



VERMONT SOCIETY *of*  
CERTIFIED PUBLIC ACCOUNTANTS

January 27, 2014

Vermont State House  
House Committee on Ways and Means  
Montpelier, VT 05633-5301

Dear Members of the Ways and Means Committee:

We, the members of the Vermont Society of Certified Public Accountants Tax Committee, appreciate your time in reviewing our comments and recommendation regarding Section 9 of the recently released proposals for the Vermont Miscellaneous Tax Bill.

Section 9 of the proposed bill would amend 32 V.S.A Section 5870, adding language that would require a Vermont taxpayer who purchased an item that costs \$5,000 or more that is subject to Vermont use tax to report and remit the use tax on that item by the 25<sup>th</sup> day of the following month. We understand that the Vermont Department of Taxes is trying to increase compliance with use tax reporting and payments, but we feel that this will not accomplish that goal and creates an unreasonable burden on taxpayers to try and comply with this rule.

It is likely that most taxpayers would not be aware of this filing requirement, timely compliance would be a major issue, and there would be a further burden from late payment interest and penalties, even from those taxpayers attempting to comply.

Enforcement of the filings will be nearly impossible without diverting valuable tax department resources for personal Use Tax Audits which would result in minimal tax collections, if any, and likely would not be in excess of the cost of conducting such examinations.

There would also be additional administrative costs to develop the proper tax forms, instructions, and system to process the payments, again negating any positive impact from any increased or timelier collections.

Overall we believe this rule would not be revenue positive, would create an undue burden on taxpayers, and would be very difficult if not impossible to enforce, so we respectfully request it be withdrawn from the proposed tax bill.

Thank you for your consideration.

Sincerely,

Steven A. Julian, CPA  
Committee Chair  
Vermont Society of Certified Public Accountants Tax Committee