

Technical Corrections Bill

***** Tax on Spirits and Fortified Wines; Rulemaking Authority *****

1.	7 V.S.A. § 423(a)	Removes Commissioner of Taxes from requirement to makes rules on administration and collection of tax on spirits and fortified wines. 7 V.S.A. § 422.
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***** Property Valuation and Review *****

2.	24 V.S.A. § 1168	Language updated to require town clerks to report new listers to PVR electronically, not in writing.
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***** Games of Chance *****

3.	13 V.S.A. § 2143	Amending references to games of chance in title 32, to new chapter on games of chance added to title 31.
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4.	32 V.S.A. ch. 239 repealed; 31 V.S.A. ch.23 added	Transferring break-open ticket licensing from Taxes to Dept. of Liquor Control. Both departments agree to this change. Language from title 32 (taxation and finance) repealed (see repeals section) and added to title 31 (recreation and sports). All references to Tax changed to DLC. Slight change to structure of chapter, as two sections addressed rules and rulemaking. Those two sections are combined, and language is made permissive, so that rulemaking by DLC is not mandatory. This aligns with Dept. of Taxes practice of not making rules regarding games of chance.
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***** Information Sharing *****

5.	32 V.S.A. § 3102	Information Sharing Amends title 32 section on confidentiality of tax records to allow Dept. of Taxes to share information with DFR (for surplus lines, insurance premium, and direct placement tax) and ANR (solid waste and hazardous waste tax).
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***** Criminal Records Checks *****

6.	32 V.S.A. § 3116	Cites authority for Taxes to conduct background checks on any individual with access to FTI. I.R.C. § 6103(p)(4). IRS Pub. 1075 requirements: <ul style="list-style-type: none"> • Agency must create a program & written policy on conducting initial & periodic background checks (reinvestigation every 10 years) on any individual with access to federal tax returns and return information. • Background investigation = criterion for <u>determination of risk level for access to FTI</u>, <i>not as a factor in determining fitness for employment</i> Cites requirement to comply with 21 V.S.A. § 495j(b) on investigating prospective employees
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***** Annual Income Tax Link Up *****

7.	32 V.S.A. § 5824	Adoption of federal income tax laws in effect for TY 2016 for the purpose of computing VT tax liability.
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***** Definitions; Department of Taxes; Commissioner of Taxes *****

8.	32 V.S.A. § 3102(b)	Expands application of definitions to entire chapter on tax administration, not just Sec. 3102 on tax confidentiality. Other sections within chapter use "Commissioner" without defining it. Sec. 3102's definition of "Commissioner" is particularly useful because it specifies that the Commissioner can delegate authority, which is necessary for the bank levy and similar compliance tools that are authorized in later sections in the chapter.
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***** Tax Returns; Commissioner of Taxes *****

9.	32 V.S.A. § 5914(a)	Changes due date for S corporations to file returns to mirror the due date for the annual minimum tax payment required under 32 V.S.A. § 5915, which was linked to the federal filing requirements under I.R.C. § 6072(b) in 2016 Act 134 (miscellaneous tax bill), Sec. 14.
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10.	32 V.S.A. § 9243(a)	Removes the requirement that the Commissioner distribute meals and rooms tax return forms on paper, and corrects a gender-specific reference to a taxpayer as “he.” Tax return filing is now done online through VTax.
11.	32 V.S.A. § 9606(e)	Restricts information on property transfer tax returns that Commissioner of Taxes may disclose, so as to prohibit disclosure of social security numbers, email addresses, or phone numbers on returns.
*** Homestead Declaration/Property Tax Adjustments ***		
12.	32 V.S.A. § 5401(7)	Amends definition of “homestead” for education property tax purposes to include the principal dwelling of a widower or widow when the dwelling is owned by the estate of the person’s deceased spouse and it appears reasonably likely that the dwelling will pass to the widower or widow by law or valid will when the estate is settled.
13.	32 V.S.A. § 6061(4)	Amends definition of “household income” for purposes of Homestead Property Tax Income Sensitivity Adjustment, to exclude the income of a claimant’s spouse when that spouse is subject to a protection order, as defined in 15 V.S.A. § 1101(5), as long as the order is in effect at the time household income is reported to the Department of Taxes.
*** Common Level of Appraisal ***		
14.	32 V.S.A. § 5402, 5405(g), 6066a	Adds language that requires tax bills to include the language specified under §5405(g) regarding the common level of appraisal.
15.	32 V.S.A. § 5403	Creates enabling language for merged districts to create merged assessment districts for the purposes of the common level of appraisal.
*** Estate Tax ***		
16.	32 V.S.A. § 7442a	Reinserts subsection (c), which was inadvertently deleted during the drafting of 2016 Act 146 (estate tax bill), Sec. 2. Effective dates section makes this section apply retroactively to January 1, 2016, when Act 146, Sec. 6 unintentionally repealed it.
*** Meals and Rooms Tax Reporting ***		
17.	32 V.S.A. § 9248	Repeals requirement that Dept. of Taxes collect information on operators from persons providing an Internet platform for the short-term rental of property for occupancy in this State, and \$5 fee for failure to provide information. Session law: 2016 Acts and Resolves No. 134, Sec. 21a.
*** Places of Entertainment ***		
18.	32 V.S.A. § 9771(4)	Amends reference to “place of amusement” in 32 V.S.A. § 9771(4) to mirror 2010 amendment of 32 V.S.A. § 9701(11), which changed definition to a “place of entertainment.”
19.	32 V.S.A. § 9813(a)	Broadens reference to 32 V.S.A. § 9771 to include all subdivisions, not just the first four. The reference to § 9771 in § 9813 was never amended after the inception of the sales tax, at which time § 9771 had only four subdivisions. § 9771 now has eight subdivisions, and the “amusement” tax in subdivision (4) now applies to items such as cable and satellite television and Internet movies.
*** Repeals ***		
20.	Repeals	The following are repealed (1) 32 V.S.A. ch. 239 (games of chance). (2) 32 V.S.A. § 10010(c) (requirement that form for payment of land gains tax set out penalties in large type).
*** Effective Date ***		
21.	Effective Date	Act takes effect on passage except Sec. X (reinsertion of 32 V.S.A. § 7442a(c)) takes effect retroactively on January 1, 2016.