

Section-by-Section – Misc. Tax Bill

Sec. #	Title & Summary	Proposed Language	Fiscal estimates &/or Notes
Current Use			
	<p>Fix current use definition, closing date vs. recording date, for consistency 32 V.S.A. § 3752</p> <ul style="list-style-type: none"> Refer to definition of owner as "last owner or possessor thereof on April 1" as it appears in 32 V.S.A. § 3651. Use closing date not recording date. 	<p>32 V.S.A. §3752(10) is amended to read:</p> <p>(10) "Owner" means the person who is the owner of record of any land or the lessee under a perpetual lease as defined in subsection 3610(a) of this title provided the term of the lease is for a minimum of 999 years exclusive of renewals. When enrolled land is mortgaged, the mortgagor shall be deemed the owner of the land for the purposes of this subchapter, until the mortgagee takes possession, either by voluntary act of the mortgagor or foreclosure, after which the mortgagee shall be deemed the owner.</p>	
Education Property Tax			
	<p>Correcting omissions from the grand list can be done on or before December 31 32 V.S.A. § 4261</p> <ul style="list-style-type: none"> Language in statute is incorrect 	<p>32 V.S.A. § 4261 is amended to read:</p> <p>When real or personal estate is omitted from the grand list by mistake, or an obvious error is found, the listers, with the approval of the Selectboard, <u>on or before</u> December 31, may supply such omissions or correct such errors and make a certificate thereon of the fact; provided, however, the listers may make a correction resulting from the filing or rescission of a homestead declaration without approval of the Selectboard.</p>	
	<p>Eliminate recording of extension letter in the Clerk's office 32 V.S.A. § 4342</p> <ul style="list-style-type: none"> Remove language: "and shall be recorded in the office of the town clerk." This section will also require changing reference to Director to "Commissioner" 	<p>32 V.S.A. § 4342 is amended to read:</p> <p>On written application therefor made by the listers or assessors of any town, with the approval of the Selectboard of the town or mayor of the city, the several dates fixed by law and extended by the preceding section or the charter of any municipal corporation, on or before which certain acts must be done relating to duties of listers and assessors, may be further extended by the <u>Commissioner</u> Director and such extensions shall be in writing. and shall be recorded in the office of the town clerk.</p>	

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	<p>Standardize billing cycle for tax bills from municipalities 32 V.S.A. § 5402(b)</p> <ul style="list-style-type: none"> • Tax bills should not be printed until 8/1 to allow AOE time to calculate rates and reappraisals to be completed. Make payments due no earlier than 9/1. • Alternatively, specify that the Department "has a minimum of 30 days after a town passes its budget." 	<p>32 V.S.A. § 5402(b) is amended to read:</p> <p>(b) The statewide education tax shall be calculated as follows:</p> <p>(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. The <u>No earlier than August 1, the</u> 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. <u>The Commissioner of Taxes shall determine the form and content of Statewide 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.</u></p> <p>(2) Taxes assessed under this section shall be assessed and collected in the same manner as taxes assessed under chapter 133 of this title with no tax classification other than as homestead or nonhomestead property; provided, however, that the tax levied under this chapter shall be billed to each taxpayer by the municipality in a manner that clearly indicates the tax is separate from any other tax assessed and collected under chapter 133, including an itemization of the separate taxes due; <u>and provided further, however, that payments shall be due on or after September 1.</u> The bill may be on a single sheet of paper with the</p>	

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		statewide education tax and other taxes presented separately and side by side. * * *	
	<p>Standardize the look/format of tax bills 32 V.S.A. § 5402(b)</p> <ul style="list-style-type: none"> The responsibility for creating the format/template for tax bills (property and municipal) should be given to the Tax Department. This would create consistency across towns and help to increase simplicity and understanding for taxpayers and the town and tax representatives who often explain tax bills to taxpayers. 	<p>32 V.S.A. § 5402(b) is amended to read:</p> <p>(b) The statewide education tax shall be calculated as follows:</p> <p>(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. The <u>No 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. <u>The Commissioner of Taxes shall determine the form and content of Statewide 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.</u></u></p> <p>(2) Taxes assessed under this section shall be assessed and collected in the same manner as taxes assessed under chapter 133 of this title with no tax classification other than as homestead or nonhomestead property; provided, however, that the tax levied under this chapter shall be billed to each taxpayer by the municipality in a manner that clearly indicates the tax is separate from any other tax assessed and collected under chapter 133, including an itemization of the separate taxes due; <u>and</u></p>	

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		<p><u>provided further, however, that payments shall be due on or after September 1.</u> The bill may be on a single sheet of paper with the statewide education tax and other taxes presented separately and side by side.</p>	
	<p>Designate that funds/municipal payments for listing officers must be maintained in a separate fund by municipalities 32 V.S.A. §5405(f)</p> <ul style="list-style-type: none"> Legislative language should be strengthened to ensure that funds are maintained separately by municipalities By designating and maintaining funds specifically for that purpose, this ensures that the proper amount of taxes are collected by supporting the proper construction of the education grand list. 	<p>32 V.S.A. § 5405(f) is amended to read:</p> <p>5405. Determination of equalized education property tax grand list and coefficient of dispersion</p> <p>(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 Commissioner shall pay each municipality the sum of \$1.00 per grand list parcel in the municipality, for services provided to the Commissioner in connection with his or her duties under this section. Such payment shall be made from the equalization and reappraisal account within the Education Fund. <u>Such payments received shall be held by the municipality in a fund specifically designated for the of purpose of supporting construction of the education grand list.</u></p>	
Sales and Use Tax			
	<p>Reduce local option tax fee per-return from \$5.96 to \$4.00 24 V.S.A. § 138(c)</p> <ul style="list-style-type: none"> A change to \$2.83 per return was proposed in 2019 but did not progress past introduction. 	<p>24 V.S.A. § 138(c) is amended to read:</p> <p>(c) Any tax imposed under the authority of this section shall be collected and administered by the Department of Taxes, in accordance with State law governing such State tax or taxes; provided, however, that a sales tax imposed under this section shall be collected on each sale that is</p>	Possibly move to Fee Bill

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	<ul style="list-style-type: none"> Based on most recent calculation of actual costs 	<p>subject to the Vermont sales tax using a destination basis for taxation. Except with respect to taxes collected on the sale of aviation jet fuel, a per-return fee of \$5.96 <u>4.00</u> shall be assessed to compensate the Department for the costs of administration and collection, 70 percent of which shall be borne by the municipality, and 30 percent of which shall be borne by the State to be paid from the PILOT Special Fund. The fee shall be subject to the provisions of 32 V.S.A. § 605.</p>															
	<p>Update the safe harbor/use tax tables 32 V.S.A. § 5870</p> <ul style="list-style-type: none"> Adjust Use Tax tables to account for increased sales tax collections caused by the Wayfair decision and marketplace legislation passed in 2019. 	<p>32 V.S.A. §5870(b)</p> <p>§ 5870. Reporting use tax on individual income tax returns</p> <p style="text-align: center;">***</p> <p>(b) The amount of use tax a taxpayer may elect to report under subsection (a) of this section shall be <u>the following amounts based on the taxpayer's adjusted gross income</u>; 0.10 percent of their adjusted gross income; provided, however, that a taxpayer shall not be required to pay more than \$150.00 <u>500.00</u> for use tax liability under this subsection, arising from total purchases of items with a purchase price of \$1,000.00 or less.</p> <p style="text-align: center;"><u>If adjusted gross income is:</u> <u>The amount is:</u></p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;"><u>\$10,000 or less</u></td> <td style="text-align: center;"><u>\$1.00</u></td> </tr> <tr> <td style="text-align: center;"><u>\$10,001 to \$20,000</u></td> <td style="text-align: center;"><u>\$2.00</u></td> </tr> <tr> <td style="text-align: center;"><u>\$20,001 to \$30,000</u></td> <td style="text-align: center;"><u>\$4.00</u></td> </tr> <tr> <td style="text-align: center;"><u>\$30,001 to \$40,000</u></td> <td style="text-align: center;"><u>\$6.00</u></td> </tr> <tr> <td style="text-align: center;"><u>\$40,001 to \$50,000</u></td> <td style="text-align: center;"><u>\$8.00</u></td> </tr> <tr> <td style="text-align: center;"><u>\$50,001 to \$60,000</u></td> <td style="text-align: center;"><u>\$10.00</u></td> </tr> <tr> <td style="text-align: center;"><u>\$60,001 to \$70,000</u></td> <td style="text-align: center;"><u>\$12.00</u></td> </tr> </table>	<u>\$10,000 or less</u>	<u>\$1.00</u>	<u>\$10,001 to \$20,000</u>	<u>\$2.00</u>	<u>\$20,001 to \$30,000</u>	<u>\$4.00</u>	<u>\$30,001 to \$40,000</u>	<u>\$6.00</u>	<u>\$40,001 to \$50,000</u>	<u>\$8.00</u>	<u>\$50,001 to \$60,000</u>	<u>\$10.00</u>	<u>\$60,001 to \$70,000</u>	<u>\$12.00</u>	<p>Revenue loss is estimated at up to \$1.7M, or about 50% of what otherwise would be collected. It should be noted that cutting the tables in half in 2017, when paired with other outreach efforts, caused revenues to increase slightly.</p>
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		<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center; border-bottom: 1px solid black;">\$70,001 to \$80,000</td> <td style="text-align: center; border-bottom: 1px solid black;">\$14.00</td> </tr> <tr> <td style="text-align: center; border-bottom: 1px solid black;">\$80,001 to \$90,000</td> <td style="text-align: center; border-bottom: 1px solid black;">\$16.00</td> </tr> <tr> <td style="text-align: center; border-bottom: 1px solid black;">\$90,001 to \$100,000</td> <td style="text-align: center; border-bottom: 1px solid black;">\$18.00</td> </tr> <tr> <td style="text-align: center; border-bottom: 1px solid black;">\$100,001 and over</td> <td style="text-align: center; border-bottom: 1px solid black;">\$150 or .02% of adjusted gross income, whichever is less.</td> </tr> </table>	\$70,001 to \$80,000	\$14.00	\$80,001 to \$90,000	\$16.00	\$90,001 to \$100,000	\$18.00	\$100,001 and over	\$150 or .02% of adjusted gross income, whichever is less.	
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\$100,001 and over	\$150 or .02% of adjusted gross income, whichever is less.										
	<p>Technical correction to 9271 32 V.S.A. § 9271</p> <ul style="list-style-type: none"> This topic was flagged for Peter Griffin, Sen. Cummings and Rep. Ancel in August, 2019. In legislative drafting, someone improperly switched a "which" with a "that" in the 2019 changes to this section. 	<p>32 V.S.A. § 9271 is amended to read:</p> <p>... and a booking agent shall not be required to hold a separate license for each property the rental of that<u>which</u> it facilitates.”</p>									
	<p>Correction to conform to Wayfair South Dakota law 32 V.S.A. § 9701(9)(F)(ii)</p> <ul style="list-style-type: none"> This topic was flagged for Peter Griffin, Sen. Cummings and Rep. Ancel in August, 2019. The South Dakota law looks for economic nexus in the preceding 12-month period. Our law says during any 12-month period preceding the monthly period with respect to which that person's liability for tax under this chapter is determined. Our law is a little more expansive. 	<p>32 V.S.A. §9701(9)(F) is amended to read:</p> <p style="padding-left: 40px;">(F) A person making sales of tangible personal property from outside this State to a destination within this State and not maintaining a place of business or other physical presence in this State that:</p> <p style="padding-left: 80px;">(i) engages in regular, systematic, or seasonal solicitation of sales of tangible personal property in this State:</p> <p style="padding-left: 120px;">(I) by the display of advertisements in this State;</p> <p style="padding-left: 120px;">(II) by the distribution of catalogues, periodicals, advertising flyers, or other advertising by means of print, radio, or television media; or</p>									

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	<ul style="list-style-type: none"> We understand from Legislative Counsel and Chair of W&M that this was inadvertent, and we are administering the law as phrased in the South Dakota statute. 	<p style="text-align: center;">(III) by mail, Internet, telephone, computer database, cable, optic, cellular, or other communication systems, for the purpose of effecting sales of tangible personal property; and</p> <p style="text-align: center;">(ii) has either made sales from outside this State to destinations within this State of at least \$100,000.00, or totaling at least 200 individual sales transactions, during the any 12-month period preceding the monthly period with respect to which that person's liability for tax under this chapter is determined.</p> <p style="text-align: center;">(G) A person who has any other contact with this State that would allow this State to require the seller to collect and remit use tax under the provisions of the Constitution and laws of the United States.</p> <p style="text-align: center;">(H) A person who provides telecommunications service as defined in subdivision (19) of this section, except that "vendor" shall not include a person whose activities in this State are limited to the performance of any activities which, without more, would not constitute nexus for sales tax collection purposes, plus any or all of the following necessary to create or maintain a Worldwide Web page or Internet site for the person:</p> <p style="text-align: center;">(i) ownership of data or programming code in this State, or use of that data or programming code by another person or by a person not in this State;</p> <p style="text-align: center;">(ii) ownership of, or receipt of services from, computer servers in this State;</p>	

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		<p align="center">(iii) receipt of computer processing or web hosting services from a computer service provider or web hosting service in this State.</p> <p align="center">(I) For purposes of subdivision (C) of this subdivision (9), a person making sales that are taxable under this chapter shall be presumed to be soliciting business through an independent contractor, agent, or other representative if the person enters into an agreement with a resident of this State under which the resident, for a commission or other consideration, directly or indirectly refers potential customers, whether by a link on an Internet website or otherwise, to the person if the cumulative gross receipts from sales by the person to customers in the State who are referred to the person by all residents with this type of an agreement with the person are in excess of \$10,000.00 during the preceding tax year. For purposes of subdivision (C) of this subdivision (9), the presumption may be rebutted by proof that the resident with whom the person has an agreement did not engage in any solicitation in the State on behalf of the person that would satisfy the nexus requirements of the U.S. Constitution during the tax year in question.</p> <p align="center">(J) A marketplace facilitator who has facilitated sales by marketplace sellers to destinations within this State of at least \$100,000.00, or totaling at least 200 individual sales transactions, during the any 12-month period preceding the monthly period with respect to which that person's liability for tax under this chapter is determined.</p> <p align="center">(K) A marketplace seller who has combined sales to a destination within this State and sales through a marketplace to a destination within this State of at least \$100,000.00, or totaling at least 200 individual sales transactions, during the any 12-month period preceding the monthly</p>	

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		<p>period with respect to which that person's liability for tax under this chapter is determined.</p>	
	<p>Repeal non-collecting vendor reporting requirements 32 V.S.A. § 9712</p> <ul style="list-style-type: none"> With the Wayfair economic nexus test in 2018, and the marketplace facilitator law in 2019, the amount of use tax auditing will decline, and the utility of the non-collecting vendor data will not be helpful enough to administer this reporting program. 	<p align="center">* * * Sales and Use Tax; Noncollecting Vendors * * *</p> <p>Sec. X. 32 V.S.A. § 9712(c) is amended to read:</p> <p>(c) Each noncollecting vendor shall file a copy of the notice required by subsection (b) with the Department of Taxes on or before January 31 of each year. The notice required by this subsection only apply to noncollecting vendors who made \$100,000.00 or more of sales into Vermont in the previous calendar year. Failure to file a copy of the notice required by this subsection shall subject the noncollecting vendor to a penalty of \$10.00 for each failure, unless the noncollecting vendor shows reasonable cause. [Repealed.]</p>	
Meals and Rooms Tax			
	<p>Fix incorrect cross-reference in definition of taxable meal 32 V.S.A. § 9202(10)</p> <ul style="list-style-type: none"> There is an incorrect cross-reference to US Code (Older Americans Act) in the definition of taxable meal in 32 V.S.A. § 9202(10). The current statute refers to 42 U.S.C. chapter 35, subchapter VII on nutrition, which was repealed in 1978, and added to a different subchapter (42 U.S.C. chapter 35, subchapter III). 	<p>32 V.S.A. § 9202(10) is amended to read:</p> <p>(10) "Taxable meal" means:</p> <p align="center">* * *</p> <p>(D) "Taxable meal" shall not include:</p> <p align="center">* * *</p>	

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		<p align="center">(ii) Food or beverage, including that described in subdivision (10)(C) of this section:</p> <p align="center">* * *</p> <p align="center">(IX) provided to the elderly pursuant to the Older Americans Act, 42 U.S.C. chapter 35, subchapter VI <u>III</u>;</p> <p align="center">* * *</p>	
	<p>Repeal short term rental reporting 32 V.S.A. § 9248 Section 9248, requiring reporting by booking agents of transactions to the Department is no longer necessary as booking agents are now required to collect rooms tax.</p>	<p align="center">* * * Meals and Rooms Tax; Short-Term Rental Reporting* * *</p> <p>Sec. X. REPEALS</p> <p align="center"><u>32 V.S.A. § 9248 (short-term rental reporting requirements) is repealed.</u></p>	
Property Transfer Tax			
	<p>Change property transfer tax payment due date to 30 days 32 V.S.A. § 9605(a)</p> <ul style="list-style-type: none"> Changes the due date to be consistent with due date for real estate transaction tax creating administrative efficiencies. 	<p>Sec. X. 32 V.S.A. § 9605(a) shall be amended to read:</p> <p>(a) The tax imposed by this chapter shall be paid to the Commissioner at the time of <u>within 30 days after</u> transfer of title to property subject to the tax. <u>In the case of a transfer or acquisition of a controlling interest in a person with title to property for which a deed is not given, payment shall be due when a return is delivered pursuant to subdivision 9606(a)(2) of this chapter.</u></p>	
Household Income			
	<p>Allow for the deduction of contributions to SEP plans on HI-144 32 V.S.A. § 6061(5)(C)</p>	<p>32 V.S.A. § 6061(5)(C) is amended to read:</p>	<p>Estimated cost of the exemption of</p>

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	<ul style="list-style-type: none"> • Simplified Employee Pension (SEP) accounts are used by self-employed individuals and businesses with few employees as retirement accounts, instead of pensions or 401ks. ○ The IRS allows a deduction for contributions to SEPs but the distributions are taxable in the year they are taken. ○ Vermont does not currently allow a deduction from household income for the SEP in the year of the contribution and includes distributions in household income in the year they are taken. • In effect, this means that Vermont is including amounts in these accounts in household income twice. • Proposal: allow for the subtraction of SEP contributions from household income. • Also consider allowing the Commissioner to provide an abatement for such taxes. 	<p>(C) Without the inclusion of: any gifts from nongovernmental sources other than those described in subdivision (B) of this subdivision (5); surplus food or other relief in kind supplied by a governmental agency; or the first \$6,500.00 of income earned by a full-time student who qualifies as a dependent of the claimant under the federal Internal Revenue Code; <u>any contribution to Simplified Employee Pension (SEP) plans in the year in which the contribution is made</u>; the first \$6,500.00 of income received by a person who qualifies as a dependent of the claimant under the Internal Revenue Code and who is the claimant's parent or adult child with a disability; any income attributable to cancellation of debt; or payments made by the State pursuant to 33 V.S.A. chapters 49 and 55 for foster care, or payments made by the State or an agency designated in 18 V.S.A. § 8907 for adult foster care or to a family for the support of a person who is eligible and who has a developmental disability. If the Commissioner determines, upon application by the claimant, that a person resides with a claimant who has a disability or was at least 62 years of age as of the end of the year preceding the claim, for the primary purpose of providing attendant care services (as defined in 33 V.S.A. § 6321) or homemaker or companionship services, with or without compensation, which allow the claimant to remain in his or her home or avoid institutionalization, the Commissioner shall exclude that person's modified adjusted gross income from the claimant's household income. The Commissioner may require that a certificate in a form satisfactory to him or her be submitted which supports the claim.</p>	<p>Simplified Employee Pension (SEP) contributions from household income schedule is \$250K. This increase in property tax credit is distributed to approximately 1,000 claimants at an average change of \$250.</p>
Tax Administration; Appeals; Technical Changes			
	<p>Clarify effective date in BAA related to Market Based Sourcing Act 51, Sec. 41(3)</p>	<p>Act 51, Sec. 41(3) should have read:</p> <p style="text-align: center;">* * * Effective Dates * * *</p> <p>Sec. 41. EFFECTIVE DATES</p>	<p>See 32 V.S.A. § 5833</p>

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	<ul style="list-style-type: none"> This topic was flagged for Peter Griffin, Sen. Cummings and Rep. Ancel in August, 2019. We believe that it was the intention of the legislative body to make the effective date “on or after that date.” 	<p>This act shall take effect on passage, except: *** (3) Sec. 8 (market-based sourcing) shall take effect on January 1, 2020, and apply to tax years starting <u>on or</u> after that date. ***</p>	
	<p>Replace PVR Director with Commissioner Title 32 throughout</p> <ul style="list-style-type: none"> Change most references regarding reporting to Director of PVR to report to the Commissioner of Tax to accurately reflect chain of command and decision making authority at the Tax Department. 	<p>Document is too lengthy to include here. See attached document.</p>	
	<p>Confidentiality of tax records to cover administration of the beverage container deposit 32 V.S.A. §3102(e)(18)</p> <ul style="list-style-type: none"> Expansion of the disclosure provision for ANR to include administering the beverage container deposit redemption system. 	<p>32 V.S.A. §3102(e)(18) is amended to read:</p> <p>§ 3102. Confidentiality of tax records</p> <p>(e) The Commissioner may, in his or her discretion and subject to such conditions and requirements as he or she may provide, including any confidentiality requirements of the Internal Revenue Service, disclose a return or return information:</p> <p style="text-align: center;">***</p> <p>(18) To the Agency of Natural Resources, if such return or return information relates to the tax on hazardous waste under chapter 237 of this title, or to the franchise tax on waste facilities under chapter 151,</p>	

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		subchapter 13 of this title, <u>or to the administration of the Beverage container deposit redemption system under chapter 53 of title 10.</u>	
	<p>Allow Tax Department to penalize attempted refund fraud 32 V.S.A. § 3202(b)</p> <ul style="list-style-type: none"> Currently, the Department can only penalize successful refund fraud. A simple amendment to this section would allow the same penalty to be applied when fraud is attempted but not successful. Was also proposed in 2019. 	<p>Sec. X. 32 V.S.A. § 3202(b)(5) is amended to read:</p> <p style="padding-left: 40px;">(5) Fraudulent failure to pay. When a taxpayer fraudulently or with willful intent to defeat or evade a tax liability imposed by this title, either fails to pay a tax liability on the date prescribed therefor or requests <u>and/or</u> receives a refund of a tax liability, in addition to any interest payable pursuant to subsection (a) of this section, the Commissioner may assess and the taxpayer shall then pay a penalty equal to the amount of the tax liability unpaid on the prescribed date of payment or <u>the amount received or requested</u> as a refund subsequent to that date.</p>	
	<p>Increase pay for hearing officers from \$120 to \$150 per day. 32 V.S.A. § 4465</p> <ul style="list-style-type: none"> Also proposed in 2019 but did not progress past introduction. Is part of Tax Department’s budget request but requires statutory amendment. 	<p>Sec. X. 32 V.S.A. § 4465 is amended to read:</p> <p style="padding-left: 40px;">When an appeal to the Director is not withdrawn, the Director shall refer the appeal in writing to a person not employed by the Director, appointed by the Director as hearing officer. The Director shall have the right to remove a hearing officer for inefficiency, malfeasance in office, or other cause. In like manner, the Director shall appoint a hearing officer to fill any vacancy created by resignation, removal, or other cause. Before entering into their duties, persons appointed as hearing officers shall take and subscribe the oath of the office prescribed in the Constitution, which oath shall be filed with the Director. The Director shall pay each hearing officer a sum not to exceed \$120.00 <u>\$150.00</u> per diem for each day wherein hearings are held, together with reasonable expenses as the Director may determine. A hearing officer may subpoena witnesses, records, and documents in the manner provided by law for serving subpoenas in civil actions and may administer oaths to witnesses.</p>	<p>Estimated cost: \$2K - \$3K annually.</p>
	Annual Link to Federal Statutes	* * * Annual Link to Federal Statutes * * *	

Section-by-Section – Misc. Tax Bill

Sec. #	Title & Summary	Proposed Language	Fiscal estimates &/or Notes
	<p>32 V.S.A. § 5824 32 V.S.A. § 7402(8)</p> <ul style="list-style-type: none"> This is annual, must pass, legislation. Updates VT's tax laws to conform to federal tax law in effect 12/31/19. 	<p>32 V.S.A. § 5824 is amended to read:</p> <p>[Section 5824 shall apply to taxable years beginning on and after January 1, 2020 2019.]</p> <p>§ 5824. ADOPTION OF FEDERAL INCOME TAX LAWS</p> <p>The statutes of the United States relating to the federal income tax, as in effect on December 31, 2018 <u>2019</u>, but without regard to federal income tax rates under 26 U.S.C. § 1, are hereby adopted for the purpose of computing the tax liability under this chapter.</p> <p>32 V.S.A. § 7402(8) is amended to read:</p> <p>(8) "Laws of the United States" means the U.S. Internal Revenue Code of 1986, as amended through December 31, 20192018. As used in this chapter, "Internal Revenue Code" has the same meaning as "laws of the United States" as defined in this subdivision.</p>	
	<p>Allow for refund request for payment or offset for period outside of three-year statute of limitations when payment/offset is made due to a Department assessment that is subsequently reversed/reduced.</p> <p>32 V.S.A. § 5884</p> <ul style="list-style-type: none"> In some instances, while the Department and the taxpayer are working together to resolve an issue, the taxpayer will make a payment to 	<p>32 V.S.A. §5884(a) is amended to read:</p> <p>§ 5884. Refunds; petitions for refunds</p> <p>(a) At any time within three years after the date a return is required to be filed under this chapter, <u>six months from the date a tax is paid or paid by offset</u>, or six months after a refund was received from the United States with respect to an income tax liability, or an amount of taxable income, under the laws of the United States, reported in a return filed under the laws of the United States for the taxable year, with respect to which that</p>	

Section-by-Section – Misc. Tax Bill

Sec. #	Title & Summary	Proposed Language	Fiscal estimates &/or Notes
	<p>stop penalty and interest from running or the Department will offset a current year refund to pay off the assessment. Once the issue is resolved, if the 3- year statute of limitations has passed the taxpayer is not legally entitled to having that payment or offset refunded.</p> <ul style="list-style-type: none"> • Proposal: allow refunds to be issued if the payment or offset was made as the result of an incorrect assessment by the Department. 	<p>return was filed under this chapter, whichever is later, a taxpayer may petition the Commissioner for the refund of all or any part of the amount of tax paid with respect to the return <u>or payment</u>. Unless the period is extended by agreement of the Commissioner and the taxpayer, the Commissioner shall thereafter, upon notice to the taxpayer, hold a hearing on the claim and shall notify the taxpayer of his or her determination of the claim within 30 days of the hearing. The failure of the Commissioner to refund the amount claimed by a taxpayer within six months of the date of the petition for the refund, under this subsection, shall be considered to be a notification to the taxpayer of the Commissioner's determination concerning the claim. The notification shall be considered to have been given on the date of the expiration of the six-month period.</p>	
Effective Date			
	<p>Effective date Act takes effect on passage</p>		

Section-by-Section – Misc. Tax Bill