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H.436

Introduced by Representatives Donovan of Burlington, Buxton of Tunbridge,
Christie of Hartford, Cole of Burlington, Hooper of Montpelier,
Krowinski of Burlington, Lenes of Shelburne, Macaig of
Williston, McCormack of Burlington, O’Sullivan of Burlington,
Pearson of Burlington, Poirier of Barre City, Rachelson of
Burlington, Stevens of Waterbury, Sullivan of Burlington,
Toleno of Brattleboro, and Wright of Burlington

Referred to Committee on

Date:

Subject: Taxation; statewide education property tax; renter’s rebate

Statement of purpose of bill as introduced: This bill proposes to implement the
recommendations of the Vermont Housing Council’s Renter Rebate Study
required by the General Assembly in the 2013–2014 session.

An act relating to implementing changes related to the renter’s rebate

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

Sec. 1. 32 V.S.A. § 6061(7) is amended to read:

(7) “Allocable rent” means for any housesite and for any taxable year
~~21~~ 19 percent of the gross rent. “Gross rent” means the rent actually paid
during the taxable year by the individual ~~or other members of the household~~

1 solely for the right of occupancy of the housesite during the taxable year.

2 “Allocable rent” shall not include payments made under a written homesharing
3 agreement pursuant to a nonprofit homesharing program, or payments for a
4 room in a nursing home in any month for which Medicaid payments have been
5 made on behalf of the claimant to the nursing home for room charges.

6 Sec. 2. 32 V.S.A. § 6062(a) and (b) are amended to read:

7 (a) In the case of a renter credit claim based solely on allocable rent, the
8 claimant shall have rented property during the entire taxable year; provided,
9 however, a claimant who owned a homestead which was sold in the taxable
10 year prior to April 1 may file a renter credit claim. ~~If two or more individuals
11 of a household are able to meet the qualifications for a claimant hereunder,
12 they may determine among them who the claimant shall be. Any disagreement
13 under this subsection shall be referred to the Commissioner and his or her
14 decision shall be final.~~

15 (b) Only one claimant per household per year shall be entitled to relief
16 under subsection 6066(a) of this chapter, but for the purposes of renter credit
17 claims filed under subsection 6066(b), any individual in a household who
18 otherwise qualifies for a claim may make one.

19 Sec. 3. 32 V.S.A. § 6066(b) is amended to read:

20 (b) An eligible claimant who rented the homestead, whose ~~household~~
21 ~~income~~ federal adjusted gross income does not exceed ~~\$47,000.00~~ \$40,000.00,

1 ~~and who submits a certificate of allocable rent~~ shall be entitled to a credit
2 against the claimant's tax liability under chapter 151 of this title equal to the
3 amount by which the allocable rent upon the claimant's housesite exceeds a
4 percentage of the claimant's ~~household income~~ federal adjusted gross income
5 for the taxable year as follows:

6 If ~~household income~~ federal adjusted
7 gross income (rounded to then the taxpayer is entitled
8 to the nearest dollar) is: credit for allocable rent paid in
9 excess of this percent of that income:

10	\$0 - 9,999.00	2.0
11	\$10,000.00 - 24,999.00	4.5
12	\$25,000.00 - 47,000.00 <u>\$40,000.00</u>	5.0

13 (i) In no event shall the credit exceed the amount of the allocable
14 rent.

15 (ii) If the credit calculated under this subsection is less than
16 \$100.00, then instead of the calculated amount, the amount of the credit shall
17 be \$100.00.

18 Sec. 4. 32 V.S.A. § 6067 is amended to read:

19 § 6067. CREDIT LIMITATIONS

20 Only one individual per household per taxable year shall be entitled to a
21 ~~benefit under this chapter~~ property tax adjustment under subsection 6066(a) of

1 this title, but for the purposes of renter credit claims filed under subsection
2 6066(b), any individual in a household who otherwise qualifies for a claim
3 may make one. An individual who received a homestead exemption or
4 adjustment with respect to property taxes assessed by another state for the
5 taxable year shall not be entitled to receive an adjustment under this chapter.
6 No taxpayer shall receive an adjustment under subsection 6066(b) of this title
7 in excess of ~~\$3,000.00~~ \$2,000.00. No taxpayer shall receive total adjustments
8 under this chapter in excess of \$8,000.00 related to any one property tax year.

9 Sec. 5. REPEAL

10 32 V.S.A. § 6069 (landlord certificates) is repealed.

11 Sec. 6. EFFECTIVE DATE

12 This act shall take effect on July 1, 2015, and apply to claims filed in 2016
13 for fiscal year 2017.