

1 Introduced by Committee on Agriculture and Forest Products

2 Date:

3 Subject: Agriculture; special fund; rooms and meals tax

4 Statement of purpose of bill as introduced: This bill proposes to establish an
5 Agricultural and Rural Heritage Special Fund using revenue from a one-half
6 percent increase on the rooms tax.

7 An act relating to the Agricultural and Rural Heritage Special Fund

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

9 Sec. 1. FINDINGS

10 Sec. 2. 6 V.S.A. chapter 218 is added to read:

11 CHAPTER 218. AGRICULTURAL AND RURAL HERITAGE

12 SPECIAL FUND

13 § 5020. ESTABLISHMENT OF THE AGRICULTURAL AND RURAL

14 HERITAGE SPECIAL FUND; PURPOSE

15 (a) There is hereby established the Agricultural and Rural Heritage Special
16 Fund pursuant to 32 V.S.A. chapter 7, subchapter 6. The Fund shall comprise
17 an allocation of revenue from the rooms tax collected pursuant to 32 V.S.A.
18 § 9241(a). The fund is intended to provide continuous support to Vermont's
19 agricultural and farm priorities. The fund revenue shall be used as follows:

1 (1) 63 percent shall be designated to the Vermont Working Lands

2 Enterprise Fund;

3 (2) seven and one-half percent shall be designated to the Agricultural

4 Fair Stipend;

5 (3) six percent shall be designated to the Farm to School Program;

6 (4) four percent shall be designated to the position of a Milk Quality

7 Specialist (such as the Dairy Systems Coordinator of Agriculture, Food and

8 Markets); and

9 (5) two and one-half percent shall be designated to the Farms 2 + 2

10 Program;

11 (b) Any additional revenue shall be designated to the Vermont Working

12 Lands Enterprise Fund.

13 (c) The Secretary of the Agency of Agriculture, Food and Markets shall

14 ensure the Fund revenues are used pursuant to this chapter.

15 Sec. 3. 32 V.S.A. § 9241(a) is amended

16 (a) An operator shall collect a tax of nine and one-half percent of the rent of
17 each occupancy.

18 Sec. 4. 32 V.S.A. § 9442(c) is amended to read:

19 (c) A tax of nine percent of the gross receipts from meals, nine and one-half
20 percent for occupancies, and 10 percent of the gross receipts from alcoholic
21 beverages, exclusive of taxes collected pursuant to section 9241 of this title,

1 received from occupancy rentals, taxable meals, and alcoholic beverages by an
2 operator, is hereby levied and imposed and shall be paid to the State by the
3 operator as herein provided. Every person required to file a return under this
4 chapter shall, at the time of filing the return, pay the Commissioner the taxes
5 imposed by this chapter as well as all other monies collected by him or her
6 under this chapter; provided, however, that every person who collects the taxes
7 on taxable meals and alcoholic beverages according to the tax bracket
8 schedules of section 9241 of this title shall be allowed to retain any amount
9 lawfully collected by the person in excess of the tax imposed by this chapter as
10 compensation for the keeping of prescribed records and the proper account and
11 remitting of taxes.

12 Sec. 4. 32 V.S.A. § 435 is amended to read:

13 § 435. GENERAL FUND

14 (a) There is established a General Fund which shall be the basic operating
15 fund of the State. The General Fund shall be used to finance all expenditures
16 for which no special revenues have otherwise been provided by law.

17 (b) The General Fund shall be composed of revenues from the following
18 sources:

19 (1) ~~Alcoholic~~ alcoholic beverage tax levied pursuant to 7 V.S.A.
20 chapter 15;

21 (2) [Repealed.]

1 (3) ~~Electrical~~ electrical energy tax levied pursuant to chapter 213 of this
2 title;

3 (4) ~~Corporate~~ corporate income and franchise taxes levied pursuant to
4 chapter 151 of this title;

5 (5) ~~Individual~~ individual income taxes levied pursuant to chapter 151 of
6 this title;

7 (6) ~~All~~ all corporation taxes levied pursuant to chapter 211 of this title;

8 (7) ~~Meals~~ meals and rooms taxes levied pursuant to chapter 225 of this
9 title except for the first \$2.4 million of the rooms tax paid under subsection
10 9241(a) of this title, which instead shall be credited to the Agricultural and
11 Rural Heritage Special Fund;

12 (8) [Repealed.]

13 (9) ~~Revenues~~ revenues from the Racing Fund consistent with 31 V.S.A.
14 § 611;

15 (10) 33 percent of the revenue from the property transfer taxes levied
16 pursuant to chapter 231 of this title and the revenue from the gains taxes levied
17 each year pursuant to chapter 236 of this title;

18 (11) 65 percent of the revenue from sales and use taxes levied pursuant
19 to chapter 233 of this title; and

1 (12) ~~All~~ all other revenues accruing to the State not otherwise required
2 by law to be deposited in any other designated fund or used for any other
3 designated purpose.

4 Sec. 4. EFFECTIVE DATE

5 This act shall take effect on passage.