

Sec. X. 32 V.S.A. § 5870 is amended to read:

§ 5870. REPORTING USE TAX ON INDIVIDUAL INCOME TAX RETURNS

(a) The Commissioner of Taxes shall provide that individuals report use tax on their State individual income tax returns. Taxpayers are required to attest to the amount of their use tax liability under chapter 233 of this title for the period of the tax return. Alternatively, they may elect to report an amount that is a percentage of their ~~Vermont~~ adjusted gross income ~~indexed annually under~~ determined pursuant to subsection (b) of this section, as shown on a table published by the Commissioner of Taxes; and use tax liability arising from the purchase of each item with a purchase price in excess of \$1,000.00 shall be added to the table amount.

(b) The amount of use tax a taxpayer may elect to report under subsection (a) of this section shall be ~~0.20~~ 0.10 percent of their ~~Vermont~~ adjusted gross income in tax year ~~2016~~ 2017, ~~increased for~~ and reviewed in each subsequent tax year to ensure the percentage reasonably reflects the use tax liabilities of individuals. The Commissioner shall review the percentage at a minimum of once per year, shall adjust the percentage as necessary, and shall use all relevant information available, including sales and use tax compliance and consumer expenditure data. A taxpayer shall not be required to pay more than \$500.00 for use tax liability arising from total purchases of items with a purchase price of \$1,000.00 or less, by a percentage that is twice the change in the annual national Consumer Price Index for goods and services published by the U.S. Bureau of Labor Statistics, from tax year 2016 to the tax year in which the indexing calculation is being made.