

(d)(1) An owner who knowingly fails to furnish a certificate to the Department or a renter as required by this section shall be liable to the Commissioner for a penalty of \$200.00 for each failure to act. An owner shall be liable to the Commissioner for a penalty equal to the greater of \$200.00 or the excess amount reported who:

(A) willfully furnishes a certificate that reports total allocable rent in excess of the actual amount paid; or

(B) reports a total amount of allocable rent that exceeds by 10 percent or more the actual amount paid.

(2) Penalties under this subsection shall be assessed and collected in the manner provided in chapter 151 for the assessment and collection of the income tax.

(e) Failure to receive a rent certificate shall not disqualify a renter from the benefits provided by this chapter.

* * * Estate Tax * * *

Sec. 20. 32 V.S.A. § 7475 is amended to read:

§ 7475. ADOPTION OF FEDERAL ESTATE AND GIFT TAX LAWS

The laws of the United States relating to federal estate and gift taxes as in effect on December 31, ~~2013~~ 2015, are hereby adopted for the purpose of computing the tax liability under this chapter, except:

(1) the credit for State death taxes shall remain as provided for under 26 U.S.C. §§ 2011 and 2604 as in effect on January 1, 2001;

(2) the applicable credit amount shall under 26 U.S.C. § 2010 shall not apply; and the tax imposed under section 7442a of this chapter shall be calculated as if the applicable exclusion amount under 26 U.S.C. § 2010 were \$2,750,000.00; and

(3) the deduction for State death taxes under 26 U.S.C. § 2058 shall not apply.

Sec. 21. 32 V.S.A. § 7402(13) is amended to read:

(13) "Vermont gross estate" means for any decedent the value of the federal gross estate under the laws of the United States, in excess of \$2,450,000.00 without adjustment for any amount under 26 U.S.C. § 2010(c)(4), but after adding back federal adjusted taxable gifts made by the decedent within one year of death and excluding the value of real or tangible personal property which has an actual situs outside Vermont at the time of death of the decedent, ~~and also excluding in.~~ In the case of a nonresident of Vermont the value of intangible personal property owned by the decedent shall also be excluded.

Sec. 22. 32 V.S.A. § 7442a is amended to read:

§ 7442a. IMPOSITION OF A VERMONT ESTATE TAX AND RATE OF TAX

(a) A 16 percent tax is hereby imposed on the transfer of the Vermont taxable estate of every decedent, ~~dying on or after January 1, 2002, who, at the time of death, was a resident of this State. The base amount of this tax shall be a sum equal to the amount of the credit for State death taxes allowable to a decedent's estate under 26 U.S.C. § 2011 as in effect on January 1, 2001.~~ This base amount shall be reduced by the lesser of the following:

(1) ~~The total amount of all constitutionally valid State death taxes actually paid to other states; or~~

(2) ~~A sum equal to the proportion of the credit which the value of the property taxed by other states bears to the value of the decedent's total gross estate for federal estate tax purposes.~~

(b) ~~A tax is hereby imposed on the transfer of the Vermont estate of every decedent dying on or after January 1, 2002, who, at the time of death, was not a resident of this State. The amount of this tax shall be a sum equal to the proportion of the base amount of tax under subsection (a)~~

~~of this section which the value of Vermont real and tangible personal property taxed in this State bears to the value of the decedent's total gross estate for federal estate tax purposes.~~

~~(c) The Vermont estate tax shall not exceed the amount of the tax imposed by 26 U.S.C. § 2001 calculated as if the applicable exclusion amount under 26 U.S.C. § 2010 were \$2,750,000.00, and with no deduction under 26 U.S.C. § 2058.~~

~~(d)~~(b) All values shall be as finally determined for federal estate tax purposes.

Sec. 23. 32 V.S.A. § 7475 is amended to read:

§ 7475. ADOPTION OF FEDERAL ESTATE AND GIFT TAX LAWS

The laws of the United States relating to federal estate and gift taxes as in effect on December 31, 2015, are hereby adopted for the purpose of computing the tax liability under this chapter, except:

~~(1) the credit for State death taxes shall remain as provided for under 26 U.S.C. §§ 2011 and 2604 as in effect on January 1, 2001;~~

~~(2) the applicable credit amount shall under 26 U.S.C. § 2010 shall not apply; and the tax imposed under section 7442a of this chapter shall be calculated as if the applicable exclusion amount under 26 U.S.C. § 2010 were \$2,750,000.00; and~~

~~(3) the deduction for State death taxes under 26 U.S.C. § 2058 shall not apply to the extent such laws conflict with any provision of this chapter.~~

Sec. 24. 32 V.S.A. § 7402(13) is amended to read:

(13) "Vermont gross estate" means for any decedent the value of the federal gross estate under the laws of the United States, in excess of ~~\$2,450,000.00~~ \$3,900,000.00 without adjustment for any amount under 26 U.S.C. § 2010(c)(4), but after adding back federal adjusted taxable gifts made by the decedent within ~~one~~ two years of death and excluding the value of real

or tangible personal property which has an actual situs outside Vermont at the time of death of the decedent, and also excluding in. In the case of a nonresident of Vermont the value of intangible personal property owned by the decedent shall also be excluded.

Sec. 25. 32 V.S.A. § 7402(13) is amended to read:

(13) "Vermont gross estate" means for any decedent the value of the federal gross estate under the laws of the United States, in excess of ~~\$3,900,000.00~~ the basic exclusion amount under 26 U.S.C. § 2010(c)(3) without adjustment for any amount under 26 U.S.C. § 2010(c)(4), but after adding back federal adjusted taxable gifts made by the decedent within ~~two~~ three years of death and excluding the value of real or tangible personal property which has an actual situs outside Vermont at the time of death of the decedent, and also excluding in. In the case of a nonresident of Vermont the value of intangible personal property owned by the decedent shall also be excluded.

* * * Corporation Taxes * * *

Sec. 26. 32 V.S.A. § 8146 is amended to read:

§ 8146. ADDITIONAL TAX; REFUNDS

When the Commissioner finds that owing to the incorrectness of a return or any other cause, a tax paid pursuant to this chapter is too small, he or she shall assess an additional tax sufficient to cover the deficit and shall forthwith notify the parties so assessed. The administrative provisions of chapters 103 and 151 shall apply to assessments and refund claims under this chapter.

Including those provisions governing interest and penalty in section 3202 of chapter 103, appeals, and collection of assessments.

* * * Meals and Rooms Tax * * *

Sec. 27. 32 V.S.A. § 9202(15) is amended to read:

~~shall prorate each rebate. Any balance of rebate awards remaining unpaid as a result of proration may be carried forward for payment in a succeeding year. If monies set aside exceed approved rebates, then the balance shall be returned to the Fund. The Director of the State Office of Economic Opportunity shall use the remainder of the tax receipts of the fuel gross receipts tax for the preceding fiscal year to assure the provision of weatherization services as described in subsections 2502(a), (b), and (c) of this title.~~

~~(g) No tax under this section shall be imposed for any quarter ending after June 30, 2016 2021. Monies from the escrow account shall be issued for rebates pursuant to subsection (f) of this section until March 1, 2017.~~

Sec. 36. EFFECTIVE DATES

(a) Notwithstanding 1 V.S.A. § 214, this section shall take effect retroactively on January 1, 2015, Sec. 9 (annual update of income tax link to the IRC) shall take effect retroactively on January 1, 2015 and apply to taxable years beginning on and after January 1, 2015, and Sec. 20 (annual update of estate tax link to the IRC) shall take effect retroactively on January 1, 2015 and apply to decedents dying on or after January 1, 2015.

(b) Notwithstanding 1 V.S.A. § 214, Sec. 30 (provider definitions), Sec. 32 (assessment on independent physicians), and Sec. 33 (assessment on practicing dentists) shall take effect retroactively on January 1, 2016 and shall apply to taxable years beginning on and after January 1, 2016.

(c) Secs. 1–4, 6–8, 11–16, 18–19, 26–27, 31, 34 and 35 shall take effect on passage.

(d) Secs. 5, 10, 17, and 28–29 shall take effect on July 1, 2015.

(e) Secs. 21–23 (estate tax) shall take effect on January 1, 2016 and apply to decedents dying after December 31, 2016.

(f) Sec. 24 (exclusion amount of \$3,900.00.00) shall take effect on January 1, 2018, and apply to decedents dying after December 31, 2017.

(g) Sec. 25 (federal exclusion amount) shall take effect on January 1, 2020, and apply to decedents dying after December 31, 2019.