

1 H.411

2 Introduced by Representatives Young of Glover, Buxton of Tunbridge,

3 Christie of Hartford, Clarkson of Woodstock, Masland of

4 Thetford, Ram of Burlington, and Zagar of Barnard

5 Referred to Committee on

6 Date:

7 Subject: Taxation; telecommunications

8 Statement of purpose of bill as introduced: This bill proposes to dedicate a
9 portion of the sales and use tax collected on prewritten software accessed
10 remotely to finance revenue bonds issued by the Vermont Telecommunications
11 Authority.

12 An act relating to Vermont Telecommunications Authority revenue bonds

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

14 Sec. 1. VERMONT TELECOMMUNICATIONS AUTHORITY BOND

15 FUND

16 (a) There is created a special fund to be known as the Vermont
17 Telecommunications Bond Fund to be administered by the Vermont
18 Telecommunications Authority and to consist of funds raised pursuant to
19 subsection (b) of this section and any other funds that may be appropriated by
20 the General Assembly.

1 (b) Notwithstanding 32 V.S.A. § 435(b)(11), the portion of the sales and
2 use tax paid on charges for remotely accessed software pursuant to 32 V.S.A.
3 chapter 233 that is allocated to the General Fund shall be deposited into the
4 Vermont Telecommunications Authority Bond Fund and used to finance
5 revenue bonds issued by the Vermont Telecommunications Authority pursuant
6 to 30 V.S.A. § 8064.

7 (c) The Department of Taxes shall establish procedures necessary to
8 implement this section. These procedures shall include a method for
9 determining, on an annual basis, what portion of the sales and use tax assessed
10 on charges for remotely accessed software is allocated to the General Fund.

11 (d) As used in this section, “charges for remotely accessed software” means
12 charges for the right to access and use prewritten software run on underlying
13 infrastructure that is not managed or controlled by the consumer or a related
14 company.

15 Sec. 2. EFFECTIVE DATE

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