

**Sec. XX.**

32 V.S.A. §5825a(b) is amended to read:

32 V.S.A. § 5825a. Credit for Vermont higher education investment plan contributions

(b) A taxpayer who has received a credit under subsection (a) of this section shall repay to the Commissioner 10 percent of any distribution from a higher education investment plan account, up to a maximum of the total credits received by the taxpayer under subsection (a) of this section minus any amount of repayment of such credits in prior tax years- which distribution:

(i) is not used exclusively for costs of attendance at an approved postsecondary education institution as defined in 16 V.S.A. § 2822(6), ~~up to a maximum of the total credits received by the taxpayer under subsection (a) of this section minus any amount of repayment of such credits in prior tax years. ;~~

(ii) qualifies as expenses associated with registered apprenticeship programs pursuant to 26 U.S.C. 529(c)(8) or education loan repayments pursuant to 26 U.S.C. 529(c)(9); or

(iii) is made after the death of the beneficiary or after the beneficiary becomes disabled within the meaning of 26 U.S.C. 72(q)(2)(c) and 72(m)(7).

(iv) Repayments under this subsection shall be subject to assessment, notice, penalty and interest, collection, and other administration in the same manner as an income tax under this chapter.