

Fiscal Note: H.922: Miscellaneous Tax Bill
Prepared by: Graham Campbell, JFO
Date: March 22, 2018 (Revised)

H.922 Miscellaneous Tax Bill- House W&M, March 15, 2018		FY2019 Revenue Change		
Sec #	Brief Provision Description	General Fund	SHCRF^a	Other Funds
1	Adjusts the formula for assessing municipal stormwater fees	N/A	N/A	-\$206,300 ^b
2	Adjusts the formula for Green Mountain Care Board bill back	N/A	N/A	N/A
3-7	Adjusts eligibility for the Vermont Higher Education Investment Plan (VHEIP) credit to apply to only Vermont post-secondary institutions and requires a report on nonpostsecondary uses of the VEHIP credit	N/A	N/A	N/A
8	Increases the amount of first year credits for the Vermont Housing Finance Agency Down Payment Assistance program	-\$125,000 ^c	N/A	N/A
9	Increases the annual cap on the Downtown and Village Tax Center Tax Credit program	-\$250,000	N/A	N/A
10	Places a 46% wholesale tax on the liquids used in e-cigarettes as well as one-time e-cigarettes	N/A	+\$385,000	N/A
11	Creates an exemption for fire departments and emergency medical services from paying the meals and rooms tax when serving meals off-premises	-\$7,000	N/A	N/A
12-31	Miscellaneous technical tax changes	N/A	N/A	N/A
Total revenue impact		-\$382,000	+\$385,000	-\$206,300
Net revenue impact on overall State Revenues		-\$203,300		

^a State Health Care Resources Fund. H.922 contains intent language that the revenues from the e-cigarette tax will be used for the General Fund to fund the expansion of the Down Payment Assistance Program and the Downtown and Village Center Tax credit program.

^b These fees are dedicated to the Environmental Permit Fund. Under current law, these fees raised \$496,000. If Section 1 is enacted, the total collected from these fees would total \$289,700, representing a revenue loss of \$206,300. **The Agency of Natural Resources has already accounted for this change during their FY2019 budget submission.**

^c Revenue loss increases approximately \$125,000 for subsequent fiscal years. See below:

Expansion of VHFA Downpayment Assistance Program						
		FY2019	FY2020	FY2021	FY2022	FY2023
VHFA Down Payment Assistance Program* (Loans for 1st-time homebuyers)		\$ 125,000	\$ 250,000	\$ 375,000	\$ 500,000	\$ 625,000
*Note: Down Payment Assistance is a commitment for five years	2019 credits	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
	2020 credits		\$125,000	\$125,000	\$125,000	\$125,000
	2021 credits			\$125,000	\$125,000	\$125,000
	2022 credits				\$125,000	\$125,000
	2023 credits					\$125,000
	2024 credits					\$125,000
	2025 credits					\$125,000

Expansion of VHFA Downpayment Assistance Program (continued)							
		FY2024	FY2025	FY2026	FY2027	FY2028	FY2029
VHFA Down Payment Assistance Program* (Loans for 1st-time homebuyers)		\$ 625,000	\$ 625,000	\$ 500,000	\$ 375,000	\$ 250,000	\$ 125,000
*Note: Down Payment Assistance is a commitment for five years	2019 credits						
	2020 credits	\$125,000					
	2021 credits	\$125,000	\$125,000				
	2022 credits	\$125,000	\$125,000	\$125,000			
	2023 credits	\$125,000	\$125,000	\$125,000	\$125,000		
	2024 credits	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	
	2025 credits		\$125,000	\$125,000	\$125,000	\$125,000	\$125,000