

**LEGISLATIVE COMPENSATION, EXPENSE
ALLOWANCES, AND BENEFITS**

Salary

Expenses

Additional material will be distributed
Thursday, December 1, 2016, 4:45 p.m.

Vermont Legislative Council

115 State Street • Montpelier, VT 05633-5301 • (802) 828-2231 • Fax: (802) 828-2424

MEMORANDUM

To: Members of the General Assembly
From: Luke Martland, Director and Chief Counsel
Date: November 30, 2016
Subject: Salary and expense allowances; taxable expenses

This memo provides information concerning your salary, meals and lodging allowances, mileage reimbursement, and pay schedule. There is also important information regarding taxable expenses and a change to your last paycheck of the session.

I. Salary

For each week of the 2017 legislative session, you will receive a salary of \$707.36. Payment of this salary may also be made as deferred compensation under the State's Deferred Compensation Plan. Forms for deferred compensation are available at <http://humanresources.vermont.gov/forms> or at the Office of Legislative Council.

II. Meals and lodging allowances and mileage reimbursement

Pursuant to 32 V.S.A. § 1052(b), all Representatives and Senators are entitled to an allowance for meals and, if they rent a room, for lodging. In addition, members who drive to the State House are entitled to reimbursement for mileage. The amounts are established by the federal government's General Service Administration (GSA) and are:

- Meals: \$74.00 per day
- Lodging: \$115.00 per night
- Mileage: \$0.54 per mile (the GSA reimbursement rates for mileage may change in January; we will notify you of any such change as soon as possible)

If you rent a room in Montpelier during the session: You are entitled to the lodging and meals allowances for each day of the session. These amounts are not reimbursement for your actual expenses, but are an allowance and are paid whether or not you actually spend more or less for meals or lodging. If you drive, you are also entitled to reimbursement for the mileage of one round-trip per week between your home and the State House.

If you do not rent a room in Montpelier: You are entitled to the meals allowance for each day of session. You are not entitled to the lodging allowance. If you drive to and from the State House, you are entitled to mileage reimbursement for each day that you drive.

Please be advised that under 32 V.S.A. § 1052(b)(3), “[i]f a member is absent for reasons other than sickness or legislative business for one or more entire days ... the member shall notify the Legislative Council staff of that absence, and expenses received shall not include the amount which the legislator specifies was not incurred during the period of that absence.” If this situation applies to you during the session, please see Agatha Kessler and she can show you how to fill out the appropriate forms.

III. Taxable Expenses

Certain legislator expenses are taxable. Expenses for legislators who live within a 50-mile radius from Montpelier are taxable and all expenses (from any legislator) that are not submitted within 60 days from the date incurred are taxable.

Taxable expenses are collected from your paycheck, not from your expense reimbursement check. This works during the regular course of the session but causes an issue at the end of session when your last paycheck is deposited before your expenses are submitted. In order to address this tax shortfall, **2 days of pay will be withheld from your last full paycheck.** This withholding will preserve a wage base from which to draw taxes. Your remaining wages will be paid out on the following pay date. Legislators should pay their taxes on expenses, and those who owe taxes may receive a reminder.

Wages will be withheld from all legislators' paychecks, regardless of whether any taxable expenses have been incurred. We appreciate your understanding with this departure from the normal pay period schedule.

******Members who live within a 50-mile radius of Montpelier must report their reimbursements as income, and they cannot deduct them from their federal taxes. However, reimbursements are not included when calculating a member's social security retirement benefits.******

IV. Payment schedule

Your salary will be automatically paid every two weeks according to the schedule below. However, your expenses are not automatically paid out. Expenses must be submitted through the VISION system each Friday during session. Please be aware that allowances and mileage reimbursement may be considered income for tax purposes under certain circumstances.

You will receive your first paycheck on January 5, 2017 for one week of salary; the following check will be on January 19, 2017 for two weeks' salary. Your expenses will be paid out weekly, following the week after they were incurred and provided that you submitted them on time.

Legislative Pay Dates

Pay Date	From	To	# of Hours
1/5/2017	1/3/2017	1/7/2017	40
1/19/2017	1/8/2017	1/21/2017	80
2/2/2017	1/22/2017	2/4/2017	80
2/16/2017	2/5/2017	2/18/2017	80
3/2/2017	2/19/2017	3/3/2017	80
3/16/2017	3/4/2017	3/17/2017	40
3/30/2017	3/18/2017	3/31/2017	80
4/13/2017	4/1/2017	4/14/2017	80
4/27/2017	4/15/2017	4/28/2017	80
5/11/2017	4/29/2017	5/12/2017	80
5/25/2017	5/13/2017	5/26/2017	*

* Depends on the date session ends.