

**SECTION BY SECTION SUMMARY**  
**Miscellaneous Tax Bill as Voted by Committee – 5/12/20**

| Sec.                          | Tax Type                                                                                                                                                                                                                                                                                                     | Notes |
|-------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| <b>Education Property Tax</b> |                                                                                                                                                                                                                                                                                                              |       |
| <b>1</b>                      | 32 V.S.A. § 4261<br>Allows one additional day for towns to make corrections to grand list: Dec. 31 <sup>st</sup> (currently corrections must be made before Dec. 31 <sup>st</sup> ).                                                                                                                         |       |
| <b>2</b>                      | 32 V.S.A. § 4342<br>Allows towns to request extension for filing grand list with the State without having to record extension with town clerk.                                                                                                                                                               |       |
| <b>3</b>                      | 32 V.S.A. § 5405(f) <ul style="list-style-type: none"> <li>• Requires towns to segregate funds received from the State for the preparation of the education grand list.</li> <li>• Removes reference to equalization and reappraisal account, which was removed from Education Fund in 2018.</li> </ul>      |       |
| <b>4</b>                      | Requires Dept. of Taxes to submit plan to General Assembly on Jan. 15, 2021 to transition responsibility for billing and collection of statewide education property tax from municipalities to Dept.                                                                                                         |       |
| <b>5</b>                      | 32 V.S.A. § 3752(10)<br>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.                                                                                                                                   |       |
| <b>6</b>                      | 32 V.S.A. § 4465<br>Increase property tax hearing officer per diem from \$120/day to \$150/day.                                                                                                                                                                                                              |       |
| <b>Property Transfer Tax</b>  |                                                                                                                                                                                                                                                                                                              |       |
| <b>7</b>                      | 32 V.S.A. § 9605(a)<br>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). |       |
| <b>Sales and Use Tax</b>      |                                                                                                                                                                                                                                                                                                              |       |
| <b>8</b>                      | 32 V.S.A. § 5870<br>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.                                      |       |

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| <b>9</b>                        | 32 V.S.A. § 9701(9)<br>Amends time period for determining whether sales made into Vermont require a remote seller or marketplace facilitator to collect and remit Vermont sales tax.                                                                     |  |
| <b>10</b>                       | 32 V.S.A. § 9712<br>Repeals noncollecting vendor reporting requirement to the Dept. of Taxes. Does not remove requirement to report to purchasers.                                                                                                       |  |
| <b>Universal Service Charge</b> |                                                                                                                                                                                                                                                          |  |
| <b>11</b>                       | 30 V.S.A. § 7521(e)<br>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.                                                          |  |
| <b>Meals and Rooms Tax</b>      |                                                                                                                                                                                                                                                          |  |
| <b>12</b>                       | 32 V.S.A. § 9248<br>Repeals short-term rental platform informational reporting to the Dept. of Taxes.                                                                                                                                                    |  |
| <b>Income Tax</b>               |                                                                                                                                                                                                                                                          |  |
| <b>13-14</b>                    | 32 V.S.A. §§ 5824 and 7402(8)<br>Annual link to federal statutes for tax year 2019. See effective dates.                                                                                                                                                 |  |
| <b>15</b>                       | 32 V.S.A. § 5884(a)<br>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. |  |
| <b>16</b>                       | Extends statute of limitations for petitions for tax year 2016 refunds from April 15 to July 15, 2020.                                                                                                                                                   |  |
| <b>17</b>                       | 32 V.S.A. § 5866<br>Extends requirement that a taxpayer amend state income tax returns within 180 days of a federal audit, instead of 60 days.                                                                                                           |  |
| <b>18</b>                       | 32 V.S.A. § 5868<br>Vermont income tax filing deadline is automatically extended for both individual and corporate taxpayers upon an automatic or good cause extension at the federal level. Corporations are also allowed one additional month to file. |  |

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| <b>19</b>                                | 32 V.S.A. § 5825a(b)<br>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.                                                                                  |  |
| <b>Administrative Provisions</b>         |                                                                                                                                                                                                                                                                                                                                |  |
| <b>20</b>                                | 32 V.S.A. § 3102(n)<br>Beverage deposit redemption data reported to Dept. of Taxes is excluded from requirements of tax confidentiality, although data can only be disclosed in aggregate. ANR may receive data from Dept. of Taxes in disaggregated form for administration purposes.                                         |  |
| <b>21</b>                                | 10 V.S.A. § 1530(e)<br>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.                                                         |  |
| <b>22</b>                                | 32 V.S.A. § 3202(b)(5)<br>Authorizes Dept. of Taxes to impose penalties for fraudulent requests for refunds, even if refund is not issued.                                                                                                                                                                                     |  |
| <b>Public Service Billback Authority</b> |                                                                                                                                                                                                                                                                                                                                |  |
| <b>23</b>                                | 30 V.S.A. § 21<br>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. |  |
| <b>Judiciary Branch Fees</b>             |                                                                                                                                                                                                                                                                                                                                |  |
| <b>24</b>                                | 24 V.S.A. § 1981(a)<br>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.                                                                                                       |  |
| <b>25</b>                                | 32 V.S.A. § 1431<br>Clarifies that default \$295 filing fee applies to motions to appeal decisions from the Probate Division of the Superior Court.                                                                                                                                                                            |  |

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| <b>Effective Dates</b> |                                                                                                                           |  |
|------------------------|---------------------------------------------------------------------------------------------------------------------------|--|
| <b>26</b>              | Default effective date is upon passage.                                                                                   |  |
| <b>26(1)</b>           | 32 V.S.A. § 5870 (use tax reporting) takes effect retroactively on January 1, 2020.                                       |  |
| <b>26(2)</b>           | Annual link to federal statutes takes effect retroactively on January 1, 2020 and applies beginning in taxable year 2019. |  |
| <b>26(3)</b>           | Extension of statute of limitations for tax year 2016 refund requests takes effect retroactively on April 15, 2020.       |  |