUTORY PURPOSES

18 (a) The statutory purpose of the Vermont meals provided for nonprofit
19 hospital service corporations exemption in section 4518 of this title is to reduce
20 costs for certain nonprofit organizations.

1 (b) The statutory purpose of the Vermont rooms provided to nonprofit
2 hospital service corporations exemption in section 4518 of this title is to reduce
3 costs for certain nonprofit organizations.

4 (c) The statutory purpose of the Vermont sales to nonprofit hospital service
5 corporations exemption in section 4518 of this title is to exempt from tax a
6 government-sponsored entity.

7 (d) The statutory purpose of the Vermont nonprofit medical service
8 corporations premium exemption in section 4518 of this title is to exempt
9 nonprofit companies that provide health care insurance coverage.

10 (e) The statutory purpose of the Vermont hospital and medical service
11 organizations premium exemption in section 4518 of this title is to exempt
12 nonprofit companies that provide health care insurance coverage.

13 Sec. 5. 8 V.S.A. § 4580 is added to read:

14 § 4580. STATUTORY PURPOSES

15 (a) The statutory purpose of the Vermont meals provided to nonprofit
16 medical service corporations exemption in section 4590 of this title is to reduce
17 costs for certain nonprofit organizations.

18 (b) The statutory purpose of the Vermont rooms provided to nonprofit
19 medical service corporations exemption in section 4590 of this title is to reduce
20 costs for certain nonprofit organizations.

1 (c) The statutory purpose of the Vermont hospital and medical service
2 organizations premium exemption in section 4590 of this title is to exempt
3 nonprofit companies that provide health care insurance coverage.

4 (d) The statutory purpose of the Vermont nonprofit medical service
5 corporations premium exemption in section 4590 of this title is to exempt
6 nonprofit companies that provide health care insurance coverage.

7 (e) The statutory purpose of the Vermont sales to nonprofit medical service
8 corporations exemption in section 4590 of this title is to exempt from tax a
9 government-sponsored entity.

10 Sec. 6. 8 V.S.A. § 30102 is added to read:

11 § 30102. STATUTORY PURPOSES

12 (a) The statutory purpose of the Vermont meals provided for credit unions
13 exemption in section 30901 of this title is to lessen the taxes on financial
14 institutions that provide banking to underserved populations.

15 (b) The statutory purpose of the Vermont rooms provided to credit unions
16 exemption in section 30901 of this title is to lessen the taxes on financial
17 institutions that provide banking to underserved populations.

18 (c) The statutory purpose of the Vermont sales to credit unions exemption
19 in section 30901 of this title is to lessen the taxes on financial institutions that
20 provide banking to underserved populations.

1 (d) The statutory purpose of the Vermont credit union tax on deposits
2 exemption in section 30901 of this title is to subsidize financial services for
3 individuals with low and moderate incomes and in underserved communities.

4 Sec. 7. 32 V.S.A. § 9201 is added to read:

5 § 9201. STATUTORY PURPOSES

6 (a) The statutory purpose of the Vermont grocery-type items furnished for
7 take-out exemption in subdivision 9202(10)(D)(i) of this title is to limit the tax
8 burden on the purchase of goods that are necessary for the health and welfare
9 of all people in Vermont.

10 (b) The statutory purpose of the Vermont meals served or furnished on the
11 premises of a nonprofit organization exemption in subdivision
12 9202(10)(D)(ii)(I) of this title is to reduce costs for nonprofit organizations.

13 (c) The statutory purpose of the Vermont meals provided on school
14 premises exemption in subdivision 9202(10)(D)(ii)(II) of this title is to reduce
15 the overall cost of education in Vermont.

16 (d) The statutory purpose of the Vermont or federal institutions premises
17 where meals are provided to inmates and employees exemption in subdivision
18 9202(10)(D)(ii)(III) of this title is to prevent the taxation of entities that are
19 funded by taxpayers.

20 (e) The statutory purpose of the Vermont meals provided at hospitals and
21 convalescent and nursing homes exemption in subdivision 9202(10)(D)(ii)(IV)

1 of this title is to reduce the overall costs of health care and senior care in
2 Vermont.

3 (f) The statutory purpose of the Vermont meals furnished while
4 transporting passengers for hire on train, bus, or airplane exemption in
5 subdivision 9202(10)(D)(ii)(V) of this title is to reduce the administrative costs
6 for transit companies providing interstate travel services.

7 (g) The statutory purpose of the Vermont summer camp for children
8 exemption in subdivision 9202(10)(D)(ii)(VI) of this title is to promote
9 Vermont outdoor education for youth.

10 (h) The statutory purpose of the Vermont nonprofits at fairs, bazaars,
11 picnics, and similar events exemption in subdivision 9202(10)(D)(ii)(VII) of
12 this title is to reduce costs for certain nonprofit organizations.

13 (i) The statutory purpose of the Vermont meals furnished to an employee of
14 a hotel or restaurant operator as remuneration for his or her employment
15 exemption in subdivision 9202(10)(D)(ii)(VIII) of this title is to avoid double
16 taxation of income and benefits.

17 (j) The statutory purpose of the Vermont meals provided to the elderly
18 pursuant to the Older Americans Act exemption in subdivision
19 9202(10)(D)(ii)(IX) of this title is to reduce the tax burden on senior citizens.

1 (k) The statutory purpose of the Vermont meals purchased with food
2 stamps exemption in subdivision 9202(10)(D)(ii)(X) of this title is to reduce
3 the tax burden on low-income individuals.

4 (l) The statutory purpose of the Vermont meals served on the premises of a
5 continuing care retirement community exemption in subdivision
6 9202(10)(D)(ii)(XI) is to reduce the tax burden on senior citizens.

7 (m) The statutory purpose of the Vermont time share rights exemption in
8 subdivision 9202(8) of this title is to avoid double taxation on holdings that are
9 subject to property taxes.

10 (n) The statutory purpose of the Vermont student housing exemption in
11 subdivision 9202(8) of this title is to reduce the overall costs of education in
12 Vermont.

13 (o) The statutory purpose of the Vermont permanent residents exemption in
14 subdivisions 9202(6) and (7) of this title is to treat long-term hotel guests as
15 permanent residents of the State for purposes of administrating the rooms tax.

16 (p) The statutory purpose of the Vermont rooms furnished to an employee
17 of a hotel or restaurant operator as remuneration for his or her employment
18 exemption in subdivision 9202(6) of this title is to avoid double taxation of
19 income and benefits.

1 (a) The statutory purpose of the Vermont medical products exemption in
2 subdivision 9741(2) of this title is to limit the tax burden on the purchase of
3 goods that are necessary for the health and welfare of all people in Vermont.

4 (b) The statutory purpose of the Vermont agricultural inputs exemption in
5 subdivision 9741(3) of this title is to provide tax relief to the agricultural
6 industry through a sales tax exemption.

7 (c) The statutory purpose of the Vermont veterinary supplies exemption in
8 subdivision 9741(3) of this title is to provide tax relief to the agricultural
9 industry through a sales tax exemption.

10 (d) The statutory purpose of the Vermont nonbusiness, casual sales
11 exemption in subdivision 9741(4) of this title is to prevent the occasional sale
12 of personal property by individuals not engaged as merchants from being
13 subjected to the tax.

14 (e) The statutory purpose of the Vermont fuels for railroads and boats
15 exemption in subdivision 9741(7) of this title is to avoid the taxation of fuels
16 for the types of transportation for which public expenditure on infrastructure is
17 unnecessary.

18 (f) The statutory purpose of the Vermont sales of food exemption in
19 subdivision 9741(13) of this title is to limit the tax burden on the purchase of
20 goods that are necessary for the health and welfare of all people in Vermont.

1 (g) The statutory purpose of the Vermont manufacturers’ material and
2 equipment exemption in subdivision 9741(14) of this title is to avoid tax
3 pyramiding on goods and encourage investments in equipment by
4 manufacturing entities.

5 (h) The statutory purpose of the Vermont newspapers exemption in
6 subdivision 9741(15) of this title is to maintain the continued availability of
7 printed news resources.

8 (i) The statutory purpose of the Vermont packaging and shipping materials
9 exemption in subdivision 9741(16) of this title is to support industry and
10 prevent tax pyramiding by excluding inputs into business production and
11 distribution.

12 (j) The statutory purpose of the Vermont rented furniture for residential use
13 exemption in subdivision 9741(17) of this title is to limit sales tax on items that
14 are not being sold and to avoid instances of double taxation.

15 (k) The statutory purpose of the Vermont municipal, State, and federal
16 recreation facilities admission exemption in subdivision 9741(18) of this title is
17 to ensure that fees collected for the use of public lands are used only to fund
18 the operations of the public lands and not as a source of revenue.

19 (l) The statutory purpose of the Vermont rentals of coin-operated washing
20 facilities exemption in subdivision 9741(19) of this title is to reduce the tax
21 burden on companies that operate coin-operated washing facilities.

1 (m) The statutory purpose of the Vermont admission fees to nonprofit
2 museums exemption in subdivision 9741(20) of this title is to support the
3 missions of certain nonprofit facilities and encourage higher visitation.

4 (n) The statutory purpose of the Vermont items sold to fire, ambulance, and
5 rescue squads exemption in subdivision 9741(21) of this title is to provide tax
6 relief to organizations charged with protecting the safety of the public.

7 (o) The statutory purpose of the Vermont funeral charges exemption in
8 subdivision 9741(22) of this title is to prevent burdening the bereaved with
9 taxation.

10 (p) The statutory purpose of the Vermont commercial, industrial, or
11 agricultural research property use exemption in subdivision 9741(24) of this
12 title is to reduce financial barriers to research and innovation in the
13 commercial, industrial, and agricultural industries.

14 (q) The statutory purpose of the Vermont agricultural machinery and
15 equipment exemption in subdivision 9741(25) of this title is to support the
16 agricultural industry and avoid tax pyramiding of agricultural products.

17 (r) The statutory purpose of the Vermont energy purchases for a residence
18 exemption in subdivision 9741(26) of this title is to limit the tax burden on the
19 purchase of goods that are necessary for the health and welfare of all people in
20 Vermont.

1 (s) The statutory purpose of the Vermont energy purchases for farming
2 exemption in subdivision 9741(27) of this title is to support the agricultural
3 industry and avoid tax pyramiding of agricultural products.

4 (t) The statutory purpose of the Vermont sales of films to movie theaters
5 exemption in subdivision 9741(28) of this title is to avoid tax on items that are
6 normally not for permanent use within the State.

7 (u) The statutory purpose of the Vermont aircraft and depreciable parts for
8 commercial use exemption in subdivision 9741(29) of this title is to promote
9 the growth of the aircraft maintenance industry in Vermont.

10 (v) The statutory purpose of the Vermont railroad rolling stock and
11 depreciable parts exemption in subdivision 9741(30) of this title is to support
12 the railroad industry and interstate transportation.

13 (w) The statutory purpose of the Vermont ferryboats and depreciable parts
14 exemption in subdivision 9741(31) of this title is to support ferryboat services
15 and interstate transportation.

16 (x) The statutory purpose of the Vermont sales of mobile homes and
17 modular housing exemption in subdivision 9741(32) of this title is to create
18 equity between mobile and modular housing and traditional residential
19 construction by providing an exemption for the estimated portion of the cost
20 attributable to labor.

1 (y) The statutory purpose of the Vermont United States flag sold to or by
2 exempt veterans' organizations exemption in subdivision 9741(33) of this title
3 is to support veterans' organizations in performing their patriotic function.

4 (z) The statutory purpose of the Vermont energy used in manufacturing
5 tangible personal property for sale exemption in subdivision 9741(34) of this
6 title is to avoid the taxation of manufacturing inputs and promote the health of
7 the manufacturing industry in Vermont.

8 (aa) The statutory purpose of the Vermont property transferred as part of
9 personal service transaction or transfer of intangible property rights exemption
10 in subdivision 9741(35) of this title is to exempt tangible personal property that
11 is a small portion of a service.

12 (bb) The statutory purpose of the Vermont advertising materials exemption
13 in subdivision 9741(36) of this title is to exempt tangible personal property that
14 is a small portion of a service.

15 (cc) The statutory purpose of the Vermont documents that record a
16 professional service exemption in subdivision 9741(37) of this title is to
17 exempt tangible personal property that is a small portion of a service.

18 (dd) The statutory purpose of the Vermont tracked vehicles exemption in
19 subdivision 9741(38) of this title is to limit the sales tax on tracked vehicles
20 and the lessen the cost of capital investments of those purchases.

1 (ee) The statutory purpose of the Vermont sales of building materials
2 exemption in subdivisions 9741(39)(i) and (ii) of this title is to encourage the
3 restoration and revitalization of downtown districts.

4 (ff) The statutory purpose of the Vermont wholesale transactions between
5 telecommunications service providers exemption in subdivision 9741(41) of
6 this title is to promote the telecommunications industry by avoiding taxation of
7 the inputs and intercompany transactions.

8 (gg) The statutory purpose of the Vermont third party scrap construction
9 materials exemption in subdivision 9741(43) of this title is to promote the
10 reuse and recycling of scrap construction materials.

11 (hh) The statutory purpose of the Vermont property incorporated in a
12 railroad line exemption in subdivision 9741(44) of this title is to support the
13 railroad industry and encourage ongoing investments within Vermont.

14 (ii) The statutory purpose of the Vermont clothing and footwear exemption
15 in subdivision 9741(45) of this title is to limit the tax burden on the purchase
16 of goods that are necessary for the health and welfare of all people in Vermont.

17 (jj) The statutory purpose of the Vermont property incorporated into a net
18 metering system exemption, on-premise energy system not connected to the
19 electric distribution system exemption, and solar hot water heating system
20 exemption in subdivision 9741(46) of this title is to encourage the adoption of

1 efficient technologies for generating and distributing renewable energy
2 resources.

3 (kk) The statutory purpose of the Vermont purchases by and limited
4 purchases from 501(c)(3) organizations exemption in subdivision 9743(3) of
5 this title is to reduce costs for certain nonprofit organizations.

6 (ll) The statutory purpose of the Vermont building materials and supplies
7 used in construction or repair of buildings by governmental bodies, 501(c)(3)
8 organizations, or development corporations exemption in subdivision 9743(4)
9 of this title is to reduce the costs of construction for certain nonprofit
10 organizations.

11 (mm) The statutory purpose of the Vermont amusement charges for four
12 events per year for 501(c)(4)–(13) and (19) organizations and political
13 organizations exemption in subdivision 9743(5) of this title is to reduce the
14 costs for and encourage participation in a limited number of events organized
15 by certain nonprofit organizations.

16 (nn) The statutory purpose of the Vermont amusement charges for events
17 presented by 501(c)(3) organizations in subdivision 9743(7) of this title is to
18 reduce the costs for and encourage participation in fundraising events
19 organized by certain nonprofit organizations.

1 Sec. 10. 10 V.S.A. § 602 is added to read:

2 § 602. STATUTORY PURPOSES

3 The statutory purpose of the Vermont Housing Finance Agency exemption
4 in subsection 641(a) of this title is to exempt quasi-government entities that
5 provide and promote affordable housing.

6 Sec. 11. 16 V.S.A. § 2170 is added to read:

7 § 2170. STATUTORY PURPOSES

8 The statutory purpose of the Vermont State Colleges exemption in section
9 2178 of this title is to exempt entities receiving government funding and
10 provide higher education.

11 Sec. 12. 16 App. V.S.A. § 1-15a is added to read:

12 § 1-15a. STATUTORY PURPOSES

13 The statutory purpose of the University of Vermont exemption in section
14 1-15 of this chapter is to exempt entities receiving government funding and
15 providing higher education.

16 Sec. 13. 18 V.S.A. § 5300 is added to read:

17 § 5300. STATUTORY PURPOSES

18 The statutory purpose of the Vermont cemeteries exemption in sections
19 5317 and 5376 of this title is to exempt property with a fair market value that is
20 difficult to ascertain and for which there are limited options for alternative
21 uses.

1 Sec. 14. 22 V.S.A. § 68 is added to read:

2 § 68. STATUTORY PURPOSES

3 The statutory purpose of the Vermont libraries exemption in section 109 of
4 this title is to exempt libraries that offer free and public access to information
5 and research resources.

6 Sec. 15. 24 V.S.A. § 4000 is added to read:

7 § 4000. STATUTORY PURPOSES

8 The statutory purpose of the Vermont housing authorities exemption in
9 section 4020 of this title is to exempt quasi-government entities that provide
10 and promote affordable housing.

11 Sec. 16. 32 V.S.A. § 3750 is added to read:

12 § 3750. STATUTORY PURPOSES

13 The statutory purpose of the Vermont Use Value Appraisal Program in
14 chapter 124 of this title is to lower the property tax level for land used for
15 agriculture and forestry by valuing it based on how it is used rather than the
16 “highest and best” use which is fair market value.

17 Sec. 17. 32 V.S.A. § 3800 is added to read:

18 § 3800. STATUTORY PURPOSES

19 (a) The statutory purpose of the Vermont federal and State government
20 property exemption in subdivision 3802(1) of this title is to prevent
21 government from taxing itself.

1 (b) The statutory purpose of the Vermont congressionally chartered
2 organizations exemption in subdivision 3802(2) of this title is to exempt
3 organizations providing civic services.

4 (c) The statutory purpose of the Vermont public, pious, and charitable
5 property exemption in sections 3832 and 3840 and subdivision 3802(4) of this
6 title is to exempt entities that provide religious, charitable, civic, or public
7 services.

8 (d) The statutory purpose of the Vermont college fraternities and societies
9 exemption in subdivision 3802(5) of this title is to exempt organizations that
10 provide civic services.

11 (e) The statutory purpose of the Vermont Young Men’s and Women’s
12 Christian Associations in subdivision 3802(6) of this title is to exempt
13 nonprofit organizations that offer benefits to the community.

14 (f) The statutory purpose of the Vermont cemeteries exemption in
15 subdivision 3802(7) of this title is to exempt property with a fair market value
16 that is difficult to ascertain and for which there are limited options for
17 alternative uses.

18 (g) The statutory purpose of the Vermont exemption for property owned by
19 agricultural societies in subdivision 3802(9) of this title is to exempt property
20 that is used to publicly support the State’s agricultural economy.

1 (h) The statutory purpose of the Vermont \$10,000.00 exemption of
2 appraised value of a residence for a veteran in subdivision 3802(11) of this title
3 is to permanently provide property tax reductions to certain veterans and their
4 families.

5 (i) The statutory purpose of the Vermont property exclusively installed and
6 operated for the abatement of water pollution exemption in subdivision
7 3802(12) of this title is to encourage real property improvements that abate
8 water pollution.

9 (j) The statutory purpose of the Vermont humane societies exemption in
10 section 3802(15) of this title is to eliminate property taxes for organizations
11 that protect animals.

12 (k) The statutory purpose of the Vermont federally qualified health center
13 or rural health clinic exemption in subdivision 3802(16) of this title is to
14 support health centers in an underserved area or population, offer a sliding fee
15 scale, provide comprehensive services, and have an ongoing quality assurance
16 program.

17 (l) The statutory purpose of the Vermont railroad property alternative tax
18 scheme in subdivision 3803(1) of this title is to provide an alternative tax
19 scheme where the traditional method of applying the education property tax
20 rate set annually to the fair market value of the property is inappropriate.

1 (m) The statutory purpose of the Vermont telephone property alternative
2 tax scheme in subdivision 3803(2) of this title is to provide an alternative tax
3 scheme where the traditional method of applying the education property tax
4 rate set annually to the fair market value of the property is inappropriate.

5 (n) The statutory purpose of the Vermont permanent session law
6 exemptions in 2008 Acts and Resolves No. 190, 1892 Acts and Resolves
7 No. 213, 1945 Acts and Resolves No. 204, 1939 Acts and Resolves No. 250,
8 1921 Acts and Resolves No. 31, 1921 Acts and Resolves No. 262, 1910 Acts
9 and Resolves No. 370, and 1900 Acts and Resolves No. 244 is to permanently
10 exempt specific properties that have demonstrated an individual purpose to the
11 General Assembly.

12 (o) The statutory purpose of the Vermont temporary skating rinks
13 exemption in 2008 Acts and Resolves No. 190, Sec. 40 (FY09 and FY10),
14 Amended 2010 Acts and Resolves No. 160, Sec. 22 (FY11), and Amended
15 2011 Acts and Resolves No. 45, Sec. 13f (FY12 at 50 percent) is to
16 temporarily provide tax relief while the General Assembly works to create a
17 long term, comprehensive policy pertaining to these types of facilities.

18 (p) The statutory purpose of the Vermont temporary recreation facilities
19 exemption in 2008 Acts and Resolves No. 190, Sec. 101 (FY09 only), 2009
20 Special Session Acts and Resolves No. 1, Sec. H.49 (FY10 and FY11), and
21 Amended 2011 Acts and Resolves No. 45, Sec. 13fe (FY12 at 50 percent) is to

1 provide temporary tax relief while the General Assembly works to create a
2 long term, comprehensive policy pertaining to these types of facilities.

3 Sec. 18. 32 V.S.A. § 5400 is added to read:

4 § 5400. STATUTORY PURPOSES

5 (a) The statutory purpose of the Vermont ski lifts and snowmaking
6 equipment exemption in subdivision 5401(10)(D) of this title is to support the
7 ski industry and encourage personal property investments and improvements.

8 (b) The statutory purpose of the Vermont municipally owned property
9 exemption in subdivision 5401(10)(F) of this title is to prevent government
10 from taxing itself.

11 (c) The statutory purpose of the Vermont whey processing fixtures
12 exemption in subdivision 5401(10)(G) of this title is to support industries using
13 whey processing facilities.

14 (d) The statutory purpose of the Vermont municipalities hosting large
15 power plants exemption in subsection 5402(d) of this title is to lower property
16 taxes by 25 percent for businesses and residents of the community hosting an
17 operating nuclear power facility.

18 (e) The statutory purpose of the Vermont qualified housing exemption in
19 subdivision 5404a(a)(6) of this title is to reduce by 10 percent the taxes on
20 housing with rent restrictions which make valuing these properties using the
21 income approach difficult.

1 (f) The statutory purpose of the Vermont tax increment financing districts
2 in subsection 5404a(f) of this title is to allow communities to encourage
3 investment in designated areas meeting certain criteria and to use locally the
4 additional property tax revenue attributable to those improvements.

5 (g) The statutory purpose of the Vermont Economic Progress Council
6 approved stabilization agreements in section 5404a of this title are to provide
7 exemptions on a case-by-case basis in conjunction with other economic
8 development efforts.

9 (h) The statutory purpose of the Vermont large power plants alternative tax
10 scheme in subdivision 5401(10)(B) of this title is to provide an alternative tax
11 scheme where the traditional method of applying the education property tax
12 rate set annually to the fair market value of the property is inappropriate.

13 (i) The statutory purpose of the Vermont wind-powered electric generating
14 facilities alternative tax scheme in subdivision 5401(10)(J)(i) of this title is to
15 provide an alternative tax scheme where the traditional method of applying the
16 education property tax rate set annually to the fair market value of the property
17 is inappropriate.

18 (j) The statutory purpose of the Vermont renewable energy plant generating
19 electricity from solar power alternative tax structure in subdivision
20 5401(10)(J)(ii) is to provide an alternative tax scheme where the traditional

1 method of applying the education property tax rate set annually to the fair
2 market value of the property is inappropriate.

3 (k) The statutory purpose of the Vermont public, pious, and charitable
4 property exemption in subsection 5404(a) of this title is to exempt entities that
5 provide religious, charitable, civic, or public services.

6 Sec. 19. 32 V.S.A. § 6060 is added to read:

7 § 6060. STATUTORY PURPOSES

8 (a) The statutory purpose of the Vermont property tax adjustments in
9 chapter 154 of this title is to allow property taxes on homesteads to reflect
10 household income.

11 (b) The statutory purpose of the Vermont \$10,000.00 exemption of
12 appraised value of a residence for a veteran in subsection 6066(i) of this title is
13 to permanently provide property tax reductions to certain veterans and their
14 families.

15 * * * Insurance Premium Taxes * * *

16 Sec. 20. 8 V.S.A. § 3700 is added to read:

17 § 3700. STATUTORY PURPOSES

18 The statutory purpose of the Vermont annuity considerations in section
19 3718 of this title is to exempt nontraditional insurance or financial products, or
20 both, from taxation.

21 Sec. 21. 8 V.S.A. § 4460 is added to read:

1 § 4460. STATUTORY PURPOSES

2 The statutory purpose of the Vermont fraternal societies in section 4500 of
3 this title is to exempt organizations that are not insurance companies.

4 * * * Transportation Taxes * * *

5 Sec. 22. 23 V.S.A. § 3000 is added to read:

6 § 3000. STATUTORY PURPOSES

7 The statutory purpose of the Vermont diesel tax exemption in section 3003
8 of this title is to exempt off-road uses and farm trucks from the user fee for the
9 State highway system. The exemption for municipal entities and public transit
10 agencies is based on administrative convenience.

11 Sec. 23. 32 V.S.A. § 8900 is added to read:

12 § 8900. STATUTORY PURPOSES

13 (a) The statutory purpose of the Vermont religious or charitable institutions
14 or volunteer fire companies exemption in subdivision 8911(3) of this title is to
15 relieve the burden of State exactions on selected groups.

16 (b) The statutory purpose of the Vermont nonregistered vehicles exemption
17 in subdivision 8911(5) of this title is to exempt vehicles that are not entitled to
18 use the State highway system from the tax.

19 (c) The statutory purpose of the Vermont gifts exemption in subdivision
20 8911(8) of this title is to avoid the intrusion of a tax into sharing transactions
21 that are common within families.

