1   H.756

2   Introduced by Representative Yantachka of Charlotte

3   Referred to Committee on

4   Date:

5   Subject: Sales and use tax; exemptions; cloud-based services

6   Statement of purpose of bill as introduced: This bill proposes to repeal the

7   sales and use tax exemption for charges to access prewritten computer software

8   remotely.

9   An act relating to repealing the sales and use tax exemption for cloud-based
10   services

11   It is hereby enacted by the General Assembly of the State of Vermont:

12   Sec. 1. 32 V.S.A. § 9771 is amended to read:

13   § 9771. IMPOSITION OF SALES TAX

14   Except as otherwise provided in this chapter, there is imposed a tax on retail

15   sales in this State. The tax shall be paid at the rate of six percent of the sales

16   price charged for but in no case shall any one transaction be taxed under more

17   than one of the following:

18   (1) tangible personal property;

19   * * *

1   (7) tangible personal property to an advertising agency for its use in

2   providing advertising services or creating advertising materials for transfer in

3   conjunction with the delivery of advertising service; or

4   (8) specified digital products transferred electronically to an end user

5   regardless of whether for permanent use or less than permanent use and

6   regardless of whether or not conditioned upon continued payment from the

7   purchaser; or

8   (9) remote access to prewritten computer software.

9   Sec. 2. REPEAL

10   2015 Acts and Resolves No. 51, Sec. G.8 (prewritten software accessed

11   remotely) is repealed.

12   Sec. 3. EFFECTIVE DATE

13   This act shall take effect on July 1, 2020.