



Langrock Sperry & Wool, LLP
ATTORNEYS AT LAW

January 11, 2018

Senator Richard Sears, Jr.
115 State Street
Montpelier, VT 05633

Senator Jeanette K. White
115 State Street
Montpelier, VT 05633

Re: S.244

Dear Senator Sears and Senator White:

I am writing with regard to S.244, which you have sponsored. S.244 which would extend the spousal support (“alimony”) guidelines currently in 15 V.S.A. §752(b)(8), from July 1 2019 to July 1, 2021.

I totally agree with you that it makes sense to give the courts the statutory flexibility to continue to use these guidelines, especially while the legislature continues to examine this issue and come up with a “permanent” alimony formula or set of guidelines. However, I wanted to flag an issue for your consideration, because it may be that the legislature will want to reduce the amounts suggested in those guidelines, in light of the new tax law.

As you know, historically a person paying alimony has been able to take a tax deduction, and the person receiving alimony has had to declare the alimony as income. Under the new federal tax law, however, all alimony obligations which are created via divorce orders issued after December 31, 2018, will no longer be deductible. (Current alimony orders are grandfathered, as are alimony orders created in 2018, so those alimony payments will still be deductible in the future.)

My point in raising this with you is to point out that the amount of alimony suggested in the guidelines in 15 V.S.A. §752(b)(8) assumes that those alimony payments are deductible to the payor and income to the payee. Now that the federal government has completely changed this paradigm, I’d suggest that the legislature might want to examine whether the amounts listed in those guidelines should be adjusted downward (at least as of January 1, 2019), to reflect the lack of deductibility.

I’d be happy to speak with your committee about this if you wish. Thanks for your time.

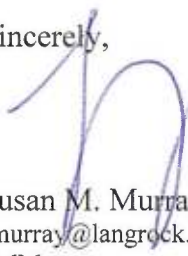
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A Limited Liability Partnership Including a Professional Corporation

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Sincerely,



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c: Judge Brian Gearson
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