

# Vermont Legislative Joint Fiscal Office

---

One Baldwin Street • Montpelier, VT 05633-5701 • (802) 828-2295 • Fax: (802) 828-2483

## *FISCAL NOTE*

Date: March 13, 2017

Prepared by: Sara Teachout

### **S.100 Promotion of Affordable and Sustainable Housing**

#### Sec. 2: 32 V.S.A. § 9610(d)(1) Dedication of Property Transfer Tax Revenue

This section dedicates the first \$2.5 million of property transfer tax revenue to the Vermont Housing Finance Agency (VHFA) for Vermont Housing and Conservation Board (VHCB) affordable housing projects effective in FY 2018. This is repealed in FY 2039 in Sec. 5 of the bill.

The original Administration proposal appropriated \$2.5 million in FY 2018 and dedicated the revenue in subsequent years. The \$2.5 was made up of \$1.5 million of base VHCB funding and \$1.0 million of the property transfer tax that usually goes to the General Fund.

#### Sec. 13: 32 V.S.A. § 5930ee Downtown Tax Credits

This section increases the cap by \$200,000 for the amount of downtown program tax credits that may be awarded annually from \$2.2 million to \$2.4 million.

#### Sec. 14: Affordable Housing Tax Credits applied against captive insurance premiums tax

This would expand to the captive insurance premiums tax the types of taxes which an affordable housing tax credit certificate may be used by a taxpayer who purchases one. Currently, these credits may be applied to personal or corporate income tax, bank franchise tax, and insurance premiums taxes.