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H. 934 Renter Rebate Reform Impact Analysis

Who won't be eligible for a credit under the reform proposal?

- Anyone whose prior year income was over the “very low income level” which is 50% of the median (by county by family size) as determined by HUD

HUD FY19 Very Low Income Limits					
County	Family Size				
	1	2	3	4	5
Chittenden	\$ 32,100	\$ 36,650	\$ 41,250	\$ 45,800	\$ 49,500
Washington	\$ 27,550	\$ 31,500	\$ 35,450	\$ 39,350	\$ 42,500
Addison	\$ 27,300	\$ 31,200	\$ 35,100	\$ 38,950	\$ 42,100
Windsor	\$ 26,650	\$ 30,450	\$ 34,250	\$ 38,050	\$ 41,100
*Franklin, Grand Isle	\$ 26,650	\$ 30,450	\$ 34,250	\$ 38,050	\$ 41,100
All other counties	\$ 25,800	\$ 29,450	\$ 33,150	\$ 36,800	\$ 39,750
Franklin and Grand Isle are calculated separately as statewide averages					
Note: FY20 amounts have not been released yet but will probably be slightly higher					

Which 2018 recipients would have been ineligible had the reform proposal been law?

2018 Recipients Who Would Have Been Ineligible Under the Reform Proposal				
	Size of Household			
Household Income	1	2	3	4 or more
Less Than 10,000	-	-	-	-
10,000 to 20,000	20	-	-	-
20,000 to 30,000	510	70	-	-
30,000 to 40,000	1,060	270	60	30
Over 40,000	380	120	40	30
Grand Total	1,970	450	100	70

Above Recipients Whose 2018 Rebate Was \$500 Or More				
	Size of Household			
Household Income	1	2	3	4 or more
Less Than 10,000	-	-	-	-
10,000 to 20,000	10	-	-	-
20,000 to 30,000	230	30	-	-
30,000 to 40,000	520	130	30	10
Over 40,000	200	70	30	20
Grand Total	970	230	60	30

Impact by Income and Household Size

Change in Average Renter Rebate by Household Size and Household Income					
Household Income	Size of Household				Row AVG
	1	2	3	4 or more	
Less Than 10,000	\$ 100	\$ 300	\$ 300	\$ 100	\$ 100
10,000 to 20,000	\$ 250	\$ 350	\$ 650	\$ 450	\$ 300
20,000 to 30,000	\$ (150)	\$ 100	\$ 400	\$ 700	\$ -
30,000 to 40,000	\$ (450)	\$ (200)	\$ -	\$ 250	\$ (300)
Over 40,000	\$ (400)	\$ 50	\$ 200	\$ 300	\$ (50)
Column AVG	\$ (50)	\$ 100	\$ 300	\$ 450	\$ 50
Household Income categorization is based on current law definition of household income					

Estimated (FY21) Total Claimant Count by Household Size and Household Income					
Household Income	Size of Household				Total
	1	2	3	4 or more	
Less Than 10,000	2,200	200	100	100	2,600
10,000 to 20,000	3,600	600	200	200	4,600
20,000 to 30,000	2,800	900	400	300	4,400
30,000 to 40,000	1,800	700	300	300	3,100
Over 40,000	700	700	200	300	1,900
Total	11,000	3,100	1,300	1,100	16,500
Reflects roughly 14,900 current law claimants and estimated 1,600 new recipients					

Impact by Income and Monthly Rent

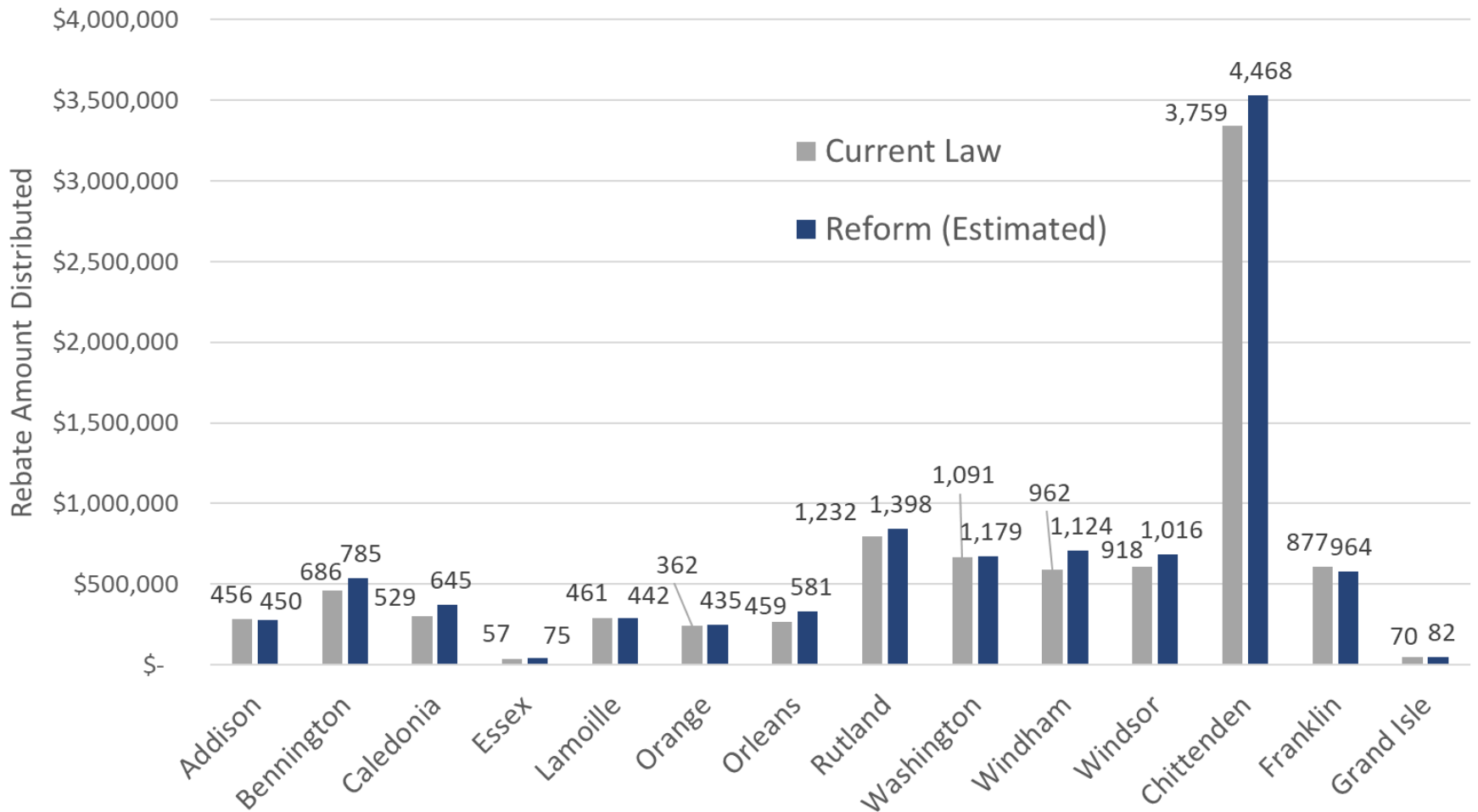
Change in Average Renter Rebate by Monthly Rent Paid and Household Income						
	Monthly Rent Paid					
Household Income	Less Than 500	500 to 1000	1000 to 1500	1500 to 2000	Over 2000	Row AVG
Less Than 10,000	\$ 100	\$ 150	\$ 150	\$ 100	\$ -	\$ 100
10,000 to 20,000	\$ 400	\$ 250	\$ (300)	\$ (350)	\$ (1,050)	\$ 300
20,000 to 30,000	\$ 400	\$ 100	\$ (500)	\$ (1,100)	\$ (1,300)	\$ -
30,000 to 40,000	\$ 150	\$ (50)	\$ (550)	\$ (1,400)	\$ (2,150)	\$ (300)
Over 40,000	\$ 200	\$ 150	\$ (150)	\$ (550)	\$ (750)	\$ (50)
Column AVG	\$ 300	\$ 100	\$ (350)	\$ (900)	\$ (1,150)	\$ 50
Rent amounts are "contract rent" or rent paid solely for the right of occupancy						

Estimated (FY21) Total Claimant Count by Monthly Rent Paid and Household Income						
	Monthly Rent Paid					
Household Income	Less Than 500	500 to 1000	1000 to 1500	1500 to 2000	Over 2000	Total
Less Than 10,000	2,000	420	70	10	-	2,490
10,000 to 20,000	2,290	1,980	230	50	20	4,580
20,000 to 30,000	660	2,970	640	90	30	4,390
30,000 to 40,000	150	1,840	940	140	40	3,110
Over 40,000	70	770	870	160	90	1,960
Total	5,180	7,980	2,750	450	180	16,530
Reflects roughly 14,900 current law claimants and an estimated 1,600 new recipients						
Cells may not add up to totals due to rounding and/or suppression						

County Impacts

Expected FY21 Renter Rebate Amount Distributed by County

counts above bars are total recipients



How is the income definition different in H.934 vs. current law?

Income Comparison: H. 934 vs. Current Law	
H. 934	Current Law
By Filer	By Household
75% of non-taxable social security included	100% of non-taxable social security included
All business losses added back	Business loss may offset a capital gain on same business
None of the "adjustments to income" that are part of federal AGI are allowed	Allows subtraction of business expenses for reservists, alimony paid (for divorces before 12/31/17), self-employed health insurance deduction, HSA deduction
	Allows subtraction of employment taxes or self-employment taxes paid
	Includes alimony received, child support, cash public assistance, gifts over \$6,500, and state support money
	Includes cost of living allowances paid to federal employees, federal pension and annuity benefits, and allowances received by dependents of servicemen and women
	Includes non-taxable Roth IRA distributions from earnings and non-taxable bond income
	Includes loss-of-time insurance and non-taxable workers comp
	Allows subtraction of child support paid, the first \$6,500 earned of any dependent who is disabled or a full time student, and income from the cancellation of debt
	Double count any interest and dividends over \$10,000 for household members under 65