

SECTION BY SECTION SUMMARY
Draft Miscellaneous Tax Bill – 3/10/20

Sec.	Tax Type	Notes
Education Property Tax		
1	32 V.S.A. § 4261 Allows towns to make corrections to grand list on or before Dec. 31 st .	✓
2	32 V.S.A. § 4342 Allows towns to request extension for filing grand list with the State without having to record extension with town clerk.	✓
3	32 V.S.A. § 5405(f) <ul style="list-style-type: none"> • Requires towns to segregate funds received from the State for the preparation of the education grand list. • Removes reference to equalization and reappraisal account, which was removed from Education Fund in 2018. 	✓
4	32 V.S.A. § 3752(10) Amends definition of “owner” for current use to align with general rule for property taxation, so that being the owner of record is not necessary.	✓
5	32 V.S.A. § 4465 Increase property tax hearing officer per diem from \$120/day to \$150/day.	✓
Property Transfer Tax		
6	32 V.S.A. § 9605(a) Property Transfer Tax payments are due within 30 days of transferring title to real property (by deed) or of transferring or acquiring controlling interests in a person with title to property for which a deed is not given (same as controlling interests return filing deadline).	✓
Sales and Use Tax		
7	32 V.S.A. § 5870 Decreases use tax safe harbor amounts due following 2018 and 2019 remote seller collection requirements (Wayfair and Act 46 of 2019 marketplace facilitators). Changes safe harbor calculation to 0.05% of AGI, and only applies to AGI over \$20K.	✓
8	32 V.S.A. § 9701(9) Amends time period for determining whether sales made into Vermont require a remote seller or marketplace facilitator to collect and remit Vermont sales tax.	✓

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9	32 V.S.A. § 9712 Repeals noncollecting vendor reporting requirement to the Dept. of Taxes. Does not remove requirement to report to purchasers.	✓
Universal Service Charge		
10	30 V.S.A. § 7521(e) Requires marketplace facilitators to collect universal service charge on prepaid calling cards at the same time they collect sales tax on behalf of marketplace sellers.	✓
Meals and Rooms Tax		
11	32 V.S.A. § 9248 Repeals short-term rental platform informational reporting to the Dept. of Taxes.	✓
Income Tax		
12-13	32 V.S.A. §§ 5824, 7402(8) Annual link to Federal Statutes for tax year 2019.	✓
14	32 V.S.A. § 5884(a) Extends statute of limitations for refunds of taxes paid during appeals (to prevent interest and penalties from accruing), or when refunds are used to offset other liabilities, when Dept. subsequently reverses its assessment.	✓
15	32 V.S.A. §5868 One-month extension for filing income tax returns when a taxpayer demonstrates that a federal filing extension has been granted.	✓
16	32 V.S.A. § 5866 Extends requirement that a taxpayer amend state income tax returns within 180 days of a federal audit, instead of 60 days.	✓
17	32 V.S.A. § 5825a(b) Expands types of distributions from Vermont 529 accounts that will not trigger tax credit recapture. New allowable uses: expenses for registered apprenticeship programs and upon death or disability of beneficiary.	✓
Administrative Provisions		
18	32 V.S.A. § 3102(n) Beverage deposit redemption data reported to Dept. of Taxes is excluded from requirements of tax confidentiality, although data can only be	✓

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	disclosed in aggregate. ANR may receive data from Dept. of Taxes in disaggregated form for administration purposes.	
19	10 V.S.A. § 1530(e) Clarifies that beverage deposit redemption data reported to ANR and Dept. of Taxes is not confidential tax information protected under 32 V.S.A. § 3102. Dept. of Taxes may provide ANR data in disaggregated form for administration purposes.	✓
20	32 V.S.A. § 3202(b)(5) Authorizes Dept. of Taxes to impose penalties for fraudulent requests for refunds, even if refund is not issued.	✓
Public Service Billback Authority		
21	30 V.S.A. § 21 Expands authority for Dept. of Public Service and Public Utility Commission to bill applicants for costs of retaining outside personnel to review Sec. 248 applications. Allows public good certificate revocation, interest to be charged, use of outside collection agency, and use of tax offset program.	✓
Judiciary Fees – NEW		
22	24 V.S.A. § 1981(a) – NEW Repeals \$10 surcharge for failure to pay penalty after a hearing or default judgment. Judiciary currently collects surcharge and transfers collections to municipality where violation occurred.	
23	32 V.S.A. § 1431 – NEW Clarifies that default \$295 filing fee applies to motions to appeal decisions from the Probate Division of the Superior Court.	
Effective Dates		
24	Default effective date is upon passage.	
24(1)	32 V.S.A. § 5870 (use tax reporting) takes effect retroactively on January 1, 2020.	
24(2)	Annual link-up to federal statutes takes effect retroactively on January 1, 2020 and applies to taxable years beginning on and after January 1, 2019.	
Administration’s Proposals Removed		
	32 V.S.A. § 5402(b)(1)	

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Commissioner will determine format for presenting specific listed information on education property tax bills, eff. Jan. 1, 2022.	
32 V.S.A. § 6061(5) Amends income sensitivity property tax credit definition of household income/modified AGI to exclude contributions to Simplified Employee Pension plans made in the taxable year.	
Conforming revisions throughout Vermont Statutes Annotated to replace references to Director of Property Valuation and Review with Commissioner of Taxes.	
32 V.S.A. § 5402(b) Requires towns to start annual billing on or after August 1 (not before) and to require payments on or after September 1.	
24 V.S.A. § 138(c) Reduces per return fee for administration of local option taxes from \$5.96 to \$4.00.	
32 V.S.A. § 9271 Meals and rooms tax booking agent change, amending “which” to “that.” H.788, Technical Corrections Bill, Sec. 61.	
32 V.S.A. § 9202 Meals and rooms tax, exclusions from definition of taxable meal; amends reference to repealed federal statute. To be added to H.788, Technical Corrections Bill.	
Amends Act 51 of 2019 market-based sourcing effective date to clarify that it applied to tax years starting on or after January 1, 2020. H, 760, Sec. 61, Budget Adjustment Act.	