

MISCELLANEOUS TAX BILL AS PROPOSED BY ADMINISTRATION

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1 municipality's most recent common level of appraisal. ~~The~~ Not earlier than
2 August 1, the legislative body in each municipality shall then bill each property
3 taxpayer at the homestead or nonhomestead rate determined by the
4 Commissioner under this subdivision, multiplied by the education property tax
5 grand list value of the property, properly classified as homestead or
6 nonhomestead property and without regard to any other tax classification of the
7 property. Statewide education property tax bills shall show the tax due and the
8 calculation of the rate determined under subsection (a) of this section, divided
9 by the municipality's most recent common level of appraisal, multiplied by the
10 current grand list value of the property to be taxed. Statewide education
11 property tax bills shall also include language provided by the Commissioner
12 pursuant to subsection 5405(g) of this title.

13 (2) Taxes assessed under this section shall be assessed and collected in
14 the same manner as taxes assessed under chapter 133 of this title with no tax
15 classification other than as homestead or nonhomestead property; provided,
16 however, that the tax levied under this chapter shall be billed to each taxpayer
17 by the municipality in a manner that clearly indicates the tax is separate from
18 any other tax assessed and collected under chapter 133, including an
19 itemization of the separate taxes due; and provided further, however, that
20 payments shall be due on or after September 1. The bill may be on a single
21 sheet of paper with the statewide education tax and other taxes presented
22 separately and side by side.

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* * *

Sec. X. 32 V.S.A. § 5402(b)(1) is amended to read:

(1) The Commissioner of Taxes shall determine for each municipality the education tax rates under subsection (a) of this section, divided by the municipality's most recent common level of appraisal. Not earlier than August 1, the legislative body in each municipality shall then bill each property taxpayer at the homestead or nonhomestead rate determined by the Commissioner under this subdivision, multiplied by the education property tax grand list value of the property, properly classified as homestead or nonhomestead property and without regard to any other tax classification of the property. The Commissioner shall determine the form and content of statewide education property tax bills, which shall show the tax due and the calculation of the rate determined under subsection (a) of this section, divided by the municipality's most recent common level of appraisal, multiplied by the current grand list value of the property to be taxed. Statewide education property tax bills shall also include language provided by the Commissioner pursuant to subsection 5405(g) of this title.

Sec. X. 32 V.S.A. § 5405(f) is amended to read:

(f) Within the limits of the resources available for that purpose, the Commissioner may employ such individuals, whether on a permanent, temporary, or contractual basis, as shall be necessary, in the judgment of the Commissioner, to aid in the performance of duties under this section. The

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1 Commissioner shall pay each municipality the sum of \$1.00 per grand list
2 parcel in the municipality, for services provided to the Commissioner in
3 connection with ~~his or her~~ the performance of duties under this section. Such
4 payment shall be made from the equalization and reappraisal account within
5 the Education Fund. Each municipality shall deposit payments received under
6 this subsection into a special fund that shall be used to support the preparation
7 of the education property tax grand list.

8 * * * Current Use * * *

9 Sec. X. 32 V.S.A. § 3752(10) is amended to read:

10 (10) “Owner” means the person who is the owner ~~of record~~ of any land
11 or the lessee under a perpetual lease as defined in subsection 3610(a) of this
12 title provided the term of the lease is for a minimum of 999 years exclusive of
13 renewals. When enrolled land is mortgaged, the mortgagor shall be deemed
14 the owner of the land for the purposes of this subchapter, until the mortgagee
15 takes possession, either by voluntary act of the mortgagor or foreclosure, after
16 which the mortgagee shall be deemed the owner.

17 * * * Income Sensitivity; Household Income * * *

18 Sec. X. 32 V.S.A. § 6061(5) is amended to read:

19 (5) “Modified adjusted gross income” means “federal adjusted gross
20 income”:

21 * * *

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1 (C) Without the inclusion of: any gifts from nongovernmental
2 sources other than those described in subdivision (B) of this subdivision (5);
3 surplus food or other relief in kind supplied by a governmental agency; or the
4 first \$6,500.00 of income earned by a full-time student who qualifies as a
5 dependent of the claimant under the federal Internal Revenue Code;
6 contributions to Simplified Employee Pension (SEP) plans made in the taxable
7 year; the first \$6,500.00 of income received by a person who qualifies as a
8 dependent of the claimant under the Internal Revenue Code and who is the
9 claimant's parent or adult child with a disability; any income attributable to
10 cancellation of debt; or payments made by the State pursuant to 33 V.S.A.
11 chapters 49 and 55 for foster care, or payments made by the State or an agency
12 designated in 18 V.S.A. § 8907 for adult foster care or to a family for the
13 support of a person who is eligible and who has a developmental disability. If
14 the Commissioner determines, upon application by the claimant, that a person
15 resides with a claimant who has a disability or was at least 62 years of age as
16 of the end of the year preceding the claim, for the primary purpose of
17 providing attendant care services (as defined in 33 V.S.A. § 6321) or
18 homemaker or companionship services, with or without compensation, which
19 allow the claimant to remain in his or her home or avoid institutionalization,
20 the Commissioner shall exclude that person's modified adjusted gross income
21 from the claimant's household income. The Commissioner may require that a

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1 certificate in a form satisfactory to him or her be submitted which supports the
2 claim.

3 * * *

4 * * * Property Tax Hearing Officer Per Diem * * *

5 Sec. X. 32 V.S.A. § 4465 is amended to read:

6 § 4465. APPOINTMENT OF PROPERTY VALUATION HEARING

7 OFFICER; OATH; PAY

8 When an appeal to the Director is not withdrawn, the Director shall refer the
9 appeal in writing to a person not employed by the Director, appointed by the
10 Director as hearing officer. The Director shall have the right to remove a
11 hearing officer for inefficiency, malfeasance in office, or other cause. In like
12 manner, the Director shall appoint a hearing officer to fill any vacancy created
13 by resignation, removal, or other cause. Before entering into their duties,
14 persons appointed as hearing officers shall take and subscribe the oath of the
15 office prescribed in the Constitution, which oath shall be filed with the
16 Director. The Director shall pay each hearing officer a sum not to exceed
17 ~~\$120.00~~ \$150.00 per diem for each day wherein hearings are held, together
18 with reasonable expenses as the Director may determine. A hearing officer
19 may subpoena witnesses, records, and documents in the manner provided by
20 law for serving subpoenas in civil actions and may administer oaths to
21 witnesses.

22

1 * * * Director of Property Valuation and Review * * *

2 Sec. X. CONFORMING REVISIONS

3 When preparing the Vermont Statutes Annotated for publication, the Office
4 of Legislative Council shall make the following revisions throughout the
5 statutes as needed, provided the revisions have no other effect on the meaning
6 of the affected statutes:

7 (1) replace “Director of Property Valuation and Review” with
8 “Commissioner of Taxes” or “Director” with “Commissioner” in Title 32; and

9 (2) make revisions that are substantially similar to those described in
10 subdivision (1) of this subsection in other titles of the Vermont Statutes
11 Annotated.

12 * * * Property Transfer Tax * * *

13 Sec. X. 32 V.S.A. § 9605(a) shall be amended to read:

14 (a) The tax imposed by this chapter shall be paid to the Commissioner ~~at~~
15 ~~the time of~~ within 30 days after transfer of title to property subject to the tax or,
16 in the case of a transfer or acquisition of a controlling interest in a person with
17 title to property for which a deed is not given, within 30 days after transfer or
18 acquisition.

19 * * * Sales and Use Tax * * *

20 Sec. X. 32 V.S.A. § 5870 shall be amended to read:

21 § 5870. REPORTING USE TAX ON INDIVIDUAL INCOME TAX

22 RETURNS

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

10 (b) The amount of use tax a taxpayer may elect to report under subsection
 11 (a) of this section shall be ~~0.10 percent of their adjusted gross income based on~~
 12 the taxpayer's adjusted gross income as determined by the following tables;
 13 provided, however, that a taxpayer shall not be required to pay more than
 14 ~~\$500.00~~ \$150.00 for use tax liability under this subsection, arising from total
 15 purchases of items with a purchase price of \$1,000.00 or less.

<u>If adjusted gross income is:</u>	<u>The tax is:</u>
<u>Not over \$10,000.00</u>	<u>\$1.00</u>
<u>\$10,001.00 to \$20,000.00</u>	<u>\$2.00</u>
<u>\$20,001.00 to \$30,000.00</u>	<u>\$4.00</u>
<u>\$30,001.00 to \$40,000.00</u>	<u>\$6.00</u>
<u>\$40,001.00 to \$50,000.00</u>	<u>\$8.00</u>
<u>\$50,001.00 to \$60,000.00</u>	<u>\$10.00</u>

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1	<u>\$60,001.00 to \$70,000.00</u>	<u>\$12.00</u>
2	<u>\$70,001.00 to \$80,000.00</u>	<u>\$14.00</u>
3	<u>\$80,001.00 to \$90,000.00</u>	<u>\$16.00</u>
4	<u>\$90,001.00 to \$100,000.00</u>	<u>\$18.00</u>
5	<u>\$100,001.00 and over</u>	<u>the lesser of \$150.00 or</u>
6	-	<u>0.02% of adjusted gross</u>
7	-	<u>income.</u>

8 Sec. X. 32 V.S.A. § 9701(9) is amended to read:

9 (9) "Vendor" means:

10 * * *

11 (F) A person making sales of tangible personal property from outside
12 this State to a destination within this State and not maintaining a place of
13 business or other physical presence in this State that:

14 (i) engages in regular, systematic, or seasonal solicitation of sales
15 of tangible personal property in this State:

16 (I) by the display of advertisements in this State;

17 (II) by the distribution of catalogues, periodicals, advertising
18 flyers, or other advertising by means of print, radio, or television media; or

19 (III) by mail, Internet, telephone, computer database, cable,
20 optic, cellular, or other communication systems, for the purpose of effecting
21 sales of tangible personal property; and

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1 (ii) has either made sales from outside this State to destinations
2 within this State of at least \$100,000.00, or totaling at least 200 individual
3 sales transactions, during ~~any~~ the 12-month period preceding the monthly
4 period with respect to which that person's liability for tax under this chapter is
5 determined.

6 * * *

7 (J) A marketplace facilitator who has facilitated sales by marketplace
8 sellers to destinations within this State of at least \$100,000.00, or totaling at
9 least 200 individual sales transactions, during ~~any~~ the 12-month period
10 preceding the monthly period with respect to which that person's liability for
11 tax under this chapter is determined.

12 (K) A marketplace seller who has combined sales to a destination
13 within this State and sales through a marketplace to a destination within this
14 State of at least \$100,000.00, or totaling at least 200 individual sales
15 transactions, during ~~any~~ the 12-month period preceding the monthly period
16 with respect to which that person's liability for tax under this chapter is
17 determined.

18 Sec. X. 32 V.S.A. § 9712(c) is amended to read:

19 (c) ~~Each noncollecting vendor shall file a copy of the notice required by~~
20 ~~subsection (b) with the Department of Taxes on or before January 31 of each~~
21 ~~year. The notice required by this subsection only apply to noncollecting~~
22 ~~vendors who made \$100,000.00 or more of sales into Vermont in the previous~~

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1 ~~calendar year. Failure to file a copy of the notice required by this subsection~~
2 ~~shall subject the noncollecting vendor to a penalty of \$10.00 for each failure,~~
3 ~~unless the noncollecting vendor shows reasonable cause. [Repealed.]~~

4 * * * Meals and Rooms Tax * * *

5 Sec. X. 32 V.S.A. § 9248 is amended to read:

6 § 9248. INFORMATIONAL REPORTING

7 ~~The Department of Taxes shall collect information on operators from~~
8 ~~persons providing an Internet platform for the short term rental of property for~~
9 ~~occupancy in this State. The information collected shall include any~~
10 ~~information the Commissioner shall require, and the name, address, and terms~~
11 ~~of the rental transactions of persons acting as operators through the Internet~~
12 ~~platform. The failure to provide information as required under this section~~
13 ~~shall subject the person operating the Internet platform to a fine of \$5.00 for~~
14 ~~each instance of failure. The Commissioner is authorized to adopt rules and~~
15 ~~procedures to implement this section. [Repealed.]~~

16 * * * Income Tax * * *

17 * * * Annual Link to Federal Statutes * * *

18 Sec. X. 32 V.S.A. § 5824 is amended to read:

19 § 5824. ADOPTION OF FEDERAL INCOME TAX LAWS

20 The statutes of the United States relating to the federal income tax, as in
21 effect on December 31, ~~2018~~ 2019, but without regard to federal income tax

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1 rates under 26 U.S.C. § 1, are hereby adopted for the purpose of computing the
2 tax liability under this chapter.

3 Sec. X. 32 V.S.A. § 7402(8) is amended to read:

4 (8) “Laws of the United States” means the U.S. Internal Revenue Code
5 of 1986, as amended through December 31, ~~2018~~ 2019. As used in this
6 chapter, “Internal Revenue Code” has the same meaning as “laws of the United
7 States” as defined in this subdivision.

8 * * * Refunds; Reversed Assessments * * *

9 Sec. X. 32 V.S.A. § 5884(a) is amended to read:

10 (a) At any time within three years after the date a return is required to be
11 filed under this chapter, six months from the date a tax liability is paid or
12 offset, or six months after a refund was received from the United States with
13 respect to an income tax liability, or an amount of taxable income, under the
14 laws of the United States, reported in a return filed under the laws of the
15 United States for the taxable year, with respect to which that return was filed
16 under this chapter, whichever is later, a taxpayer may petition the
17 Commissioner for the refund of all or any part of the amount of tax paid ~~with~~
18 ~~respect to the return~~. Unless the period is extended by agreement of the
19 Commissioner and the taxpayer, the Commissioner shall thereafter, upon
20 notice to the taxpayer, hold a hearing on the claim and shall notify the taxpayer
21 of his or her determination of the claim within 30 days of the hearing. The
22 failure of the Commissioner to refund the amount claimed by a taxpayer within

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1 six months of the date of the petition for the refund, under this subsection, shall
2 be considered to be a notification to the taxpayer of the Commissioner's
3 determination concerning the claim. The notification shall be considered to
4 have been given on the date of the expiration of the six-month period.

5 * * * Department of Taxes; Administration * * *

6 Sec. X. 32 V.S.A. § 3102(e) is amended to read:

7 (e) The Commissioner may, in his or her discretion and subject to such
8 conditions and requirements as he or she may provide, including any
9 confidentiality requirements of the Internal Revenue Service, disclose a return
10 or return information:

11 * * *

12 (18) To the Agency of Natural Resources, if such return or return
13 information relates to the tax on hazardous waste under chapter 237 of this
14 title, ~~or~~ to the franchise tax on waste facilities under chapter 151, subchapter 13
15 of this title, or to the beverage container deposit redemption system under 10
16 V.S.A. chapter 53.

17 * * *

18 Sec. X. 32 V.S.A. § 3202(b)(5) is amended to read:

19 (5) Fraudulent failure to pay. When a taxpayer fraudulently or with
20 willful intent to defeat or evade a tax liability imposed by this title, ~~either~~ fails
21 to pay a tax liability on the date prescribed therefor or requests or requests and
22 receives a refund of a tax liability, in addition to any interest payable pursuant

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1 to subsection (a) of this section, the Commissioner may assess and the taxpayer
2 shall then pay a penalty equal to the amount of the tax liability unpaid on the
3 prescribed date of payment or the amount requested or received as a refund
4 subsequent to that date.

5 Sec. X. 24 V.S.A. § 138(c) is amended to read:

6 (c) Any tax imposed under the authority of this section shall be collected
7 and administered by the Department of Taxes, in accordance with State law
8 governing such State tax or taxes; provided, however, that a sales tax imposed
9 under this section shall be collected on each sale that is subject to the Vermont
10 sales tax using a destination basis for taxation. Except with respect to taxes
11 collected on the sale of aviation jet fuel, a per-return fee of ~~\$5.96~~ \$4.00 shall
12 be assessed to compensate the Department for the costs of administration and
13 collection, 70 percent of which shall be borne by the municipality, and 30
14 percent of which shall be borne by the State to be paid from the PILOT Special
15 Fund. The fee shall be subject to the provisions of 32 V.S.A. § 605.

16
17 * * * Effective Dates * * *

18 Sec. X. EFFECTIVE DATES

19 This act shall take effect on passage except:

20 (1) Sec. X, 32 V.S.A. § 5402(b)(1) (property tax bill format) shall take
21 effect on January 1, 2022.

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1 (2) Notwithstanding 1 V.S.A. § 214, Secs. X, 32 V.S.A. § 6061(5)
2 (household income) and X, 32 V.S.A. § 5870 (use tax reporting) shall take
3 effect retroactively on January 1, 2020 and apply to taxable years beginning on
4 and after January 1, 2020.

5 (3) Notwithstanding 1 V.S.A. § 214, Secs. X-X (annual link-up to
6 federal statutes) shall take effect retroactively on January 1, 2020 and apply to
7 taxable years beginning on and after January 1, 2019.