

Proposed update to language Codifying the Tax Computer Modernization Fund in the FY 2024 budget:

Gov. Rec Language:

32 V.S.A. § 3209 is added as follows:

§ 3209. Tax Computer System Modernization Fund

- (a) The Tax Computer System Modernization Fund is established in the State Treasury as a special fund to support information technology improvements and initiatives of the Department of Taxes. Balances in the Fund will be administered by the Department of Taxes and used exclusively for the purposes prescribed in subsection (c). Balances in the Fund at the end of each fiscal year will be carried forward and remain part of the Fund. Interest earned by the Fund will be deposited into the Fund.
- (b) The Fund will consist of (i) any contributions as appropriated by the General Assembly; and (ii) an amount not to exceed 0.21 percent of total revenue collected by the Department of Taxes.
- (c) The Fund will be used for the development, implementation, enhancement, and maintenance of information technology systems and services for the administration of taxes and programs administered by the Department. This will include, but is not limited to, requests for proposal, business requirements, analysis, implementation of new tax types, enhancements to existing systems, and payments due to vendors of information technology systems and services.
- (d) The Commissioner of Taxes will submit an annual report on the receipts, expenditures, and balances in the Tax Computer System Modernization Fund to the Joint Fiscal Committee at or prior to the November Joint Fiscal Committee meeting each year.

Ways and Means Recommends striking (b) and replacing with the following:

- (b) The Fund shall receive an annual transfer from the General Fund in an amount not to exceed 0.21 percent of total revenue collected in the prior fiscal year by the Department of Taxes. The fund may receive other receipts as directed or authorized by the General Assembly.