

1 TO THE HONORABLE SENATE:

2 The Committee on Finance to which was referred House Bill No. 516  
3 entitled “An act relating to miscellaneous tax changes” respectfully reports that  
4 it has considered the same and recommends that the Senate propose to the  
5 House that the bill be amended as follows:

6 First: By striking out the reader assistance heading before Sec. 1, and  
7 inserting in lieu thereof a new reader assistance heading to read as follows:

8 \* \* \* Administrative and Technical Provisions \* \* \*

9 and by striking the reader assistance heading between Sec. 1 and Sec. 2

10 Second: By striking out Sec. 11 in its entirety and inserting in lieu thereof a  
11 new Sec. 11 to read as follows:

12 Sec. 11. 3 V.S.A. chapter 10 is added to read:

13 CHAPTER 10. FEDERAL TAX INFORMATION

14 § 241. BACKGROUND INVESTIGATIONS

15 (a) “Federal tax information” or “FTI” means returns and return  
16 information as defined in 26 U.S.C. § 6103(b) that are received directly from  
17 the Internal Revenue Service or obtained through an IRS-authorized secondary  
18 source, that are in the Recipient’s possession or control, and that are subject to  
19 the confidentiality protections and safeguarding requirements of the Internal  
20 Revenue Code and corresponding federal regulations and guidance.

1           (b) As used in this chapter, “Recipient” means the following authorities of  
2           the Executive Branch of State government that receive FTI:

3                   (1) Agency of Human Services, including:

4                           (A) Department for Children and Families;

5                           (B) Department of Health;

6                           (C) Department of Mental Health; and

7                           (D) Department of Vermont Health Access.

8                   (2) Department of Labor.

9                   (3) Department of Motor Vehicles.

10                   (4) Department of Taxes.

11           (c) The Recipient shall conduct an initial background investigation of any  
12           individual, including a current or prospective employee, volunteer, contractor,  
13           or subcontractor, to whom the Recipient permits access to FTI for the purpose  
14           of assessing the individual’s fitness to be permitted access to FTI. The  
15           Recipient shall conduct, every 10 years at a minimum, periodic background  
16           investigations of employees or other individuals to whom the Recipient  
17           permits access to FTI.

18           (d) The Recipient shall request and obtain from the Vermont Crime  
19           Information Center (VCIC) the Federal Bureau of Investigation and State and  
20           local law enforcement criminal history records based on fingerprints for the  
21           purpose of conducting a background investigation under this section.

1           (e) The Recipient shall sign and keep a user agreement with the VCIC.

2           (f) A request made under subsection (d) of this section shall be  
3           accompanied by a release signed by the individual on a form provided by the  
4           VCIC, a set of the individual's fingerprints, and a fee established by the VCIC  
5           that shall reflect the cost of obtaining the record. The fee for a current or  
6           prospective employee shall be paid by the Recipient. The release form to be  
7           signed by the individual shall include a statement informing the individual of:

8                   (1) the right to challenge the accuracy of the record by appealing to the  
9                   VCIC pursuant to rules adopted by the Commissioner of Public Safety; and

10                   (2) the Recipient's policy regarding background investigations and the  
11                   maintenance and destruction of records.

12           (g) Upon completion of a criminal history record check under subsection  
13           (d) of this section, the VCIC shall send to the Recipient either a notice that no  
14           record exists or a copy of the record. If a copy of a criminal history record is  
15           received, the Recipient shall forward it to the individual and shall inform the  
16           individual in writing of:

17                   (1) the right to challenge the accuracy of the record by appealing to the  
18                   VCIC pursuant to rules adopted by the Commissioner of Public Safety; and

19                   (2) the Recipient's policy regarding background investigations and the  
20                   maintenance and destruction of records.

1        (h) Criminal history records and information received under this chapter  
2        are exempt from public inspection and copying under the Public Records Act  
3        and shall be kept confidential by the Recipient, except to the extent that federal  
4        or State law authorizes disclosure of such records or information to specifically  
5        designated persons.

6        (i) The Recipient shall adopt policies in consultation with the Department  
7        of Human Resources to carry out this chapter and to guide decisions based on  
8        the results of any background investigation conducted under this chapter. Prior  
9        to adoption, the policies shall be negotiated with the Vermont State Employees'  
10       Association.

11       § 242. RAP BACK PROGRAM

12       The Recipient may request the Vermont Crime Information Center (VCIC)  
13       to provide Federal Bureau of Investigation “Rap Back” background  
14       investigation services based on fingerprints for the purpose of assessing the  
15       fitness of an individual with access to FTL, including a current employee,  
16       volunteer, contractor, or subcontractor, to continue to be permitted access to  
17       FTL. A Rap Back investigation authorized under this section may be requested  
18       upon:

19                (1) obtaining informed written consent from the individual to authorize  
20        the retention of fingerprints for future background investigation purposes;

1           (2) creating sufficient controls and processes to protect the  
2           confidentiality and privacy of the records and information received;

3           (3) notifying the individual in a timely manner of new records and  
4           information received; and

5           (4) notifying the individual of the background investigation policy  
6           established by the Recipient in consultation with the Department of Human  
7           Resources.

8           Third: In Sec. 13, 31 V.S.A. chapter 23, in subdivision 1201(5), by adding  
9           a third sentence to read as follows:

10           An organization shall be considered a nonprofit organization under this  
11           subdivision only if it certifies annually, on a form with whatever information is  
12           required by the Commissioner, how it meets the definition under this  
13           subdivision.

14           and in section 1203, by striking subsection (f) in its entirety, and inserting in  
15           lieu thereof a new subsection (f) to read as follows:

16           (f) A nonprofit organization that sells break-open tickets, other than a club  
17           as defined in 7 V.S.A. § 2(7), shall report to the Department of Liquor Control  
18           on a quarterly basis the number of tickets purchased and distributed, and the  
19           corresponding serial numbers of those tickets, the amount of revenue realized  
20           by the nonprofit organization, and the amounts accounted for under  
21           subdivisions (e)(2)(A)–(D) of this section. The nonprofit organization shall

1 also identify an individual from the organization responsible for the reporting  
2 requirements under this subsection. If the Department of Liquor Control  
3 determines that a nonprofit organization has failed to comply with the  
4 requirements of this subsection, the Department of Liquor Control shall notify  
5 the nonprofit organization and any licensed distributors of this failure, and any  
6 licensed distributor that continues to sell break-open tickets to that nonprofit  
7 organization after notice shall be considered in violation of the requirements of  
8 this chapter, until the Department of Liquor Control has determined the  
9 nonprofit organization is back in compliance with this subsection.

10 Fourth: By striking out Sec. 15 (health information technology report) in its  
11 entirety, and inserting in lieu thereof a new Sec. 15 to read as follows:

12 Sec. 15. HEALTH INFORMATION TECHNOLOGY REPORT

13 (a) The Secretaries of Administration and of Human Services shall conduct  
14 a comprehensive review of the State's Health-IT Fund established by  
15 32 V.S.A. § 10301, Health Information Technology Plan established by  
16 18 V.S.A. § 9351, and Vermont Information Technology Leaders administered  
17 pursuant to 18 V.S.A. § 9352.

18 (b) The report shall:

19 (1) review the need for a State-sponsored Health-IT Fund;

1           (2) review how past payments from the Fund have or have not promoted  
2           the advancement of health information technology adoption and utilization in  
3           Vermont;

4           (3) review the past development, approval process, and use of the  
5           Vermont Health Information Technology Plan;

6           (4) review the Vermont Information Technology Leaders (VITL)  
7           organization, including:

8                   (A) its maintenance and operation of Vermont’s Health Information  
9           Exchange (VHIE);

10                   (B) the organization’s ability to support current and future health care  
11           reform goals;

12                   (C) defining VITL’s core mission;

13                   (D) identifying the level of staffing necessary to support VITL in  
14           carrying out its core mission; and

15                   (E) examining VITL’s use of its staff for activities outside its core  
16           mission;

17           (5) recommend whether to continue the Health-IT Fund, including with  
18           its current revenue source as set forth in 32 V.S.A § 10402;

19           (6) recommend any changes to the structure of VITL, including whether  
20           it should be a public or private entity, and any other proposed modifications to  
21           18 V.S.A § 9352;

1           (7) review property and ownership of the VHIE, including identifying  
2           all specific tangible and intangible assets that comprise or support the VHIE  
3           (especially in regards to VITL’s current and previous agreements with the  
4           State), and the funding sources used to create this property;

5           (8) evaluate approaches to health information exchange in other states,  
6           including Maine and Michigan, in order to identify opportunities for reducing  
7           duplication in Vermont’s health information exchange infrastructure; and

8           (9) recommend any accounting or financial actions the State should take  
9           regarding State-owned tangible and intangible assets that comprise or support  
10           the VHIE.

11           (c) On or before November 15, 2017, the Secretaries of Administration and  
12           of Human Services shall submit this report to the House Committees on Health  
13           Care, on Appropriations, on Energy and Technology, and on Ways and Means  
14           and the Senate Committees on Health and Welfare, on Appropriations, and on  
15           Finance.

16           Fifth: By striking out Sec. 18 in its entirety and inserting in lieu thereof a  
17           reader assistance and five new sections to be Secs. 18–18d to read as follows:

18           \* \* \* Health Care Provisions; Home Health Agency Provider Tax \* \* \*

19           Sec. 18. 33 V.S.A. § 1951 is amended to read:

20           § 1951. DEFINITIONS

21           As used in this subchapter:

1           (1) “Assessment” means a tax levied on a health care provider pursuant  
2 to this chapter.

3           (2)(A) “~~Core home~~ Home health care services” means any of the  
4 following:

5                   (i) those medically necessary, intermittent, skilled ~~nursing, home~~  
6 ~~health aide, therapeutic, and personal care attendant services, provided~~  
7 ~~exclusively in the home by home health agencies. Core home health services~~  
8 ~~do not include private duty nursing, hospice, homemaker, or physician~~  
9 ~~services, or services provided under early periodic screening, diagnosis, and~~  
10 ~~treatment (EPSDT), traumatic brain injury (TBI), high technology programs,~~  
11 ~~or services provided by a home for persons who are terminally ill as defined in~~  
12 ~~subdivision 7102(3) of this title~~ home health services provided by Medicare-  
13 certified home health agencies of the type covered under Title XVIII  
14 (Medicare) or XIX (Medicaid) of the Social Security Act;

15                   (ii) services covered under the adult and pediatric High  
16 Technology Home Care programs as of January 1, 2015;

17                   (iii) personal care, respite care, and companion care services  
18 provided through the Choices for Care program contained within Vermont’s  
19 Global Commitment to Health Section 1115 demonstration; and

20                   (iv) hospice services.

1           (B) The term “home health services” shall not include any other  
2 service provided by a home health agency, including:

3           (i) private duty services;

4           (ii) case management services, except to the extent that such  
5 services are performed in order to establish an individual’s eligibility for  
6 services described in subdivision (A) of this subdivision (2);

7           (iii) homemaker services;

8           (iv) adult day services;

9           (v) group-directed attendant care services;

10          (vi) primary care services;

11          (vii) nursing home room and board when a hospice patient is in a  
12 nursing home; and

13          (viii) health clinics, including occupational health, travel, and flu  
14 clinics.

15           (C) The term “home health services” shall not include any services  
16 provided by a home health agency under any other program or initiative unless  
17 the services fall into one or more of the categories described in subdivision (A)  
18 of this subdivision (2). Other programs and initiatives include:

19           (i) the Flexible Choices or Assistive Devices options under the  
20 Choices for Care program contained within Vermont’s Global Commitment to  
21 Health Section 1115 demonstration;



1           (2) On or before May 1 of each year, each home health agency shall  
2           provide to the Department a copy of its most recent audited financial statement  
3           prepared in accordance with generally accepted accounting principles. The  
4           amount of the tax shall be determined by the Commissioner based on the home  
5           health net patient revenue attributable to services reported on the agency's  
6           ~~most recent audited financial statements~~ statement at the time of submission, a  
7           ~~copy of which shall be provided on or before May 1 of each year to the~~  
8           ~~Department.~~

9           (3) For providers who ~~begin~~ began operations as a home health agency  
10          after January 1, 2005, the tax shall be assessed as follows:

11          ~~(1)(A)~~ (A) Until such time as the home health agency submits audited  
12          financial statements for its first full year of operation as a home health agency,  
13          the Commissioner, in consultation with the home health agency, shall annually  
14          estimate the amount of tax payable and shall prescribe a schedule for interim  
15          payments.

16          ~~(2)(B)~~ (B) At such time as the full-year audited financial statement is filed,  
17          the final assessment shall be determined, and the home health agency shall pay  
18          any underpayment or the Department shall refund any overpayment. The  
19          assessment for the State fiscal year in which a provider commences operations  
20          as a home health agency shall be prorated for the proportion of the State fiscal  
21          year in which the new home health agency was in operation.

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Sec. 18b. 2016 Acts and Resolves No. 134, Sec. 32 is amended to read:

Sec. 32. HOME HEALTH AGENCY ASSESSMENT FOR FISCAL  
~~YEARS YEAR 2017 AND 2018~~

Notwithstanding any provision of 33 V.S.A. § 1955a(a) to the contrary, for  
fiscal ~~years year 2017 and 2018~~ only, the amount of the home health agency  
assessment under 33 V.S.A. § 1955a for each home health agency shall be  
3.63 percent of its annual net patient revenue.

Sec. 18c. TRANSITIONAL PROVISION FOR FISCAL YEAR 2018

Notwithstanding any provision of 33 V.S.A. § 1955a(a)(2) to the contrary,  
for fiscal year 2018 only, the Commissioner of Vermont Health Access may  
determine the amount of a home health agency's provider tax based on such  
documentation as the Commissioner deems acceptable.

Sec. 18d. REPEAL

33 V.S.A. § 1955a (home health agency assessment) is repealed on July 1,  
2019.

Sixth: After Sec. 24, by adding a Sec. 24a to read as follows:

Sec. 24a. SMALL BUSINESS TAXPAYER OUTREACH AND  
EDUCATION WORKING GROUP

The Taxpayer Advocate at the Department of Taxes shall convene a  
working group of interested stakeholders to examine the ways the Department

1 can improve outreach and education to small business taxpayers. On or before  
2 November 15, 2017, the Taxpayer Advocate shall report to the House  
3 Committee on Ways and Means and the Senate Committee on Finance  
4 recommendations to improve the relationship between the Department and  
5 small businesses. In considering the recommendations, the Taxpayer Advocate  
6 shall examine the following:

7 (1) identifying complex areas of the law that could be simplified to  
8 enhance voluntary compliance;

9 (2) compiling a list of common issues on which the Department may  
10 focus its outreach and education efforts;

11 (3) considering how the Department can maximize its existing resources  
12 to provide additional guidance targeted to small businesses;

13 (4) directing the Department to identify existing organizations and  
14 resources for small businesses and how to provide tax guidance through those  
15 organizations;

16 (5) providing for a plan to contact and provide direction to new small  
17 businesses in Vermont within one year of their operation in the State;

18 C (6) recommending guidelines to forgive tax penalties and interest  
19 under certain circumstances; and

20 (7) making other recommendations as appropriate.

1        Seventh: By striking out Sec. 26 (clean water working group) in its entirety  
2        and inserting in lieu thereof a new Sec. 26 to read as follows:

3        Sec. 26. CLEAN WATER WORKING GROUP

4        (a) Creation. There is created the Working Group on Water Quality  
5        Funding (Working Group) to develop a recommended method of assessing a  
6        statewide impervious surface fee, per parcel fee, per acre fee, or some  
7        combination of the foregoing, in order to generate revenue to be deposited in  
8        the Clean Water Fund under 10 V.S.A. § 1388 to fund water quality restoration  
9        and conservation in the State.

10       (b) Membership. The Working Group shall be composed of the following  
11       13 members:

12           (1) the Secretary of Natural Resources or designee;

13           (2) one current member of the House of Representatives, who shall be  
14        appointed by the Speaker of the House;

15           (3) one current member of the Senate, who shall be appointed by the  
16        Committee on Committees;

17           (4) one member from the Vermont League of Cities and Towns,  
18        appointed by the Board of Directors of that organization;

19           (5) one member from the Vermont Municipal Clerks and Treasurers  
20        Association, appointed by the Executive Board of that organization;

1           (6) one member from the Vermont Mayors' Coalition appointed by that  
2           organization;

3           (7) one member representing commercial or industrial business interests  
4           in the State, to be appointed by the Lake Champlain Regional Chamber of  
5           Commerce, after consultation with other business groups in the State;

6           (8) the Commissioner of Environmental Conservation or designee;

7           (9) the Commissioner of Forests, Parks and Recreation or designee;

8           (10) a representative of an environmental advocacy group, appointed by  
9           the Speaker of the House;

10           (11) a representative of the agricultural community appointed by the  
11           Vermont Farm Bureau;

12           (12) a representative of University of Vermont Extension, appointed by  
13           the President Pro Tempore of the Senate; and

14           (13) the Secretary of Agriculture, Food and Markets or designee.

15           (c) Powers and duties. The Working Group shall recommend to the  
16           General Assembly draft legislation to establish a statewide method of assessing  
17           an impervious surface fee, a per parcel fee, a per acre fee, or some combination  
18           of the foregoing, in order to generate revenue to fund water quality restoration  
19           and conservation in the State. In developing the draft legislation, the Working  
20           Group shall address:

1           (1) whether the fee or fees shall be assessed on impervious surface, per  
2 parcel, per acre, or some combination of the foregoing;

3           (2) whether the fee or fees shall be tiered to reflect the amount of  
4 impervious surface, size of a parcel, acreage of a parcel, type of property,  
5 usage of the property, impact of the property on water quality, or other factors;

6           (3) the amount of fee or fees to be assessed;

7           (4) how the fee or fees shall be collected and remitted to the State;

8           (5) whether any property shall be exempt from the fee or fees;

9           (6) how an owner of property subject to a municipal stormwater utility  
10 fee or other revenue mechanism for funding water quality improvements shall  
11 receive a credit or reduced fee for payment of the municipal fee; and

12           (7) how to provide for abatement, delinquency, and enforcement of the  
13 required fee or fees.

14           (d) Assistance. The Working Group shall have the administrative,  
15 technical, and legal assistance of the Agency of Natural Resources and the  
16 Department of Taxes. The Working Group shall have the technical assistance  
17 of the Vermont Center for Geographic Information or designee.

18           (e) Report. On or before January 15, 2018, the Working Group shall  
19 submit to the General Assembly a summary of its activities and the draft  
20 legislation establishing a statewide method of assessing an impervious surface  
21 fee, per parcel fee, per acre fee, or some combination of the foregoing.



1 settlement. The Director shall recalculate the municipality's education  
2 property tax liability for the year at issue, in accord with the reduced valuation,  
3 provided that:

4 (A) ~~the~~ The reduction in valuation is the result of an appeal under  
5 chapter 131 of this title to the Director of Property Valuation and Review or to  
6 a court, with no further appeal available with regard to that valuation, or any  
7 judicial decision with no further right of appeal, or a settlement of either an  
8 appeal or court action if the ~~Commissioner~~ Director determines that the  
9 settlement value is the fair market value of the parcel;

10 (B) ~~the~~ The municipality ~~notified the Commissioner of the appeal or~~  
11 ~~court action, in writing, within 10 days after notice of the appeal was filed~~  
12 ~~under section 4461 of this title or after the complaint was served; and~~ submits  
13 the request on or before January 15 for a request involving an appeal or court  
14 action resolved within the previous calendar year.

15 (C) ~~as a result of the valuation reduction of the parcel, the value of~~  
16 ~~the municipality's grand list is reduced at least one percent. [Repealed.]~~

17 (D) The Director determines that the municipality's actions were  
18 consistent with best practices published by the Property Valuation and Review  
19 in consultation with the Vermont Assessors and Listers Association. The  
20 municipality shall have the burden of showing that its actions were consistent  
21 with the Director's best practices.

1           (2) A determination of the Director made under subdivision (1) of this  
2           subsection (a) may be appealed within 30 days by an aggrieved municipality to  
3           the Commissioner for a hearing to be held in accordance with 3 V.S.A.  
4           §§ 809–813. The Commissioner’s determination may be further appealed to  
5           Superior Court, which shall review the Commissioner’s determination using  
6           the record that was before the Commissioner. The Commissioner’s  
7           determination may only be overturned for abuse of discretion.

8           (3) ~~The municipality’s~~ Upon the Director’s request, a municipality  
9           submitting a request under subdivision (1) of this subsection (a) shall include a  
10          copy of the agreement, determination or final order, and any other  
11          documentation necessary to show the existence of these conditions.

12          (b) To the extent that the municipality has paid that liability, the  
13          ~~Commissioner~~ Director shall allow a credit for any reduction in education tax  
14          liability against the next ensuing year’s education tax liability ~~or, at the request~~  
15          ~~of the municipality, may refund to the municipality an amount equal to the~~  
16          ~~reduction in education tax liability.~~

17          (c) If a listed value is increased as the result of an appeal under chapter 131  
18          of this title or court action, whether adjudicated or settled and the  
19          ~~Commissioner~~ Director determines that the settlement value is the fair market  
20          value of the parcel, with no further appeal available with regard to that  
21          valuation, the ~~Commissioner~~ Director shall recalculate the municipality’s

1 education property tax for each year at issue, in accord with the increased  
2 valuation, and shall assess the municipality for the additional tax at the same  
3 time the ~~Commissioner~~ Director assesses the municipality's education tax  
4 liability for the next ensuing year, unless the resulting assessment would be  
5 less than \$300.00. Payment under this section shall be due with the  
6 municipality's education tax liability for the next ensuing year.

7 (d) Recalculation of education property tax under this section shall have no  
8 effect other than to reimburse or assess a municipality for education property  
9 tax changes ~~which~~ that result from property revaluation.

10 (e) A reduction made under this section shall be an amount equal to the loss  
11 in education grand list value multiplied by the tax rate applicable to the subject  
12 property in the year the request is submitted. However, the total amount for all  
13 reductions made under this section in one year shall not exceed \$1,000,000.00.  
14 If total reductions for a calendar year would exceed that amount, the Director  
15 shall instead prorate the reductions proportionally among all municipalities  
16 eligible for a reduction so that total reductions equal \$1,000,000.00.

17 (f) Prior to the issuance of a final administrative determination or judicial  
18 order, a municipality may request that the Director certify that best practices  
19 were followed for purposes of meeting the requirements of subdivision  
20 (a)(1)(D) of this section. The Director may choose to grant certification, deny  
21 certification, or refrain from a decision until a request is submitted under

1 subdivision (a)(1) of this section. The Director shall consider the potential  
2 impact on the Education Fund, the unique character of the subject property or  
3 properties, and any extraordinary circumstances when deciding whether to  
4 grant certification under this subsection. The Director shall be bound by a  
5 decision to grant certification unless the municipality agrees to a settlement  
6 after such certification was made.

7 Sec. 26b. GRAND LIST LITIGATION ASSISTANCE; STUDY

8 (a) The Attorney General, in consultation with the Vermont League of  
9 Cities and Towns, property owners, and other interested stakeholders, shall  
10 study approaches to assisting municipalities with expenses incurred during  
11 litigation pursuant to chapter 131 of this title, including assigning an Assistant  
12 Attorney General to the Division of Property Valuation and Review to support  
13 municipalities litigating complex matters.

14 (b) On or before December 1, 2017, the Attorney General shall submit a  
15 report to the Senate Committee on Finance and the House Committee on Ways  
16 and Means on the findings of the study described in subsection (a) of this  
17 section. The report shall include recommendations for legislative action based  
18 on the findings of the study.

1 Sec. 26c. REIMBURSEMENT OF EDUCATION TAX LIABILITY;

2 REPORT

3 (a) On or before December 1, 2019, the Director of Property Valuation and  
4 Review shall submit a report to the Senate Committee on Finance and the  
5 House Committee on Ways and Means on the reimbursement of education tax  
6 liabilities to municipalities pursuant to Sec. 26a of this act.

7 (b) The report shall include:

8 (1) the annual number of reductions to the education grand list;

9 (2) the annual amount reimbursed to municipalities from the Education  
10 Fund; and

11 (3) the annual increase, if any, to the education grand list.

12 Ninth: By inserting a reader assistance heading and a new section to be  
13 Sec. 26d to read as follows:

14 \* \* \* Premium Tax Credit \* \* \*

15 Sec. 26d. 8 V.S.A. § 6014(k) is amended to read:

16 (k) A captive insurance company first licensed under this chapter on or  
17 after January 1, ~~2011~~ 2017 shall receive a nonrefundable credit of ~~\$7,500.00~~  
18 \$5,000.00 applied against the aggregate taxes owed for the first two taxable  
19 ~~year~~ years for which the company has liability under this section.

20 Tenth: After its reader assistance heading, by striking out Sec. 28 (effective  
21 dates) and inserting in lieu thereof a new Sec. 28 to read as follows:

1       Sec. 28. EFFECTIVE DATES

2               This act shall take effect on passage except:

3               (1) Notwithstanding 1 V.S.A. § 214, Sec. 7 (annual update of income  
4 tax link to the IRC) shall take effect retroactively on January 1, 2016 and apply  
5 to taxable years beginning on and after January 1, 2016.

6               (2) Notwithstanding 1 V.S.A. § 214, Sec. 8 (estate tax) shall take effect  
7 retroactively on January 1, 2016.

8               (3) Sec. 11 (3 V.S.A. chapter 10) shall take effect on passage, except for  
9 3 V.S.A. § 242, which shall take effect when the VCIC has been authorized in  
10 statute to subscribe to the FBI Rap Back program.

11              (4) Secs. 12–13 (break-open tickets) shall take effect on  
12 September 1, 2017, except the first quarter for which nonprofit organizations  
13 shall be required to comply with 31 V.S.A. § 1203(f) shall be the fourth quarter  
14 of 2017.

15              (5) Secs. 16–17 (transferring employer assessment from the Department  
16 of Labor to the Department of Taxes) and 27(5) shall take effect on January 1,  
17 2018 with the return of the fourth quarter of 2017 being due on January 25,  
18 2018.

19              (6) Sec. 19 (sales tax exemption for aircraft) shall take effect on  
20 July 1, 2017.

1           (7) Notwithstanding 1 V.S.A. § 214, Sec. 20 (use tax reporting) shall  
2           take effect retroactively on January 1, 2017 and apply to returns filed for tax  
3           year 2017 and after.

4           (8) Notwithstanding 1 V.S.A. § 214, Sec. 22 (third party settlement  
5           network reporting requirements) shall take effect retroactively on  
6           January 1, 2017 and apply to taxable year 2017 and after.

7           (9) Sec. 23 (additional noncollecting vendor reporting requirements)  
8           shall take effect on July 1, 2017.

9           (10) Secs. 26a–26c (property tax appeals) and 26d (premium tax credit)  
10          shall take effect on July 1, 2017.

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13          (Committee vote: \_\_\_\_\_)

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Senator \_\_\_\_\_

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FOR THE COMMITTEE