

Miscellaneous Tax Bill- Draft 3.1

March 23, 2017

Sec.	Description	Comments
Administrative provisions		
1	Removes Commissioner of Taxes from requirement to make rules on administration and collection of the tax on spirits and fortified wines.	
2	Requires town clerks to report new listers to PVR electronically, not in writing.	
3	Amends confidentiality section in Title 32 to allow Department of Taxes to share return information with DFR (for surplus lines, insurance premium, and direct placement tax) and ANR (solid waste and hazardous waste tax). Expands application of definitions in 32 V.S.A. § 3102 to entire chapter on administration. (Incorporating Sec. 9 of Draft 1.1)	
4	Changes due date of S Corp returns to mirror due date for minimum tax payments under 32 V.S.A. § 5915, which was linked to the federal filing requirement under 26 U.S.C. § 6072(b) in 2016 Acts and Resolves No. 134, Sec. 14.	
5	No longer requires Commissioner to distribute paper copies of meals and rooms returns, but allows taxpayer to request them. Corrects a gender specific reference in statute.	
6	Restricts the type of information on a property transfer tax return that the Commissioner may disclose. Specifically prohibits disclosure of social security number, federal taxpayer numbers, email addresses or phone numbers.	
7	Adopts federal income tax laws in effect for tax year 2016 for the purpose of computing Vermont tax liability.	
8	Reinserts subsection (c) which was inadvertently deleted in 2016 Acts and Resolves No. 146, Sec. 2 (estate tax). Made effective retroactively to 1/1/16 to be consistent with the effective date in that act.	
9	Clarifies definition of net patient revenue for purposes of calculating the ambulance agency assessment.	
9a	Provides a statutory purpose for the property tax exemption for ski lifts and equipment.	

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Games of Chance – Move Licensing from Tax to DLC		
10	Amends references to games of chance in Title 13 by replacing references to Title 32 with references to Title 31.	
11	Creates a new chapter in Title 31 giving regulatory authority over break open tickets to DLC. Language requires nonprofit organizations to buy tickets directly from distributors and file quarterly reports with the Department of Taxes. Otherwise, the language is same as existing language in Title 32, except rulemaking authority is discretionary.	
Health Care Provisions; Health Care Information Technology Fund		
12	The sunset on the funding for the health care information technology fund from the health care claims tax is extended one year, until 7/1/18.	
13	Require a report from AHS on the Health Care Information Technology Fund.	
Health Care Provisions; Employer Assessment		
14- 15	Moves regulation of the employer assessment from the Department of Labor to the Department of Taxes. Adds language allowing same access to employer assessment data, as when it was regulated by Labor.	
Income Taxes; Adjusted Gross Income		
16	Adopts federal adjusted gross income as the base for Vermont’s personal income tax, with changes that otherwise retain current law.	
Sales tax; aircraft		
16a	Amends the current sales tax exemption for aircraft to exclude drones.	
Strategies for Increased Collections		
17	Reduces and caps the amount of use tax a taxpayer may elect to pay on their income tax return.	
18	Directs Department of Taxes to take steps to increase use tax compliance.	
19	Adds a State-level reporting requirement for third-party settlement organizations, requiring them to report transactions of greater than \$600, as is currently required of credit card companies.	

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20	Adds a reporting requirement for noncollecting vendors under the sales tax. Under the changes, noncollecting vendors will need to send annual sales information to the Department of Taxes, as well as the consumer.	
21	Directs the Department of Taxes to increase tax collection efforts.	
Clean Water		
22	Require the Treasurer to report on the viability of a revenue bond as a source of clean water funding.	
23	Convene a Clean Water Working Group to make recommendations for clean water funding.	
Repeal		
24	Repeals the chapter in Title 32 giving Department of Taxes the power to regulate break out tickets, and repeals a requirement that the form for the payment of the land gains tax set out the penalties in large type. Repeals sections of law that permit the current sales tax exemption for commercial aircraft, and commercial and private aircraft parts to continue. Repeals current employer assessment language that has regulation done by the Department of Labor. Repeals the sunset on the surcharge on the property transfer tax that is devoted to the Clean Water Fund.	
Effective Dates		
25	Effective on passage with exceptions.	