

BILL NUMBER

Sec. 1. FINDINGS

Over 6000 Vermont homeowners participate in the 3SquaresVT program (referred to under federal law as SNAP, the Supplemental Nutrition Assistance Program). In accordance with federal law, 3SquaresVT benefit levels are determined after providing an income deduction for shelter expenses. The higher the deduction for shelter expenses, the higher a homeowner's benefit will be. In 2017, the Food and Nutrition Service ("FNS") of the United States Department for Agriculture advised Vermont's Department for Children and Families that the shelter expense deduction should be calculated using net property taxes, after any homestead property tax income sensitivity adjustment and other adjustments are applied. Federal law provides that funding "received in the form of a nonrecurring lump-sum payment, including, but not limited to, income tax refunds, rebates, or credits," are excluded from income in determining eligibility for benefits. In order to gain FNS approval to revert to using the property tax assessed, rather than the net amount paid after application of the income sensitivity adjustment, this bill proposes to change the term "adjustment" to "credit," and to add clarifying language to support the interpretation of the income sensitivity program as a credit based on prior year liabilities as compared to income.

Sec. 2. 32 V.S.A. Chapter 154 is amended to replace the word "adjustment" with the word "credit" in all instances where the word "adjustment" appears.

Sec. 3. 32 V.S.A. § 6061(1) is amended to read:

~~"Adjustment"~~ "Property Tax Credit" [PTC] means ~~an adjustment~~ a credit of prior tax year statewide or local share property tax liability or a homestead owner or renter credit, as authorized under section 6066 of this title, as the context requires.

Sec. 4. 32 V.S.A. § 6066 is amended to read:

Computation of ~~adjustment~~ Property Tax Credit

- (a) An eligible claimant who owned the homestead on April 1 of the year in which the claim is filed shall be entitled to ~~an adjustment~~ a credit for prior year homestead property tax liability, amount determined as follows...

Sec. 5. 32 V.S.A. § 6066a(a) is amended to read:

- (a) Annually, the Commissioner shall determine the property tax ~~adjustment~~ credit amount under section 6066 of this title, related to a homestead owned by the claimant, based on prior year income, crediting property taxes paid the prior year. The Commissioner shall notify the municipality in which the housesite is located of the amount of the property tax ~~adjustment~~ credit for the claimant for homestead property tax liabilities, on July 1 for timely filed claims and on November 1 for late claims filed by October 15. The tax adjustment of a claimant who was assessed property tax by a town which revised the

dates of its fiscal year, however, is the excess of the property tax which was assessed in the last 12 months of the revised fiscal year, over the adjusted property tax of the claimant for the revised fiscal year as determined under section 6066 of this title, related to a homestead owned by the claimant.