

MISCELLANEOUS TAX PROPOSALS
Draft 4.1
Ways and Means
Peter Griffin, Legislative Council

Sec.	Summary	Notes
TECHNICAL AND ADMINISTRATIVE CHANGES Personal and Corporate Income Taxes		
1	Form 1099 - credit card processors. Requires credit card processors to file with the Tax Department within 30 days a copy of the 1099 they file with the IRS to account for payments the credit card processor makes to a merchant.	
2	Consolidated returns. Makes an election to file a consolidated return binding for a five-year period.	
3	VEGI filing requirements. Makes clear that the claim must be filed by the last day of April for the prior year's utilization period and, if the business fails to file a claim, authorization for the incentive may be revoked.	
4 & 5	Annual update. Updates reference in statutes to Vermont's links to federal law for the purposes of the income and estate taxes.	
Property Taxes and Property Tax Adjustments		
6	Lister designations. Strikes several specific lister designations that no longer exist and allows the Director more flexibility in designating levels of achievement.	
7	Petitions to PVR for redetermination of equalization decisions. Changes the notice date from the day a town receives the notice to the day PVR sends it. Extends filing period by five days.	
8	Homestead declarations - time to pay. Clarifies that the issuance of a corrected property tax bill due to a late filing or refiling of a homestead declaration does not excuse the taxpayer from paying the original liability. Any overpayment is to be reflected in the corrected bill. Companion to Sec. 10.	
9	Homestead declaration - date for refiling. Moves the date	

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	for refiling a homestead declaration to October 15 to be consistent with filing for property tax adjustment deadlines.	
10	Property tax adjustments - time to pay. Companion provision to Sec. 8. Clarifies that the issuance of a corrected property tax bill due to a late filing or refiling of a homestead declaration does not excuse the taxpayer from paying the original liability. Any overpayment is to be reflected in the corrected bill.	
Meals and Rooms Tax		
11	Technical change. Updates the program name for subsidized food benefits.	
Property Transfer Tax		
12	Filing requirements. Removes the signature requirement for returns that accompany deeds for filing by a clerk. Conforms with the removal of signature requirement from underlying return passed in 2012.	
POLICY AND REVENUE CHANGES Shared Equity Housing		
13	Valuation. Requires owner-occupied housing subject to a housing subsidy covenant to be valued at 70 percent of fair market value.	
Solar Capacity Tax		
14	Exemption. Exempts from both the statewide education tax and municipal property taxes solar renewable energy plants with less than a 50 kW capacity that are either net metered or not connected to the power grid.	
15	Municipal valuation. Puts in place a statutory process for determining the fair market value of solar renewable energy plants.	
16	Municipal exemptions. Updates the language for municipally voted exemptions for renewable energy plants and	

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	makes several conforming changes.	
17	Capacity tax. Increases the current exemption from the capacity tax from plants with 10kW capacity or greater to plants with less than 50kW capacity.	
18	Repeal. Repeals the prospective 2023 repeal of the exemption from the uniform capacity tax for smaller plants.	
Wood Product Manufacturer's Credit		
19	Extension. Reenacts and extends until January 1, 2016 the wood manufacturer's tax credit. Changes the percentage of employment required for the percentage from five percent to four percent.	
20	Study. Requires the Agency of Commerce and Community Development and Department of Taxes to study and recommend economic and tax incentives to ensure wood products manufacturers remain and thrive in Vermont.	
Downtown and Village Center Tax Credits		
21	Limit. Increases the total limit in tax credits available from \$1,700,000 to \$2,200,000.	
22	Sales tax exemption. Repeals exemption for purchases in excess of \$250,000 for downtown redevelopment projects.	
23	Flood-related tax credits. Authorizes a credit of \$88,000 to Latchis Arts for Irene-related damage under 32 V.S.A. § 5930bb.	
Research and Development Expenses		
24	Exemption. Reduces the percentage of the federal credit allowed against State income tax from 30% to 24%. Requires Tax Department to identify which taxpayers take the credit.	
Tobacco		
25	E-cigarettes. Includes e-cigarettes in the definition of "other	

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	tobacco products” and taxes them as such.	
26	Snuff. Taxes snuff on par with cigarettes.	
27	Floor tax. Imposes a corresponding floor tax on snuff.	
Sales and Use Tax		
28	Telecommunications services. Change would have the effect of imposing the use tax on telecommunications services.	
Propane Canisters		
29	Canisters. Clarifies that propane sold in free-standing canisters is not subject to the fuel gross receipts tax.	
30	Sales tax. Makes propane sold in free standing containers subject to the sales tax.	
Dispatch Fees		
31	Dispatch fees. Requires the Commissioner of Public Safety to propose specific fee schedules for dispatch services by January 1, 2015, but reserves to the General Assembly the power to set the fees.	
Repeals		
32	Repeals.	
Effective Dates		
33	Effective dates.	