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(53) "Contractors, subcontractors, or repair persons" shall not include manufacturers or any person primarily engaged in making retail sales of tangible personal property that include the type of tangible personal property being used to improve, alter, or repair real property.

Sec. 29. 32 V.S.A. § 9771 is amended to read:

§ 9771. IMPOSITION OF SALES TAX

Except as otherwise provided in this chapter, there is imposed a tax on retail sales in this State. The tax shall be paid at the rate of six percent of the sales price charged for but in no case shall any one transaction be taxed under more than one of the following:

(1) tangible personal property, ~~including property used to improve, alter, or repair the real property of others by a manufacturer or any person who is primarily engaged in the business of making retail sales of tangible personal property;~~

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\* \* \* Independent Physicians and Dentists Provider Tax \* \* \*

Sec. 30. 33 V.S.A. § 1951 is amended to read:

§ 1951 DEFINITIONS

As used in this subchapter:

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(5) "Health care provider" means any hospital, nursing home, intermediate care facility for people with intellectual disabilities, home health agency, ~~or~~ retail pharmacy, independent physician, or practicing dentist.

\* \* \*

(15) "Independent physician" means an entity of one or more practicing providers licensed under Title 26, Chapters 23, 33, and 81 not employed by a hospital, a hospital's subsidiary, parent or holding company, nursing home, intermediate care facility for people with intellectual disabilities, home health agency, ambulatory surgical center as defined in 18 V.S.A. § 9432, or free-standing laboratory or free-standing x-ray facility.

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(16) "Practicing Dentist" means an entity of one or more providers licensed under Title 26, Chapter 12 practicing dentistry.

Sec. 31. 33 V.S.A. § 1955a is amended to read:

§ 1955a. HOME HEALTH AGENCY ASSESSMENT

(a) Beginning October 1, 2011, each home health agency's assessment shall be 19.30 percent of its net operating revenues from core home health care services, excluding revenues for services provided under Title XVIII of the federal Social Security Act; provided, however, that each home health agency's annual assessment shall be limited to no more than six percent of its annual net patient revenue. The amount of the tax shall be determined by the Commissioner based on a uniform reporting form developed by the Department of Vermont Health Access. The form shall be provided online and shall be submitted by providers on or before April 1 of each year and shall capture net operating revenues. ~~the home health agency's most recent audited financial statement. at the time of submission, a copy of which shall be provided on or before May 1 of each year to the Department. For providers who begin operations as a home health agency after January 1, 2005, the tax shall be assessed as follows:~~

~~(1) Until such time as the home health agency submits audited financial statements for its first full year of operation as a home health agency, the Commissioner, in consultation with the~~

~~home health agency, shall annually estimate the amount of tax payable and shall prescribe a schedule for interim payments.~~

~~(2) At such time as the full year audited financial statement is filed, the final assessment shall be determined, and the home health agency shall pay any underpayment or the Department shall refund any overpayment. The assessment for the State fiscal year in which a provider commences operations as a home health agency shall be prorated for the proportion of the State fiscal year in which the new home health agency was in operation. For newly contracted providers who begin operations after May 1, 2016, the Department may estimate the revenue of the provider, tax the provider based on the estimate and after one full year of operations the Department will settle the tax obligation based on section (a) above.~~

~~(b) For all current contractors the uniform reporting shall be made at the end of the home health provider's most current fiscal year.~~

~~(b)(c) Each home health agency shall be notified in writing by the Department of the assessment made pursuant to this section. If no home health agency submits a request for reconsideration under section 1958 of this title, the assessment shall be considered final.~~

~~(e)(d) Each home health agency shall submit its assessment to the Department according to a payment schedule adopted by the Commissioner. Variations in payment schedules shall be permitted as deemed necessary by the Commissioner.~~

~~(d)(e) Any home health agency that fails to make a payment to the Department on or before the specified schedule, or under any schedule for delayed payments established by the Commissioner, shall be assessed not more than \$1,000.00. The Commissioner may waive the late-payment assessment provided for in this subsection for good cause shown by the home health agency.~~

Sec. 32. 33 V.S.A. § 1955c is added to read:

§ 1955c. INDEPENDENT PHYSICIAN ASSESSMENT

(a) Beginning January 1, 2016, there is imposed on every independent physician a 2.35 percent annual assessment of the independent physician's net operating revenues during the calendar year. The annual assessment shall be paid to the Commissioner in one installment due by April 15.

(b) Each independent physician shall submit its assessment to the department according to a form and payment schedule adopted by the Commissioner. Variations in payment schedules shall be permitted as deemed necessary by the Commissioner.

(c) Any independent physician that fails to make a payment to the department on or before the specified schedule, or under any schedule for delayed payments established by the commissioner, shall be assessed not more than \$1,000.00 in penalties. The Commissioner may waive this late payment assessment provided for in this subsection for good cause shown.

(d) Pursuant to 42 U.S.C. § 1396b(w), no independent physician shall be guaranteed, expressly or otherwise, that any additional costs reimbursed to the provider will equal or exceed the amount of the tax paid by the independent physician.

Sec. 33. 33 V.S.A. § 1955d is added to read:

§ 1955d. PRACTICING DENTIST ASSESSMENT

(a) Beginning January 1, 2016, there is imposed on every practicing dentist a 2.35 percent annual assessment of the practicing dentist's net operating revenues during the calendar year. The annual assessment shall be paid to the Commissioner in one installment due by April 15<sup>th</sup>.

(b) Each practicing dentist shall submit its assessment to the department according to a form and payment schedule adopted by the commissioner. Variations in payment schedules shall be permitted as deemed necessary by the commissioner.

(c) Any practicing dentist that fails to make a payment to the department on or before the specified schedule, or under any schedule for delayed payments established by the commissioner, shall be assessed not more than \$1,000.00 in penalties. The commissioner may waive this late payment assessment provided for in this subsection for good cause shown.

(d) Pursuant to 42 U.S.C. § 1396b(w), no practicing dentist shall be guaranteed, expressly or otherwise, that any additional costs reimbursed to the provider will equal or exceed the amount of the tax paid by the independent physician.

Sec. 34. 33 V.S.A. § 1958(a) is amended to read:

§ 1958. APPEALS

(a) Any health care provider may submit a written request to the Department for reconsideration of the determination of the assessment within 20 days of notice of the determination. The request shall be accompanied by written materials setting forth the basis for reconsideration. If requested, the Department shall hold a hearing within ~~20~~90 days from the date on which the reconsideration request was received. The Department shall mail written notice of the date, time, and place of the hearing to the health care provider at least 10 days before the date of the hearing. On the basis of the evidence submitted to the Department or presented at the hearing, the Department shall reconsider and may adjust the assessment. Within ~~20~~30 days of the hearing, the Department shall provide notice in writing to the health care provider of the final determination of the amount it is required to pay based on any adjustments

made by it. Proceedings under this section are not subject to the requirements of 3 V.S.A. chapter 25.

\* \* \* Home Weatherization Assistance Program \* \* \*

Sec. 35. 33 V.S.A. § 2503 is amended to read:

§ 2503. FUEL GROSS RECEIPTS TAX

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~~(d) Fuel sellers, which are regulated "companies" as defined in subsection 30 V.S.A. § 201(a), which provide conservation programs that meet the goals of the Weatherization Program in a manner approved by the Public Service Board, and which enhance the Weatherization Program's capacity to serve low income households may be eligible for rebates from the fuel gross receipts tax imposed under this section. To establish rebate eligibility, a company shall file with the Public Service Board, on or before August 15 of each year, a request for approval of rebates based on the company's activities during the prior fiscal year. The Public Service Board shall make a determination of the amount of rebate for each applicant on or before January 15 of each year, and such amount shall be rebated by the State Office of Economic Opportunity under the provisions of subsection (f) of this section. The Public Service Board shall authorize rebates equal to the expenditures undertaken by the regulated utilities provided that such expenditures were prudently incurred and cost effective, that they provided weatherization services following a comprehensive energy audit and work plan, except in cases where the fuel seller and weatherization staff jointly conclude that the need for weatherization services can be determined without a comprehensive energy audit, and that they were targeted to households that meet the eligibility criteria for low income weatherization services as determined by the Office of Economic Opportunity.~~

~~(e) Unregulated fuel sellers providing conservation programs that meet the goals of the Weatherization Program in a manner approved by the State Office of Economic Opportunity and that enhance the weatherization program's capacity to serve low-income households may be eligible for rebates from the fuel gross receipts tax imposed under this section. To establish rebate eligibility, a company shall file with the State Office of Economic Opportunity, on or before August 15 of each year, a request for approval of rebates based on the company's activities during the prior fiscal year. The State Office of Economic Opportunity shall make a determination of the amount of rebate for each applicant on or before January 15 of each year, and that amount shall be rebated by the State Office of Economic Opportunity under the provisions of this subsection. The State Office of Economic Opportunity shall authorize rebates equal to the expenditures undertaken by the unregulated fuel sellers provided that the expenditures were prudently incurred and cost-effective, that they provided weatherization services following a comprehensive energy audit and work plan, except in cases where the fuel seller and weatherization staff jointly conclude that the need for weatherization services can be determined without a comprehensive energy audit, and that they were targeted to households at or below 150 percent of the federally established poverty guidelines.~~

~~(f) On or before August 7 of each year, the Director of the State Office of Economic Opportunity shall set aside a sum of money equaling two and one-half percent of the tax receipts of the fuel gross receipts tax for the preceding fiscal year in an escrow account. The monies in the escrow account are to be used for rebate, as approved under subsections (d) and (e) of this section, of the gross receipts tax established in subsection (a) of this section. Upon approval of rebates, the Director shall pay the approved rebates out of the escrow account. In the event that the approved rebates exceed the amount of money set aside in the escrow account, the Director~~

~~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.